



Company No. 11126195

The Companies Act 2006

Private Company Limited by Shares

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ARTICLES OF ASSOCIATION

of

CHAMBERS GLOBAL HOLDINGS LIMITED

(the Company)

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adopted by Special Resolution on 11 May 2022

## Contents

Article	Page
1 Incorporation of Model Articles .....	1
2 Definitions and interpretation.....	1
3 Share Capital .....	1
4 Dividends .....	1
5 Redemption of Shares and purchase of own shares .....	1
6 Provisions on Realisation .....	2
7 Voting.....	4
8 Variation of class rights .....	5
9 Issue of Shares.....	7
10 Lien .....	10
11 Transfer of Shares .....	10
12 Permitted Transfers .....	12
13 Compulsory Transfers .....	14
14 Drag Along Option .....	20
15 Tag along.....	23
16 Valuation and Disputes.....	25
17 Investor Majority and Manager Majority decisions .....	25
18 General Meetings .....	26
19 Proceedings at general meetings and adjournment.....	26
20 Poll votes .....	26
21 Number of directors .....	27
22 Methods of appointing directors .....	27
23 Investor Directors .....	27
24 Alternate directors .....	28
25 Retirement of directors .....	30
26 Proceedings of directors .....	30
27 Unanimous decision of the Board and written resolutions .....	32
28 Directors' interests and conflict situations .....	32
29 Notices.....	35
30 Indemnity, insurance, gratuities and pensions .....	35
31 Share certificates etc .....	36
32 Subsidiary undertakings and reserves .....	36
33 Data protection .....	37
34 Relationship to Banking Documents .....	37
35 Change of name .....	37
36 Partly paid Shares etc .....	37
37 Forfeiture and surrender.....	40
38 Definitions and interpretation.....	42

## **1 Incorporation of Model Articles**

- 1.1 The regulations contained in the Model Articles will apply to the Company save insofar as they are excluded or varied by or are inconsistent with these Articles and such regulations (save as so excluded, varied or inconsistent) and these Articles will be the regulations of the Company.
- 1.2 Regulations 7, 8, 10, 11, 12, 13, 14, 21, 38, 44, 52 and 53 of the Model Articles will not apply to the Company.

## **2 Definitions and interpretation**

### **2.1 Interpretation**

These Articles will be interpreted in accordance with the provisions set out in Article 38 (Definitions and interpretation) unless the context otherwise requires.

### **2.2 Defined terms**

A number of terms used in these Articles are defined in Article 38 (Definitions and interpretation) and all such defined terms will apply throughout these Articles.

## **3 Share Capital**

- 3.1 Save with Investor Consent the issued share capital of the Company will not exceed £1,000 being, on the date of adoption of these Articles, £905, divided into 80,000 A Shares, 2,000 B Shares and 8,500 C Shares.
- 3.2 In these Articles, unless the context requires otherwise, references to Shares of a particular class will include Shares created and/or issued after the Investment Date and ranking pari passu in all respects (or in all respects except only as to the date from which those Shares rank for dividend) with the Shares of the relevant class then in issue.
- 3.3 Save as specified to the contrary in these Articles, the A Shares, the B Shares and the C Shares will rank pari passu in all respects but will constitute separate classes of Shares.

## **4 Dividends**

### **4.1 Investor approval**

Any dividend declared will require Investor Consent, but (subject to such consent being obtained) will be distributed pari passu amongst the holders of the A Shares, the holders of the B Shares and the holders of the C Shares as if they were Shares of the same class.

## **5 Redemption of Shares and purchase of own shares**

### **5.1 Redemption of Original Investors' Shares**

- (a) The Original Investors may at any time by notice to the Company in writing require redemption of such number of the A Shares held by them as is specified in such notice (the **Redemption Shares**), up to a maximum of 49.9% of the A Shares held by them.

- (b) Redemption of any Redemption Shares under this Article 5.1 shall be:
- (i) conditional on one or more Syndicatees subscribing for a number of A Shares equal to the number of Redemption Shares (the **Syndication Shares**) at an Issue Price equal to the Redemption Amount payable for the equivalent number of Redemption Shares to be redeemed; and
  - (ii) made immediately on (and out of the proceeds of) the issue by the Company of such Syndication Shares.
- (c) The Company shall pay to the Original Investors (or as they shall direct) on redemption of the Redemption Shares in accordance with this Article 5.1, a sum equal to the Redemption Amount for such Shares. Upon receipt of such amount, the Original Investors will deliver to the Company for cancellation the certificate for such Redemption Shares or an indemnity in form reasonably satisfactory to the Company in respect of any missing share certificate. If any share certificate delivered to the Company includes any Shares not redeemed at that time, the Company will immediately issue to the Original Investors at the same time a fresh certificate for the balance of their Shares that are not Redemption Shares without charge.
- (d) Subject to Article 5.1(e), all rights to any accrued but unpaid dividends on the Redemption Shares will be extinguished on the date of redemption under this Article 5.1.
- (e) Each Syndicatee will, notwithstanding the date on which any Syndication Shares are issued to him, and in addition to any rights under Article 4, be entitled to receive by way of dividend on the Syndication Shares subscribed by him an amount, in aggregate, equal to all declared but unpaid dividends to which the holders of the Redemption Shares redeemed from the proceeds of issue of such Syndication Shares would have been entitled if those Redemption Shares had not been redeemed under this Article 5.1.

## 5.2 **Purchase of own Shares**

The Company may, with Investor Consent, purchase its own shares, in accordance with section 692(1) of the CA 2006.

## 6 **Provisions on Realisation**

### 6.1 **Realisation**

Notwithstanding any other provision of these Articles, on a Realisation the provisions of this Article 6 will apply to determine the allocation of the Realisation Proceeds.

### 6.2 **Allocation of Realisation Proceeds: Sale or Winding Up**

On a Sale or Winding Up, the Realisation Proceeds will be allocated and distributed amongst the Members as follows:

- (a) first in paying to each Member holding any A Share an amount equal to the Issue Price of each A Share held by him together with any declared but unpaid dividends thereon calculated down to the Realisation Date;

- (b) next in paying to each Member holding any B Share an amount per B Share held by him equal to the amount per A Share paid to the holders of the A Shares under Article 6.2(a);
- (c) next in paying to each Member holding any C Share an amount equal per C Share held by him equal to the amount per A Share paid to the holders of the A Shares under Article 6.2(a); and
- (d) lastly in dividing any surplus between the holders of the Equity Shares (in each case pro rata as between such holders to their respective holdings of the relevant classes as if such Shares constituted a single class).

### **6.3 Allocation of Realisation Proceeds: Listing**

Immediately prior to and conditionally upon a Listing the Members will enter into such reorganisation of the share capital of the Company as may be agreed between an Investor Majority and a Manager Majority or, in default of such agreement, as an Investor Majority may reasonably specify, to ensure that the Realisation Proceeds are allocated between the Members in the same proportions as provided for in Article 6.2.

### **6.4 Deferred Consideration**

On each occasion on which any Deferred Consideration is actually received, the provisions of Article 6.2 will be reopened and reapplied as at the date of such receipt so as to include the Deferred Consideration Value as part of the Realisation Proceeds (for the avoidance of doubt, based on both the actual amount received for the purposes of such calculation). Such Deferred Consideration will be apportioned between the Members so as to reflect such revised calculation of the Realisation Proceeds, having regard to the Realisation Proceeds already allocated to them in respect of the previous application of Article 6.2, but provided always that no value already allocated will be reallocated (such that this Article 6.4 will only serve to allocate the Deferred Consideration later received).

### **6.5 Calculation of estimated Realisation Proceeds**

In the event that any Realisation is anticipated an Investor Majority will determine the Estimated Realisation Date and will procure that the calculations provided for in Article 6.2 are carried out by reference to such Estimated Realisation Date. The Board will notify the Members in writing of the results of such calculations not less than 7 days prior to the Estimated Realisation Date.

### **6.6 Recalculation of estimated Realisation Proceeds**

If, after calculation of the allocation of the Realisation Proceeds pursuant to Article 6.2 but before any Realisation Date, there is:

- (a) any change in the Realisation Proceeds; or
- (b) any delay in the occurrence of the Realisation Date such that it is expected to occur in the month following the month in which the Estimated Realisation Date falls,

the calculation set out in Article 6.5 will be repeated (as often as required) and the relevant amounts to be distributed amongst the Members will be confirmed to the Members prior to the Realisation.

## **6.7 Realisation arrangements to ensure compliance with this Article 6**

Upon any Realisation, the Members will enter into such agreements or arrangements as are reasonably determined by the Board (with Investor Consent) to be necessary to give effect to the provisions set out in this Article 6 (including, without limitation, such arrangements as are necessary to ensure that any Deferred Consideration is allocated in accordance with its terms following the Realisation Date).

## **7 Voting**

### **7.1 Voting rights - general**

Subject to any special rights or restrictions as to voting attached to any Shares by or in accordance with these Articles, Shares will carry votes as follows:

- (a) on a show of hands, every Member holding one or more Shares who (being an individual) is present in person or by proxy or (being a corporation) is present by a representative or by proxy, will have one vote;
- (b) on a poll, every Member who (being an individual) is present in person or by proxy or (being a corporation) is present by a representative or by proxy will have one vote for every Share of which he is the holder; and
- (c) on a written resolution, every Member holding one or more Shares as at the time on which the first copy of the resolution is sent or submitted to such Member in accordance with Chapter 2 of Part 13 of the CA 2006, will have one vote for every Share of which he is the holder.

### **7.2 Special voting arrangements - Underperformance Events**

Notwithstanding any other provision of these Articles, if:

- (a) any interest payable, or capital repayable, by the Company in respect of any Investor Loan Notes or Refinanceable Investor Loan Notes is at any time in arrears (whether payment of any such arrears would put the Company in breach of any provision set out in any Banking Document or not) by more than 7 days without Investor Consent; or
- (b) an Insolvency Event occurs or is reasonably considered by an Investor Majority to be at significant risk of occurring; or
- (c) there has at any time occurred any material and/or persistent breach or non-observance by the Company or any holder of a B Share and/or C Share of any of the provisions of the Investment Agreement or these Articles, and an Investor Majority has notified the Company in writing of such breach or non-observance specifying the steps (if any) which may be taken to remedy such breach, and either such breach cannot be remedied, or such steps are not taken within 7 days of such notification (as the case may be); or
- (d) the statutory audited accounts of any Group Company 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; or

- (e) any member of the Group is, or is reasonably considered by an Investor Majority to be at significant risk of becoming, either in breach of, or default in respect of, any of the terms of any Banking Document (including any financial or other covenants stated therein), and an Investor Majority has notified the Company in writing of such breach or default (or anticipated breach or default), specifying the steps (if any) which may be taken to remedy such situation, and either such situation cannot be remedied, or such steps are not taken within 7 days of such notification (as the case may be),

then in any such case an Investor Majority will be entitled to serve notice on the Company that each of the following provisions will apply (or, at an Investor Majority's direction, such of the following provisions as are stated in such notice):

- (i) the votes attached to the A Shares will be enhanced so as to entitle the holders of such A Shares as a class to exercise on a poll or in respect of any written resolution circulated to the Members entitled to receive the same 100% of the total number of votes attached to all Shares of any other class in issue on any resolution at any general meeting of the Company;
- (ii) the holders of any Shares in issue, other than the A Shares, will be deemed to grant any consent required of such holders (whether pursuant to these Articles, the Investment Agreement or otherwise) in respect of any matters to be considered at any such meetings or resolutions where an Investor Majority has so consented to such matters, and will not otherwise be entitled to give or withhold any such consent; and
- (iii) only the Investor Directors (and no other directors) will be entitled to count towards a quorum and to vote at meetings of the Board and at meetings of any committee of the Board in accordance with Article 26.9.

Such enhanced rights will cease to apply immediately upon receipt by the Company of a written notice from an Investor Majority stating that the relevant Underperformance Event has been remedied to the satisfaction of an Investor Majority.

## **8 Variation of class rights**

### **8.1 Variation of class rights - general**

- (a) Subject to Article 8.1(d), whenever the capital of the Company is divided into different classes of Shares, the special rights attached to any class may only be varied or abrogated, either whilst the Company is a going concern or during or in contemplation of a winding up, with the consent in writing of the holders of 75% or more of the issued Shares of that class or with the sanction of a special resolution passed at a separate meeting of the holders of the issued Shares of that class, but not otherwise. To every such separate meeting, all the provisions of these Articles relating to general meetings of the Company will apply (with such amendments as may be necessary to give such provisions efficacy).
- (b) Without prejudice to Article 0, no act or omission that is carried out to give effect to the provisions of the Investment Agreement or at any time whilst an Underperformance Event is subsisting will constitute a variation or abrogation of the class rights attaching to the B Shares or the C Shares.

- (c) The special rights conferred by the B Shares and the C Shares will not be deemed to be modified or abrogated by the creation or issue of further Shares ranking *pari passu* or in priority to or subordinate to the B Shares and/or the C Shares, provided that the provisions of Article 9 are adhered to in respect of the creation or issue of such Shares.
- (d) Notwithstanding any other provision of these Articles, the special rights conferred by the B Shares, and the C Shares may be varied or abrogated at any time with the consent in writing of a Manager Majority (and if such Manager Majority consent is obtained a separate consent shall accordingly not be required from the holder of Shares in any such class in respect of any variation to the rights of any or all of such classes).

## 8.2 Variation of class rights – A Shares

Without prejudice to the generality of their rights, the special rights attached to the A Shares will each be deemed to be varied at any time by any of the following occurring without the class consent of their holders and accordingly the Company will not do or procure the same without such consent:

- (a) an increase, reduction or other alteration in the issued share capital of the Company or any other member of the Group or a variation in the rights attaching to any class thereof (other than a redemption of Shares pursuant to Article 5);
- (b) the grant of an option to subscribe for shares in the Company or any other member of the Group or the issue of any securities or instruments convertible into any such shares;
- (c) other than pursuant to any Banking Document, the creation by the Company or any other member of the Group of any mortgage, charge, pledge, lien, encumbrance or other security interest (excluding an interest arising by operation of law in the Company's (or other relevant Group Company's) ordinary course of business or retention of title in the Company's (or other relevant Group Company's) ordinary course of trading);
- (d) the making of any material change (including cessation) in the nature of any Group Company or of the business of the Group taken as a whole;
- (e) the alteration of these Articles or of the articles of association of any Group Company;
- (f) the declaration or payment of any dividend or the making of any other distribution in respect of the profits, assets or reserves of any Group Company save for any required to be declared or paid under Article 4;
- (g) the institution of any proceedings for, or the passing of any resolution for or in preparation for, the winding up or administration of, or the appointment of an administrator for, the Company or any other member of the Group;
- (h) the appointment or removal of any director of any Group Company;
- (i) a Sale, Asset Sale or Listing, or the sale of, or admission to trading on the London Stock Exchange or any other Recognised Investment Exchange of, any Shares in the issued share capital of any other Group Company;
- (j) the change of the auditors of any Group Company or any entry into or variation of any liability limitation agreement (as defined by section 534 of the CA 2006) or similar arrangement with any auditor by any Group Company;



- (k) the registration or purported registration of any transfer of any Share or interest in any Share other than as expressly permitted by these Articles;
- (l) the exercise of the shareholders' reserve power pursuant to Model Article 4; and/or
- (m) the Company or any other Group Company incurring an obligation to do any of the foregoing.

## **9 Issue of Shares**

### **9.1 General Board power**

Subject to the CA 2006, and to the provisions of Article 8.2 and this Article 9, the directors may offer, allot, grant rights or warrants to subscribe for, grant options over, or otherwise deal with or dispose of unissued Shares to such persons and generally on such terms in such manner and at such times as they may determine.

### **9.2 Unallocated Shares**

The provisions of Article 9.5 will not apply to any allotment or issue of, or grant of options over, the Unallocated Shares and Acquisition Shares pursuant to and in accordance with the terms of the Investment Agreement.

### **9.3 Authority to allot shares**

Subject to Article 8.2 and this Article 9, the directors of the Company are hereby authorised pursuant to section 551 of the CA 2006 generally and unconditionally to exercise all the powers of the Company to allot Shares and to grant Allotment Rights, but so that:

- (a) this authority will expire on the day immediately preceding the fifth anniversary of the Investment Date; and
- (b) the maximum amount of Shares that may be allotted or made the subject of Allotment Rights under this authority are Shares which (when aggregated with each Share already in issue or otherwise allotted on the adoption of these Articles) have an aggregate nominal value equal to the limit on share capital stated in Article 3.1 (and disregarding any later consent to vary the same).

This authority revokes all (if any) prior unexercised authorities vested in the directors to allot Shares or to grant Allotment Rights.

### **9.4 Statutory pre-emption disapplied**

By virtue of section 567(1) of the CA 2006, the provisions of sections 561 and 562 of the CA 2006 will not apply to an allotment made by the Company of equity securities (as defined in section 560(1) of the CA 2006).

### **9.5 Pre-emption rights**

- (a) Subject to Articles 9.7 and 13.12(d), Shares may only be allotted, and Allotment Rights may only be granted, by the Company:
  - (i) if they are first offered to all holders of Equity Shares in proportion as nearly as possible to the numbers of Equity Shares held by them; or

- (ii) with the prior approval of the holders of not less than 75% of the voting rights attaching to the A Shares and 75% of the voting rights attaching to the B Shares and C Shares (together as if the same were one class of share).
- (b) It will be a term of any offer made pursuant to this Article 9.5 that the Members accepting such offer will also subscribe for the same proportion of other securities (whether in the form of debt or shares) which are at the same time offered to be issued by the Company or any other member of the Group as is equal to the proportion of the number of Shares being offered for which they subscribe, unless the Board (with Investor Consent) determines otherwise.
- (c) The Board with Investor Consent may (and shall, on receipt of a notice from an Investor Majority directing it to do so) include as a term of any offer made pursuant to this Article 9.5 that the Members will only be offered Equity Shares of the same class as they hold immediately prior to any such offer (and where any Member holds Equity Shares of more than one class, such Member will be offered Equity Shares of each class in the same proportions as his current holdings).
- (d) An offer under this Article 9.5 will be open for acceptance for at least 21 days after notice of it is given to the Members and in respect of such offer:
  - (i) Members who accept all the Shares offered to them (**acceptors**) will be entitled to indicate whether they would accept Shares not accepted by other offerees (**Excess Shares**), and any such Excess Shares will be allotted to such acceptors in the numbers in which they have been accepted by such acceptors or, if the number of Excess Shares is insufficient for all such acceptors to be allocated all the Excess Shares they have indicated they would accept, then the Excess Shares will be allocated amongst the acceptors as nearly as practicable in the proportion that the number of Equity Shares each such acceptor holds bears to the aggregate number of Equity Shares held by all such acceptors, provided that no acceptor shall be required to subscribe for more Excess Shares than the maximum number of Excess Shares that he has indicated he would accept pursuant to this Article 9.5(d) and so that the provisions of this Article 9.5(d)(i) 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; and
  - (ii) should any Excess Shares then remain, such Excess Shares will be issued to such persons, on such terms, as are determined by an Investor Majority who may (within the period of 3 months from the expiry of the last offer made under Article 9.5) direct the Company to allot, grant options over or otherwise dispose of those Shares to any person(s) and on any terms directed by an Investor Majority, but the price per share and other terms offered to such a person cannot be more favourable than the price and terms offered to the Members.
- (e) Article 9.5(d) will also apply (with the necessary changes) to the grant of any Allotment Rights.
- (f) A Relevant Member (and each other member of the Relevant Member's Group who holds Shares) will have no right of pre-emption in respect of his Compulsory Transfer Shares under this Article 9.5.

## 9.6 Payment terms on issue of Shares

Where the Board proposes to issue Shares to its Members it may under the terms on which Shares are offered to the Members permit the Company (subject to Investor Consent) to allot Shares in response to an acceptance received before the period for responding has expired and regardless of whether any other Member has responded to the offer. The Board may allot Shares accordingly.

## 9.7 Emergency Issue

- (a) To the extent that an Investor Majority proposes an Emergency Issue, then the Company does not need to make an offer under Article 9.5 and:
  - (i) each Member will consent to any Board or shareholder meetings of the Company or to any board, or other members' meetings of any other relevant Group Company being held on short notice, to implement that Emergency Issue;
  - (ii) each Member will exercise all voting rights and otherwise give any consent necessary (whether under these Articles, the Investment Agreement or otherwise) and whether in that Member's capacity as a Member or otherwise) to facilitate such Emergency Issue, and in particular will vote in favour of all resolutions proposed by the Board as a Member and, where applicable, (subject to his fiduciary duties) as a director or as a director of any other relevant Group Company or in any other capacity, which are required in order to implement that Emergency Issue; and
  - (iii) within 30 days of the Shares that are subject of the Emergency Issue having been subscribed for by the Investor Majority, the holders of the Equity Shares (excluding the Investor Majority) will be offered the opportunity (the **Catch-Up Offer**) to acquire from the Investor Majority those Shares which would have been offered to them if an offer had been made under Article 9.5 of such Shares as were subscribed for by the Investor Majority, for the same price as the price at which the Shares were issued.
- (b) It will be a term of any Catch-Up Offer that the Members accepting such offer will also purchase from the Subscribing Investor(s) the same proportion of other securities (whether in the form of debt or shares) in the Company or any other member of the Group which were subscribed for by the Subscribing Investor(s) pursuant to the Emergency Issue, unless the Board (with Investor Consent) determines otherwise.
- (c) If an Investor Majority proposes an Emergency Issue, each Member (other than the Members who form part of such Investor Majority) will be deemed by way of security to have irrevocably appointed each Member who forms part of such Investor Majority as his attorney to exercise all voting rights and otherwise give any consent necessary to facilitate such Emergency Issue (including the execution in the name of such holder of any written resolution of the Company).
- (d) Where any Shares are to be transferred from a Subscribing Investor to any Members who accept a Catch-Up Offer made in accordance with Article 9.7(a)(iii) then, unless the Board with Investor Consent resolve otherwise prior to any such transfer:
  - (i) (subject to Article 9.7(d)(iii)) any A Share so transferred to any Member who holds B Shares will be automatically and without requirement or resolution of the Board or the Members be redesignated as a B Share;

- (ii) (subject to Article 9.7(d)(iii)) any A Share so transferred to any Member who holds C Shares will be automatically and without requirement or resolution of the Board or the Members be redesignated as a C Share; and
- (iii) any A Share so transferred to any Member who holds B Shares and C Shares will be automatically and without requirement or resolution of the Board or the Members be redesignated as B Shares and C Shares in the same ratio as the relevant Member holds B Shares and C Shares immediately prior to such issue.

## **9.8 Miscellaneous provisions on allotment**

- (a) Nothing in this Article 9 will permit any allotment without any consent required under the Investment Agreement.
- (b) Notwithstanding any other provisions of this Article 9, no Shares will be allotted to any party not bound by the Investment Agreement unless that party has first entered into a Deed of Adherence and, if required by an Investor Majority, a valid election under Section 431(1) Income Tax (Earnings and Pensions) Act 2003.

## **10 Lien**

All Shares to be sold in the enforcement of the Company's lien or rights of forfeiture will be offered in accordance with Article 13 (Compulsory Transfers) as if a Compulsory Transfer Notice were deemed given in respect of such Shares.

## **11 Transfer of Shares**

### **11.1 Prohibited Transfers**

- (a) Any transfer of any Share or any interest in any Share will be void and have no effect, and the Board will not register the transfer of any Share or any interest in any Share, in each case, unless the transfer is either:
  - (i) a Permitted Transfer; or
  - (ii) a transfer made in accordance with Article 13 (Compulsory Transfers); or
  - (iii) a transfer made in accordance with Article 14 (Drag Along); or
  - (iv) a transfer made in accordance with Article 15 (Tag Along).
- (b) Notwithstanding any other provision of these Articles, no transfer of any Share will be made or registered if it is to:
  - (i) any minor, undischarged bankrupt, trustee in bankruptcy or person of unsound mind; or
  - (ii) any person (other than a Buyer or a Tag Buyer (as applicable) where the provisions set out in Articles 14 and/or 15 have been complied with) who has not executed a Deed of Adherence to, and in the manner required by, the Investment Agreement, unless not required to do so pursuant to the terms of the Investment Agreement.

## **11.2 Request for information**

- (a) The Board may from time to time (and will, if directed to do so by an Investor Majority) require any Member or any person named as transferee in any transfer lodged for registration to furnish to the Board and an Investor Majority such information and evidence as they reasonably deem relevant to determine whether a transfer of Shares has been or will be carried out in accordance with these Articles, or a Transfer Event has occurred.
- (b) Failing such information or evidence being furnished to the Board and an Investor Majority to their reasonable satisfaction within 10 Business Days after a request under Article 11.2(a), the Board may with Investor Consent (and will, if directed to do so by an Investor Majority) refuse to register the transfer in question or (where no transfer is in question) give a Compulsory Transfer Notice in respect of the Shares concerned.
- (c) If such information or evidence requested under Article 11.2(a) discloses to the reasonable satisfaction of the Board (with Investor Consent) that a Transfer Event has occurred, the Board may with Investor Consent (and will, if directed to do so by an Investor Majority) give a Compulsory Transfer Notice in respect of the Shares concerned.

## **11.3 Notice of refusal**

If the Board refuses to register a transfer of a Share they will, as soon as practicable and in any event within two months after the date on which the transfer was lodged with the Company, send to the transferee notice of the refusal.

## **11.4 Transfer of legal and beneficial interest**

An obligation to transfer a Share under these Articles will be deemed to be an obligation to transfer the entire legal and beneficial interest in such Share free from any lien, charge or other encumbrance.

## **11.5 Transmittees**

The Board may (and will, if directed to do so by an Investor Majority) at any time give notice requiring any person entitled to a Share or any interest in a Share by reason of the death or bankruptcy of a Member or otherwise by operation of law to elect either to be registered himself in respect of the Share or to transfer the Share and, if the notice is not complied with within 60 days, the Board may with Investor Consent (and will, if directed to do so by an Investor Majority) thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Share until the requirements of the notice have been complied with. Nothing in these Articles releases the estate of a deceased holder from any liability in respect of a Share solely or jointly held by that holder.

## **11.6 Miscellaneous provisions – transfer of Shares**

- (a) 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, unless the Share is fully paid, by and on behalf of the transferee.
- (b) No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any Share.

- (c) The Company may retain any instrument of transfer which is registered.
- (d) The transferor remains the holder of a Share until the transferee's name is entered in the register of Members as holder of it.

## **12 Permitted Transfers**

### **12.1 Transfers within groups of companies**

Any Member that is a body corporate (the Corporate Transferor) may at any time transfer any Shares held by it to a Member Of The Same Group (the **Corporate Transferee**), provided that where Shares have been so transferred (whether directly or by a series of such transfers) and subsequent to such transfer the Corporate Transferee ceases to be a Member Of The Same Group as the Corporate Transferor, the Corporate Transferee will immediately transfer all the Shares held by it to the Corporate Transferor or to another body corporate that is a Member Of The Same Group as the Corporate Transferor, for such consideration as they agree and if they do not do so within 20 Business Days of the date upon which the Corporate Transferee ceased to be a Member Of The Same Group the Board may, with Investor Consent, and will, if directed to do so by an Investor Majority, serve a Compulsory Transfer Notice in respect of such Shares.

### **12.2 Transfers by Investment Funds**

Any Shares held by or on behalf of an Investment Fund (which will include each Investor) may be transferred with Investor Consent to:

- (a) the Investment Fund for whom the Shares are held; or
- (b) any other Investment Fund which is managed or advised by the same manager or adviser as the transferor or by a manager or adviser which is a Member Of The Same Group as the transferor's manager or adviser; or
- (c) any unitholder, shareholder, partner or participant in, or manager or adviser (or an officer or employee, past or present, of such partner, manager or adviser) of that Investment Fund; or
- (d) the beneficial owner or owners in respect of which the transferor is a nominee or custodian; or
- (e) a Syndicatee in accordance with and to the extent permitted by clause 6 of the Investment Agreement; or
- (f) any manager or custodian or nominee or other person so authorised, to be held solely on behalf of any person referred to in Articles 12.2(a) to 12.2(e) above (both inclusive) but in respect of Article 12.2(e) only to the extent permitted by clause 6 of the Investment Agreement.

### **12.3 Transfers with consent**

A Member or beneficial owner of Shares may transfer its interest in Shares to any person at any time with Investor Consent.

## 12.4 Transfers to relations and Family Trusts

Any Member may transfer any Shares held by him to:

- (a) that Member's Privileged Relation(s); or
- (b) trustees to be held on a Family Trust of which that Member is the settlor,

provided always that:

- (c) a Member may not transfer (in aggregate) more than 50% of the aggregate number of Shares held by such Member, his Privileged Relations and the trustees of a Family Trust of which he is the settlor; and
- (d) prior to such a transfer, an Investor Majority has confirmed in writing to the Board that it is satisfied (in its discretion):
  - (i) that the proposed transferor will retain all voting rights over the Shares which are being transferred;
  - (ii) that the transferor has procured that if the relevant Privileged Relation or Family Trust ceases to be a Privileged Relation or Family Trust, the relevant Shares will transfer to another Privileged Relation or Family Trust, or back to the original Member;
  - (iii) in the case of a Family Trust, with the terms of the trust instrument and in particular with the powers of the trustees;
  - (iv) in the case of a Family Trust, with the identity of the proposed trustees;
  - (v) in the case of a Family Trust, that the proposed transfer will not result in 25% or more in the aggregate of the Company's equity share capital being held by trustees of the Family Trust and any other trusts;
  - (vi) with the results of any due diligence or other investigations carried out on the Privileged Relation and/or Family Trust; and
  - (vii) that no costs incurred in connection with any such transfers or the setting up or administration of any Family Trust are to be paid by any member of the Group.

## 12.5 Transfers by Family Trusts

Where any Shares are held by trustees of a Family Trust, the Shares may be transferred to:

- (a) if there is a change of trustees, the new trustees of that Family Trust (provided that, prior to such transfer, an Investor Majority has confirmed in writing to the Board that it is satisfied with the identity of the new trustees);
- (b) the settlor; or
- (c) any Privileged Relation of the settlor.

## **12.6 Transfers to or by an Employee Trust**

Shares or any interest in Shares may be transferred at any time to the trustees of an Employee Trust. Where any Shares or interests in Shares are held by trustees of an Employee Trust:

- (a) on any change of trustees, the Shares or interests in Shares may be transferred to the new trustees of that Employee Trust (provided that, prior to such transfer, an Investor Majority has confirmed in writing to the Board that it is satisfied with the identity of the new trustees); and
- (b) any such Shares or interest in Shares may be transferred at any time to any beneficiary of the Employee Trust with Investor Consent or if the transfer is pursuant to a Share Option Scheme or Incentive Plan.

## **12.7 Transfers following an Emergency Issue**

Any Shares which are issued to an Subscribing Investor pursuant to an Emergency Issue may be transferred in accordance with Article 9.7.

## **12.8 Transfers of unencumbered interest**

A transfer of any Share pursuant to this Article 12, except any transfer pursuant to Article 12.6, will only be treated as a Permitted Transfer if it is a transfer free from any lien, charge or other encumbrance.

# **13 Compulsory Transfers**

## **13.1 Compulsory Transfer Notice**

If a Transfer Event occurs then, at any time during the Compulsory Transfer Period, the Board with Investor Consent may (and shall, on receipt of a notice from an Investor Majority directing it to do so), give a Compulsory Transfer Notice to the Member in respect of whom such event is a Transfer Event, notifying them that they (and where applicable any other member of the Relevant Member's Group for such Member) are, with immediate effect, deemed to have offered all of their Compulsory Transfer Shares for sale, and will:

- (a) specify:
  - (i) the number and class of Shares to which the notice relates;
  - (ii) the person(s) or class of person(s) to whom such Compulsory Transfer Shares are being offered for sale pursuant to Article 13.5; and
  - (iii) the proposed Compulsory Transfer Price;
- (b) constitute the Company as the agent of the Relevant Member (and any other member of that Relevant Member's Group) for the sale of the Compulsory Transfer Shares on the terms of this Article 13; and
- (c) be irrevocable,

and for the avoidance of doubt, a Compulsory Transfer Notice may be served on one or more occasions if the first and/or any subsequent notices do not relate to all of the Shares held by the Relevant Member's Group. Once a Compulsory Transfer Notice is given in respect of any Share then no Permitted Transfer may be made in respect of such Share without Investor Consent.



### 13.2 **Compulsory Transfer Price – not a Leaver Event**

The Compulsory Transfer Price for any Compulsory Transfer Shares that are offered for sale following a Transfer Event that is not a Leaver Event will be a price per share:

- (a) agreed between the Relevant Member and the Board (with Investor Consent) within a period of 15 Business Days after the Compulsory Transfer Notice has been given; or
- (b) in the absence of agreement, or if the Board (with Investor Consent) or an Investor Majority so elects within the 15 Business Day period referred to in Article 13.2(a), as reported on by the Valuers as their written opinion of the Market Value (such opinion being provided in accordance with Article 16),

and the date on which the Compulsory Transfer Price will be deemed to have been agreed will be determined in accordance with Article 13.4.

### 13.3 **Compulsory Transfer Price – Leaver Event**

- (a) The Compulsory Transfer Price for any Compulsory Transfer Shares that are offered for sale following a Leaver Event will be:
  - (i) in any case where the Relevant Member is a Good Leaver, the Market Value per Compulsory Transfer Share; and
  - (ii) in any case where the Relevant Member is a Bad Leaver or a Very Bad Leaver, the lower of the Issue Price and the Market Value per Compulsory Transfer Share,

and the Market Value per Compulsory Transfer Share and the Compulsory Transfer Price will be agreed between the Relevant Member and the Board (with Investor Consent) within a period of 15 Business Days after the Compulsory Transfer Notice has been given or, in the absence of agreement, or if the Board (with Investor Consent) or an Investor Majority so elects within such 15 Business Day period, as reported on by the Valuers as their written opinion of the Market Value (such opinion being provided in accordance with Article 16).

- (b) If a Relevant Member who has been treated for the purposes of these Articles as a Good Leaver breaches (or an Investor Majority considers, acting reasonably, that he is in breach of) any restrictive covenants set out in the Investment Agreement and/or any contract of employment or engagement between any Group Company and the Relevant Member, whether such breach arises before or after the Leaver Event or before or after completion of the transfer of the Relevant Member's Compulsory Transfer Shares under this Article 13, an Investor Majority may by notice in writing to the Company re-designate the Relevant Member as a Bad Leaver and the Compulsory Transfer Price in respect of his Compulsory Transfer Shares will be adjusted accordingly.
- (c) If a Relevant Member is re-designated as a Bad Leaver under Article 13.3(b) at any time after completion of the transfer of his Compulsory Transfer Shares, the Company will notify the Relevant Member in writing that he is required immediately to repay to the person(s) to whom his Compulsory Transfer Shares have been transferred in aggregate an amount equal to the amount by which the consideration actually paid to the Relevant Member exceeds the consideration that would have been paid or payable had they been classified as a Bad Leaver on the Termination Date.

#### 13.4 **Date on which Compulsory Transfer Price deemed agreed**

The Compulsory Transfer Price for any Compulsory Transfer Shares will be deemed to have been agreed on the date on which agreement is reached between the Relevant Member and the Board (with Investor Consent) or the date of receipt by the Company of the Valuers' report (as applicable).

#### 13.5 **Offer to Board Invitees**

- (a) The Board may (and shall, if directed by an Investor Majority), at any time in the 60 Business Days after the Compulsory Transfer Price has been agreed or determined, offer those persons set out in Article 13.5(b) (**Board Invitees**) to apply to purchase some or all of the Compulsory Transfer Shares that have been offered to them by the Board pursuant to the provisions of Article 13.5(b) at the Compulsory Transfer Price.
- (b) Any offer of Compulsory Transfer Shares to Board Invitees must be made in writing and as follows:
  - (i) in respect of any C Shares issued pursuant to clause 2.4 of the Investment Agreement or any Compulsory Transfer Shares which were, prior to their allotment to the Relevant Member, Remuneration Committee Unallocated Shares:
    - (A) first, to any current or prospective employees, consultants and/or directors (excluding any Investor Director and excluding any employee, officer or agent of any person to whom shares may be transferred pursuant to Article 12.1) as directed by the Remuneration Committee and such offer shall remain open for acceptance by the relevant Board Invitee(s) for a period of 20 Business Days (the **First Offer Period**); and
    - (B) if the Remuneration Committee resolves to not offer all such Shares to those persons set out in (A) above or, if such offer is declined in full or in part by the relevant Board Invitee(s) or if, upon the expiry of the First Offer Period, some or all of the Compulsory Transfer Shares are not the subject of an acceptance to acquire by a Board Invitee(s), any remaining such Compulsory Transfer Shares shall, if any has been established, be offered to any Employee Benefit Trust and such offer shall remain open for acceptance by the Employee Benefit Trust for a period of 20 Business Days (the **Second Offer Period**); and
    - (C) to the extent that no Employee Benefit Trust has been established or the Remuneration Committee resolves to not offer all such remaining Shares to an Employee Benefit Trust or the trustee of the Employee Benefit Trust has declined in full or in part to accept such offer or if, upon the expiry of the Second Offer Period some or all such Compulsory Transfer Shares are not the subject of an acceptance to acquire by the Employee Benefit Trust, any remaining Compulsory Transfer Shares shall be offered:
      - 1) 50% to the holders of A Shares pro rata to the number of A Shares held by them; and

- 2) 50% to the holders of B and C Shares pro rata to the number of B and C Shares held by them (as if such B and C Shares constituted a single class),  
and such offer shall remain open for acceptance for a period of 20 Business Days; and
- (ii) in respect of any Compulsory Transfer Shares which are B Shares or which were, prior to their allotment to the Relevant Member, Investor Unallocated Shares, (unless otherwise directed by an Investor Majority) to the holders of A Shares pro rata to the number of A Shares held by them and such offer shall remain open for acceptance for a period of 20 Business Days.

### 13.6 Allocation of Compulsory Transfer Shares to Board Invitees

- (a) After the expiry of the Initial Offer Period (or, if earlier, the date on which all offers made to Board Invitees have either been accepted and/or declined in writing), the Board will allocate the Compulsory Transfer Shares in accordance with the valid applications received from Board Invitees save that:
  - (i) if it is not possible to allocate any of the Compulsory Transfer Shares without involving fractions, fractional entitlements will not be allocated and the unallocated fractional entitlements will where possible be aggregated into whole Shares and will be allocated amongst the applicants in such manner as the Remuneration Committee thinks fit; and
  - (ii) any allocation of Compulsory Transfer Shares between two or more Board Invitees will be entirely at the discretion of the Remuneration Committee.
- (b) Following the allocation of the Compulsory Transfer Shares in accordance with Article 13.6(a), the Board will give notice in writing (**Board Invitee Allocation Notice**) to the Relevant Member and to each Board Invitee to whom Compulsory Transfer Shares have been allocated specifying the name and address of each Board Invitee to whom Compulsory Transfer Shares have been allocated, the number and class of Compulsory Transfer Shares agreed to be purchased by him, the aggregate price payable by him for them and the date and time for completion of the sale and purchase of such Compulsory Transfer Shares (being no earlier than 5 Business Days after the date of service of the Board Invitee Allocation Notice).

### 13.7 Offer to Members

The Board will, at any time in the 20 Business Days after:

- (a) the date of any Board Invitee Allocation Notices being served pursuant to Article 13.6(b); or
- (b) where no offer is made to Board Invitees pursuant to Article 13.5, the date which falls 60 Business Days after the date on which the Compulsory Transfer Price has been agreed or determined,

offer to all Members (other than the Relevant Member or any member of the Relevant Member's Group, or any other Member to whom a Compulsory Transfer Notice has been served) any remaining Compulsory Transfer Shares that have not been allocated to Board Invitees, inviting them to respond in writing, within 20 Business Days after receipt of such offer (the **Member Offer Period**), to apply to purchase some or all of the Compulsory Transfer Shares that have been offered to them by the Board at the Compulsory Transfer Price.

### 13.8 Allocation of Compulsory Transfer Shares to Members

- (a) After the expiry of the Member Offer Period (or, if earlier, the date on which all offers made pursuant to Article 13.7 have either been accepted and/or declined in writing), the Board will, in the priorities and in respect of each class of persons set out in the columns in the table below, allocate the Compulsory Transfer Shares in accordance with the valid applications received from the Members save that:
- (i) if there are applications from any class of offerees for more than the number of Compulsory Transfer Shares available for that class of offerees, they will be allocated to those applicants in proportion (as nearly as possible but without allocating to any Member more Compulsory Transfer Shares than the maximum number applied for by him) to the number of Shares of the class which entitles them to receive such offer then held by them respectively; and
  - (ii) if it is not possible to allocate any of the Compulsory Transfer Shares without involving fractions, fractional entitlements will not be allocated and the unallocated fractional entitlements will where possible be aggregated into whole Shares and will be allocated amongst the applicants in such manner as the Board thinks fit (with Investor Consent).

(1)	(2)	(3)
<b>Class of Compulsory Transfer Shares</b>	<b>First Priority</b>	<b>Second Priority</b>
A Share	Members holding A Shares and/or B Shares (as if they constituted a single class)	Members holding C Shares
B Share	Members holding A Shares and/or B Shares (as if they constituted a single class)	Members holding C Shares
C Share	Members holding C Shares	Members holding A Shares and/or B Shares (as if they constituted a single class)

- (b) Following the allocation of the Compulsory Transfer Shares between Members in accordance with Article 13.8(a), the Board will give notice in writing (**Member Allocation Notice**) to the Relevant Member and each Member to whom Compulsory Transfer Shares have been allocated, specifying the name and address of each Member to whom Compulsory Transfer Shares have been allocated, the number and class of Compulsory Transfer Shares agreed to be purchased by him, the aggregate price payable by him for them and the date and time for completion of such sale and purchase (being no earlier than 5 Business Days after the date of service of the Member Allocation Notice).

### **13.9 Completion of Compulsory Transfer**

Completion of a sale and purchase of Compulsory Transfer Shares pursuant to an Allocation Notice will take place at the registered office of the Company on the date and at the time specified in the Allocation Notice when each Member holding Compulsory Transfer Shares will, upon payment to him by the relevant Board Invitee and/or Member to whom Compulsory Transfer Shares have been allocated of the Compulsory Transfer Price in respect of the Compulsory Transfer Shares allocated to that Board Invitee and/or Member, transfer those Compulsory Transfer Shares (and deliver the relevant share certificate(s)) to that Board Invitee and/or Member.

### **13.10 Failure to transfer**

If a Member holding Compulsory Transfer Shares fails for any reason (including death) to transfer any Compulsory Transfer Shares when required pursuant to these Articles, the Board may authorise any director of the Company (who will be deemed by way of security to be irrevocably appointed as the attorney of the Member holding Compulsory Transfer Shares for the purpose) to execute each necessary transfer of such Compulsory Transfer Shares and deliver it on behalf of the Member holding Compulsory Transfer Shares. The Company may receive the purchase money for such Compulsory Transfer Shares from the person to whom Compulsory Transfer Shares have been allocated and will upon receipt (subject, if necessary, to the transfer being duly stamped) register the person to whom Compulsory Transfer Shares have been allocated as the holder of such Compulsory Transfer Shares. The Company will hold such purchase money in a separate bank account on trust for the Member holding Compulsory Transfer Shares but will not be bound to earn or pay interest on any money so held. The Company's receipt for such purchase money will be a good discharge to the person to whom Compulsory Transfer Shares have been allocated who will not be bound to see to the application of it, and after the name of the person to whom Compulsory Transfer Shares have been allocated has been entered in the register of Members in purported exercise of the power conferred by this Article 13.10 the validity of the proceedings will not be questioned by any person.

### **13.11 Dispute as to Compulsory Transfer Price not to affect validity**

A dispute as to whether Article 13.3(a)(i), or 13.3(a)(ii) applies to any Compulsory Transfer Shares will not affect the validity of a Compulsory Transfer Notice but (if the Issue Price is lower than the Market Value) any person who acquires Compulsory Transfer Shares pursuant to a Compulsory Transfer Notice while such a dispute is continuing will pay to the Relevant Member the lower of their Issue Price and their Market Value and will pay a sum equal to the difference between the two to the Company. The Company will hold that amount in a separate interest-bearing bank deposit account as trustee to pay it, and interest earned thereon, upon final determination of the dispute.

### **13.12 Disenfranchisement of Compulsory Transfer Shares**

Notwithstanding any other provision of these Articles, at any time the Board may, with Investor Consent (and will, if directed to do so by an Investor Majority), notify a Relevant Member in writing that such Relevant Member (and each other member of the Relevant Member's Group who holds Shares) will;

- (a) not be entitled to receive notice of or attend at, and will have no voting rights at, general meetings of the Company, or to receive or to have any voting rights in respect of any written resolutions of the Company;

- (b) not be counted as a holder of Shares for the purposes of calculating whether the consent of any proportion of the holders of Shares (or of Shares of a particular class) has been obtained for the purposes of these Articles;
- (c) be deemed to have automatically and irrevocably waived and released (and irrevocably undertakes not to exercise) any voting rights attaching to their Shares; and
- (d) not be entitled to participate in any offer pursuant to Article 9 (Issue of Shares),

in each case in respect of such number of the Shares held by them as is specified in the written notice (including any Shares received by them after the date of the Transfer Event by way of rights issue or on a capitalisation of those Shares), on and from the date of the relevant Transfer Event (irrespective as to whether a Compulsory Transfer Notice has been, or is ever, served) until the entry in the register of members of the Company of another person as the holder of those Shares.

## 14 Drag Along Option

### 14.1 Drag Along right

If Members (together the **Dragging Shareholders**) wish to transfer such number of their A Shares to another party which would, when completed result in a Change of Control, they will have the right to require all other Members (the **Dragged Shareholders**) to transfer all their Shares to the proposed purchaser (**Buyer**) or as such purchaser may direct for the Drag Sale Price, conditional upon the transfer by the Dragging Shareholders being completed, by giving notice to that effect to the Dragged Shareholders (**Drag Along Notice**). A copy of the Drag Along Notice will, for information only, also be given to the Company at its registered office (but any failure or delay in giving such copy will in no way prejudice the operation of this Article 14).

### 14.2 Drag Along Notice

- (a) A Drag Along Notice will:
  - (i) identify the Buyer;
  - (ii) specify that the Dragged Shareholders are required to transfer all their Shares, including any Shares that are issued by the Company to the Dragged Shareholders after the date of the Drag Along Notice, (the **Dragged Shares**) pursuant to Article 14.1 to the Buyer;
  - (iii) set out the Drag Sale Price and the proposed date for completion of the Drag Sale; and
  - (iv) be accompanied by copies of all documents required to be executed by the Dragged Shareholders to give effect to the Drag Sale (which may include a sale agreement or other documentation in a form agreed by the Dragging Shareholders under which the Dragged Shareholder will provide warranties and covenants with respect to its title to, and ownership of, the relevant Dragged Shares).
- (b) A Drag Along Notice served by post will be deemed served when the envelope containing it is placed in the post and the applicable notice provisions of these Articles will in the context of a Drag Along Notice be amended accordingly. The notice provisions of these Articles will otherwise apply to the service of a Drag Along Notice as if it were a notice to be given under these Articles by the Company.

- (c) A Drag Along Notice may be revoked by the Dragging Shareholders at any time prior to completion of the sale of the Dragged Shares and any such revocation notice will be served in the manner prescribed for a Drag Along Notice in Article 14.2(b). Following any such revocation, the Members holding A Shares shall be entitled to serve further Drag Along Notices from time to time in accordance with this Article 14.

#### **14.3 Non-Cash Amount, escrow arrangements and other terms**

Subject always to the other provisions set out in this Article 14, the Dragged Shareholders will be required to sell Dragged Shares on the same terms as those agreed by the Dragging Shareholders with the Buyer including, without limitation:

- (a) if the consideration to be paid to the Dragging Shareholders includes any Non-Cash Amount then the consideration to be paid to the Dragged Shareholders will include a Non-Cash Amount on a like basis and (subject to roundings to the nearest appropriate unit) in the same proportions;
- (b) the Dragged Shareholders will be required to participate in escrow arrangements (if any) relating to the Drag Sale on the same terms as the Dragging Shareholders; and
- (c) any consideration to be paid to the Dragging Shareholders which is deferred or contingent shall be deferred or contingent on a like basis for the Dragged Shareholders,

save to the extent that the Buyer and any relevant Dragged Shareholder(s) may (with the consent of an Investor Majority) agree otherwise.

#### **14.4 Drag Sale Costs**

Each Dragged Shareholder will pay its Pro Rata Portion of the costs incurred by the Dragging Shareholders in connection with the proposed Drag Sale and authorises the Company or any advisers appointed by the Company, or the Dragging Shareholders, to deduct such amount from the cash element of the Drag Sale Price payable to him/it and to use such amount in full or part satisfaction (as the case may be) of his/its liability to contribute towards the costs incurred by the Dragging Shareholders.

#### **14.5 Effect of Drag Along Notice**

Upon receipt of the Drag Along Notice, each Dragged Shareholder will:

- (a) be obliged to sell the legal and beneficial title to all of their Dragged Shares to the Buyer free from encumbrances and with full title guarantee on the terms set out in this Article 14;
- (b) deliver the relevant share certificate(s) in respect of the Dragged Shares (or an indemnity in respect thereof in a form acceptable to the Board with Investor Consent) to the Company; and
- (c) be deemed to have irrevocably appointed each of the Dragging Shareholders severally to be his attorney to execute any stock transfer form, indemnity for lost share certificate, sale agreement or acceptance forms relating to the Dragged Shares held by such Dragged Shareholder, and to execute such other documents and do such other things as the Dragging Shareholder consider necessary or desirable in order to complete the Drag Sale.

#### **14.6 Lapse**

If following the 90th day after the date of the Drag Along Notice the sale by the Dragging Shareholders of their Shares to the Buyer has not completed:

- (a) the Drag Along Notice will cease to be of effect;
- (b) each Dragged Shareholder will irrevocably be released from its obligations under such Drag Along Notice;
- (c) the Company and/or the Buyer will promptly return to the Dragged Shareholders all documents (if any) previously delivered by them; and
- (d) the rights of the Members holding A Shares pursuant to this Article 14 will be reinstated and they will be entitled to issue further Drag Along Notices from time to time,

provided that if completion of the sale by the Dragging Shareholders of their Shares to the Buyer is subject to the satisfaction of any conditions, the 90 day period referred to in this Article 14.6 will be extended until the date that is 20 Business Days after any longstop date by which such conditions must be satisfied as specified in any sale agreement entered into, or as otherwise agreed, between the Dragging Shareholders and the Buyer.

#### **14.7 Completion**

Completion of the sale of the Dragged Shares by the Dragged Shareholders to the Buyer shall take place on the same date and at the same place as completion of the sale by the Dragging Shareholders of their Shares to the Buyer.

#### **14.8 Restrictions on transfer not to apply**

Any restrictions on transfer contained in these Articles will not apply on any sale and transfer of Shares by the Dragging Shareholders, the Dragged Shareholders or any other Member to the Buyer named in a Drag Along Notice.

#### **14.9 Revocation of Compulsory Transfer Notices**

Any Compulsory Transfer Notice served in respect of any Share which has not been allocated in accordance with Article 13 (Compulsory transfers) will automatically be revoked by the service of a Drag Along Notice, provided that Article 13.12 will continue to apply.

#### **14.10 Application to new Shares**

Upon any person, following the issue of a Drag Along Notice, becoming a holder of Shares pursuant to the exercise of a pre-existing option to acquire Shares in the Company (including pursuant to a Share Option Scheme) or otherwise, a Drag Along Notice (on the same terms as the Drag Along Notice issued to the other Dragged Shareholders) will be deemed to have been served upon such Member immediately upon such acquisition and such person will thereupon be bound to sell and transfer all such Shares acquired by him to the Buyer or as the Buyer may direct.

#### **14.11 Bona fide third party purchaser**

The rights conferred on the Dragging Shareholders by Article 14.1 will only be exercisable if the Buyer is a bona fide third party purchaser that is (i) not an Investor or a person to whom an Investor may transfer Shares pursuant to Article 12.1 and/or (ii) not a person in respect of which the Investors and/or such Permitted Transferees directly or indirectly control (within the meaning of sections 450, 451 or 1124 Corporation Tax Act 2010).



## **15 Tag along**

### **15.1 Tag along rights**

Save in the case of a Permitted Transfer or where a Drag Along Notice has been served in accordance with Article 14, no sale or other disposition of any A Shares by any holder(s) of A Shares (**Tag Seller(s)**) which would, when completed, result in a Change of Control may be made unless before the transfer is made the proposed purchaser (**Tag Buyer**) makes an offer in writing (**Tag Along Offer**) to the Company as agent for and on behalf of all Members other than the Tag Sellers (**Tag Beneficiaries**) to purchase the Tag Along Shares for the Tag Sale Price.

### **15.2 Tag Along Offer**

A Tag Along Offer will set out:

- (a) the period in which it is open for acceptance (**Tag Offer Period**), which must be not less than 15 Business Days; and
- (b) the Tag Sale Price,

and may be conditional on acceptances which would result in the Tag Buyer holding or increasing its shareholding in the Company to a specified percentage of the Equity Shares in issue, provided that if such condition is not satisfied or waived by the Tag Buyer, no Shares may be transferred by the Tag Sellers or the Tag Beneficiaries under this Article 15.

### **15.3 Non-Cash Amount, escrow arrangements and other terms**

Subject always to the other provisions set out in this Article 15, the Tag Along Offer will be on the same terms as those agreed by the Tag Sellers with the Tag Buyer including, without limitation:

- (a) if the consideration to be paid to the Tag Sellers includes any Non-Cash Amount then the consideration to be paid to the Tag Beneficiaries will include a Non-Cash Amount on a like basis and (subject to roundings to the nearest appropriate unit) in the same proportions;
- (b) the Tag Beneficiaries will be required to participate in escrow arrangements (if any) relating to the Tag Sale on the same terms as the Tag Sellers; and
- (c) any consideration to be paid to the Tag Sellers which is deferred or contingent shall be deferred or contingent on a like basis for the Tag Beneficiaries,

save to the extent that the Tag Buyer and any relevant Tag Beneficiaries may (with the consent of an Investor Majority) agree otherwise.

### **15.4 Notice to Tag Beneficiaries**

The Company will notify the Tag Beneficiaries in writing of the terms of the Tag Along Offer within 10 Business Days of receipt of the offer from the Tag Buyer. If a Tag Beneficiary wishes to accept the Tag Along Offer and transfer all of its Tag Along Shares to the Tag Buyer, that Tag Beneficiary will notify the Company before the expiry of the Tag Offer Period (and such acceptance will be irrevocable). Any Tag Beneficiaries who do not respond to the Tag Along Offer during the Tag Offer Period will be deemed to have rejected the Tag Along Offer.

### 15.5 **Acceptance of Tag Along Offer**

Within 10 Business Days after the expiry of the Tag Offer Period, the Company will notify the Tag Buyer in writing of the Tag Beneficiaries who have accepted the Tag Along Offer (the **Accepting Shareholders**) and the Company will notify each Accepting Shareholder in writing either:

- (a) of the intended date for completion of the Tag Sale; or
- (b) if applicable, that the condition(s) set out in the Tag Along Offer have not been satisfied or waived by the Tag Buyer and the Tag Along Offer has therefore lapsed.

### 15.6 **Documentation**

At least 2 Business Days before the intended date for completion of a Tag Sale as contemplated in Article 15.5(a), each Accepting Shareholder will deliver to the Company:

- (a) the relevant share certificate(s) in respect of his Tag Along Shares (or an indemnity in respect thereof in a form acceptable to the Board with Investor Consent);
- (b) duly executed stock transfer form(s) in respect of his Tag Along Shares;
- (c) a duly executed sale agreement or acceptance forms in a form agreed by the Tag Sellers and the Tag Buyer under which each Accepting Shareholder will transfer legal and beneficial title to its Tag Along Shares free from all encumbrances and with full title guarantee, and will provide warranties and covenants with respect to his title to, and ownership of, the relevant Tag Along Shares; and
- (d) such other documents as the Tag Sellers consider necessary or desirable in order to complete the Tag Sale.

### 15.7 **Tag Sale Costs**

Each Accepting Shareholder will pay its Pro Rata Portion of the costs incurred by the Tag Sellers in connection with the proposed Tag Sale and authorises the Company or any advisers appointed by the Company or the Tag Sellers to deduct such amount from the cash element of the Tag Sale Price payable to him/it and to use such amount in full or part satisfaction (as the case may be) of his/its liability to contribute towards the costs incurred by the Tag Sellers.

### 15.8 **Lapse**

If the Tag Sale has not completed before the date that is 90 days after the expiry of the Tag Offer Period:

- (a) the Tag Along Offer will cease to be of effect;
- (b) the Tag Sellers and the Accepting Shareholders will be irrevocably released from any obligations arising out of or in connection with such Tag Along Offer;
- (c) the Company and/or the Tag Buyer will promptly return to the Accepting Shareholders all documents (if any) previously delivered by them; and
- (d) the Tag Sellers will not be entitled to transfer any A Shares which would, when completed, result in a Change of Control to the Tag Buyer without first procuring that the Tag Buyer makes a further Tag Along Offer in accordance with Article 15.1,

provided that if completion of the sale by the Tag Sellers of their relevant Shares to the Tag Buyer is subject to the satisfaction of any conditions, the 90 day period referred to in this Article 15.8 will be extended until the date that is 20 Business Days after any longstop date by which such conditions must be satisfied as specified in any sale agreement entered into, or as otherwise agreed, between the Tag Sellers and the Tag Buyer.

#### **15.9 Completion**

Completion of the sale of the Tag Along Shares by the Accepting Shareholders to the Tag Buyer shall take place on the same date and at the same place as completion of the sale by the Tag Sellers of their Shares to the Tag Buyer.

#### **15.10 Drag Along Notice to take priority**

No transfer of Shares by a Member pursuant to this Article 15 will be permitted and no Tag Along Offer will be required if a Drag Along Notice has been delivered pursuant to Article 14 (Drag Along Option), or is subsequently served prior to completion of the Tag Sale.

#### **15.11 Restrictions on transfer not to apply**

Any restrictions on transfer contained in these Articles will not apply on any sale or transfer by either the Tag Sellers or any Accepting Shareholders to a Tag Buyer provided that the provisions of this Article 15 have been complied with.

### **16 Valuation and Disputes**

16.1 If the Board (with Investor Consent) and a Relevant Member cannot agree the Market Value of any relevant Compulsory Transfer Shares under Article 13, such matter will be referred by the Board to the Valuers.

16.2 Where any matter is referred by the Board to the Valuers under these Articles:

- (a) the Valuers will act as expert and not as arbitrator and their written determination will be final and binding on the Members concerned (other than in the case of manifest error);
- (b) the Company will use its reasonable endeavours to procure that the Valuers deliver their written determination to the Board as soon as reasonably practicable and within 28 days of being requested to do so;
- (c) the Valuers' fees will be borne by the party whose final estimation of Market Value prior to the appointment of the Valuer was furthest away from the Market Value determined by the Valuer, or, where such estimates of Market Value are equally close to the Market Value as determined by the Valuer they will be borne as to one half by the Relevant Member and as to the other half by the Company.

### **17 Investor Majority and Manager Majority decisions**

Where any matter is expressed in these Articles to be a matter to be agreed between an Investor Majority and a Manager Majority, any agreement between an Investor Majority and a Manager Majority in relation to such matter will in any event be binding on all Members and shall not be open to challenge by any of them.

## **18 General Meetings**

18.1 Without prejudice to the powers of the Board, an Investor Director may, acting alone, call a general meeting of the Company.

18.2 Notice of any general meeting need not be given to any director in that capacity.

## **19 Proceedings at general meetings and adjournment**

### **19.1 Quorum**

- (a) Whenever the Company has only one member, the member present (being an individual) in person or by proxy, or (being a corporation) by a duly authorised representative or by proxy, will be a quorum. Subject to the provisions of section 318(2) of the CA 2006, whenever the Company has two or more members, two persons entitled to vote upon the business to be transacted each being a member (being an individual) present in person or by proxy, or (being a corporation) present by a duly authorised representative or by proxy (at least one of whom must be a holder of A Shares or a proxy or a duly authorised representative of such a holder), will be a quorum.
- (b) No business other than the appointment of a chairman for that meeting is to be transacted at a general meeting if the person(s) attending it do not constitute a quorum.

### **19.2 Adjournment and dissolving of meetings**

- (a) If within ten minutes from the time appointed for a general meeting a quorum is not present or, if during a meeting a quorum ceases to be present, the meeting, if convened upon the request of the Members in accordance with the CA 2006, will be dissolved; in any other case, it will stand adjourned. Model Article 41(1) will not apply to the Company.
- (b) If a quorum is not present at any such adjourned meeting within ten minutes from the time appointed for that meeting, the meeting will be dissolved.

## **20 Poll votes**

### **20.1 Right to demand a poll**

A poll on a resolution may be demanded:

- (a) in advance of the general meeting where it is to be put to the vote; or
- (b) at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared,

by either the chairman of that meeting, any qualifying person (as such term is defined in section 318 of the CA 2006) present and entitled to vote at the meeting or any Investor Director present at the meeting.

### **20.2 Withdrawal of demand**

A demand for a poll may be withdrawn before the poll is taken, but only with the consent of the chairman of that meeting. A demand so withdrawn will not be taken to have invalidated the result of a show of hands declared before the demand was made. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting will continue as if the demand had not been made.

### 20.3 **Manner of taking a poll**

Subject to these Articles, polls at general meetings must be taken when, where and in such manner as the chairman of the meeting directs. The chairman of the meeting may appoint scrutineers (who need not be holders) and decide how and when the result of the poll is to be declared.

### 20.4 **Result of a poll**

The result of a poll will be the decision of the meeting in respect of the resolution on which the poll was demanded.

### 20.5 **Miscellaneous**

- (a) A poll on the election of the chairman of the meeting or a question of adjournment must be taken immediately. All other polls must be taken within thirty days of their being demanded.
- (b) A demand for a poll does not prevent a general meeting from continuing, except as regards the question on which the poll was demanded.
- (c) No notice need be given of a poll not taken immediately if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case, at least seven days' notice must be given specifying the time and place at which the poll is to be taken.
- (d) The omission or failure by any proxy to vote in accordance with any instructions given to him by his appointor will not invalidate any vote cast by him or any resolution passed at the general meeting concerned.

## 21 **Number of directors**

The number of directors will not be less than two and there will be no maximum number.

## 22 **Methods of appointing directors**

22.1 Subject to these Articles and the Company obtaining Investor Consent, any person who is willing to act as a director, and is permitted by law to do so, may be appointed to be a director:

- (a) by ordinary resolution; or
- (b) by a decision of the directors.

22.2 Model Article 17(1) will not apply to the Company.

## 23 **Investor Directors**

### 23.1 **Right of Investor Majority to appoint Investor Directors**

An Investor Majority may at any time and on more than one occasion appoint any number of persons to be non-executive directors and at any time and on more than one occasion remove any such person from office (**Investor Directors**) provided always that the maximum number of Investor Directors in office at any time (and disregarding alternates) will not exceed 3.

## **23.2 Method of appointment and removal**

Any appointment or removal of an Investor Director will be in writing served on the Company signed by an Investor Majority and will take effect at the time it is served on the Company or (if later) the date expressly stated therein.

## **23.3 Appointment as director of Group Companies**

Upon receipt of notice from an Investor Majority, the Company will procure that any Investor Director is immediately appointed as a director of any other member of the Group indicated in such request.

## **23.4 Appointment of Chairman**

An Investor Majority may at any time and on more than one occasion appoint a person as Chairman and at any time and on more than one occasion remove any such person from office and the Chairman will be entitled (upon notice from an Investor Majority to the Company) to be appointed as a director of, and chairman of the board of directors of, any other member of the Group. One of the Investor Directors will act as Chairman during the period or periods when no Chairman is in office. Any appointment or removal of the Chairman will be in writing served on the Company signed by an Investor Majority and will take effect at the time it is served on the Company or (if later) the date expressly stated therein.

## **23.5 Appointment and removal of additional directors**

- (a) At any time and from time to time an Investor Majority may by written notice to the Company appoint any one or more individuals named in such notice and willing to act to be a director or directors of the Company and/or any Group Company (including any person proposed to be appointed to the office of Chairman of the board of directors), and/or may remove any director or directors from the Board and/or the board of directors of any Group Company notwithstanding how or when he/they was/were appointed or anything else in these Articles or in any agreement between the Company and him/them.
- (b) A notice under this Article 23.5 will be in writing and will take effect on deposit at the registered office of the Company or at such later time as may be specified in the notice.
- (c) A director appointed under this Article 23.5 will not be deemed to be an Investor Director.
- (d) A director removed under this Article 23.5 may not be reappointed to any office or employment under the Company without Investor Consent.

## **24 Alternate directors**

### **24.1 Appointment of alternate directors**

- (a) A director (other than an alternate director) may, by notice in writing delivered to the Company, or in any other manner approved by the directors, appoint any person willing to act to be his alternate.
- (b) The appointment of an alternate director who is not already a director or alternate director will (save in the case of an alternate to an Investor Director) require the approval of an Investor Majority.

## **24.2 Existing director acting as alternate director**

If an alternate director is himself a director and/or participates in any proceeding of the directors or at any committee as an alternate director for more than one director he will have a separate vote for each director for whom he acts as alternate in addition to his own but he will only be counted once in deciding whether a quorum is present.

## **24.3 Rights of alternate director – general**

An alternate director will (subject to his giving to the Company an address within the United Kingdom at which notices may be served on him) have the same rights in relation to any decision of the directors as his appointor and in particular will (without limitation) be entitled to receive notice of all meetings of the directors and all committees of which his appointor is a member and, in the absence from such meetings of his appointor, to attend and vote at such meetings and to exercise all the powers, rights, duties and authorities of his appointor (other than the power to appoint an alternate director).

## **24.4 Rights of alternate director - miscellaneous**

- (a) A person who is an alternate director but not a director:
  - (i) may be counted as participating for the purposes of determining whether a quorum is participating (but only if that person's appointor is not participating); and
  - (ii) may participate in a unanimous decision of the directors (but only if that person's appointor is not participating).
- (b) An alternate director will be entitled to contract and be interested in and benefit from contracts or arrangements with the Company and to be repaid expenses and to be indemnified in the same way and to the same extent as a director. However, he will not be entitled to receive from the Company any fees for his services as alternate, except only such part (if any) of the fee payable to his appointor as such appointor may by notice to the Company direct. Subject to this Article 24, the Company will pay to an alternate director such expenses as might properly have been paid to him if he had been a director.
- (c) Every person acting as an alternate director will be an officer of the Company, will alone be responsible to the Company for his own acts and defaults and will not be deemed to be the agent of the director appointing him.

## **24.5 Cessation of appointment**

An alternate director will automatically cease to be an alternate director:

- (a) if his appointor revokes his appointment by notice in writing delivered to the Company, or in any other manner approved by the directors; or
- (b) if his appointor ceases for any reason to be a director; or
- (c) if any event happens in relation to him which causes his office as director to be vacated or (if not himself a director) would do so if he were himself a director.

## **25 Retirement of directors**

25.1 The directors will not be subject to retirement by rotation.

25.2 The office of a director who is at any time an employee of the Company or of any Group Company will automatically be vacated if:

- (a) he ceases to hold office as an employee or director (as described in the definition of Termination Date) of the Company; or
- (b) his employer ceases to be a member of the same Group (whether or not he ceases to be its employee),

without being appointed as or continuing to be an employee of the Company or of another continuing member of the same Group.

## **26 Proceedings of directors**

### **26.1 General rule**

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 27. The directors may (and will, if directed to do so by an Investor Majority) make, vary, relax or repeal any rule which they think fit about how they take decisions, and about how such rules are to be recorded or communicated to directors.

### **26.2 Decisions of sole director**

If the Company only has one director that director must not take any decision other than a decision:

- (a) to appoint further directors; or
- (b) to call a general meeting to enable the Members to appoint further directors.

### **26.3 Quorum**

- (a) Subject to Article 26.3(c), the quorum for the transaction of business of the Board will be two directors, one of whom will be an Investor Director unless either:
  - (i) an Investor Director or an Investor Majority has previously specifically agreed to the contrary in writing in respect of the meeting and business in question with specific reference to this Article 26.3; or
  - (ii) there is no Investor Director in office at that time; or
  - (iii) the business of the meeting includes the proposed exercise by the directors of the authority conferred by section 175 of the CA 2006 (or any subsequent amendment or revocation of such authorisation) and an Investor Director is the director in question or otherwise interested in the matter, in which case an Investor Director will not be part of the quorum on that business.
- (b) At a Board meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.



- (c) Where these Articles provide that, in respect of certain decisions, only the Investor Directors will be entitled to vote on such decisions or count towards the quorum for such meeting (or an Investor Majority exercises any rights pursuant to these Articles (under Article 7.2 or otherwise) such that only the Investor Directors may count towards the quorum), the quorum for the purposes of such decisions will be one Investor Director.

#### **26.4 Means of participation**

Any director or his alternate may validly participate in a meeting of the Board or a committee of the Board by conference telephone or other form of communication equipment if all persons participating in the meeting are able to hear and speak to each other throughout the meeting. A person so participating will be deemed to be present in person at the meeting and will be counted in a quorum and be entitled to vote. Such a meeting will be deemed to take place where the largest group of those participating is assembled or, if there is no group that is larger than any other group, where the Chairman is located.

#### **26.5 Miscellaneous**

Save with Investor Consent:

- (a) the Board will not delegate any of its powers either by power of attorney or to a committee other than as specified in the Investment Agreement; and
- (b) meetings of the Board will not be held outside the United Kingdom.

#### **26.6 Votes of Investor Directors**

Notwithstanding any other provision set out in these Articles, each Investor Director shall have such number of votes in respect of any decision of the Board on which he is entitled to vote as results in the aggregate number of votes capable of being exercised by the Investor Director(s) for the time being in office.

#### **26.7 No casting vote**

The Chairman will not have a second or casting vote at a meeting of the Board.

#### **26.8 Matters reserved for Investor Directors**

Where any decision is to be made in respect of the rights or obligations of any Group Company in relation to:

- (a) the Investment Agreement; or
- (b) the Banking Documents; or
- (c) the Share Purchase Agreement; or
- (d) any Shareholder Contract,

then, notwithstanding any other provision of these Articles, if an Investor Director has been appointed no meeting of the Board at which such decision will be considered will be quorate in respect of that decision unless an Investor Director or his alternate is present in person and, at such meeting, only an Investor Director will be entitled to vote on such decision, and accordingly an Investor Director may resolve that any other directors will be excluded from that part of any Board meeting (or any meeting of the board of directors of another Group Company) at which

such matter is considered and that any such directors will not be entitled to receive notice of the relevant meeting or the Board papers, minutes or other documents relating to the matter in question.

#### **26.9 Directors' decision making during an Underperformance Event**

Immediately following service of a notice by an Investor Majority pursuant to Article 7.2, subject only to Article 26.3(a)(iii)), the powers of an Investor Director will (unless such notice expressly states to the contrary) be enhanced so that no meeting of the Board will be quorate unless an Investor Director is present in person at such meeting, and so that only an Investor Director will be entitled to vote at such meeting. Such enhanced rights will cease to apply immediately upon receipt by the Company of notice from an Investor Majority stating that the relevant Underperformance Event has been remedied to the satisfaction of an Investor Majority.

#### **26.10 Chairman**

If the Chairman (if any) 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.

### **27 Unanimous decision of the Board and written resolutions**

27.1 A decision of the Board is taken in accordance with this Article 27 when sufficient Eligible Directors indicate by any means that they share a common view on a matter.

27.2 Such a decision may take the form of a resolution in writing, where each Eligible Director has signed one or more copies of it, or to which each Eligible Director has otherwise indicated agreement in writing. A proposed directors' written resolution is adopted when each of the Eligible Directors have signed at least one copy or duplicate copy of it.

27.3 A decision may not be taken in accordance with this Article 27 if the Eligible Directors would not have formed a quorum had the matter been proposed as a resolution at a directors' meeting.

27.4 Unless the context otherwise requires, reference in these Articles to any meeting of the directors (or of any committee) includes any other proceedings or process by which any decision complying with this Article 27 is reached.

### **28 Directors' interests and conflict situations**

#### **28.1 Directors' interests**

Provided he has declared the nature and extent of his interest in the circumstances and to the extent that the same is required by the provisions of the CA 2006, a director who to his knowledge is in any way, whether directly or indirectly, interested in any actual or proposed contract, transaction or arrangement with the Company:

- (a) may be a party to, or otherwise interested in, any transaction or arrangement with any Group Company or in which any Group Company is interested;
- (b) shall be entitled to vote at any meeting of the Board or any committee on any resolution concerning a matter in which he has, directly or indirectly, an interest and (whether he votes or not) may be counted towards any quorum; and

- (c) shall not be required to account to the Company for any profit, remuneration or other benefit which he derives from or in connection with:
  - (i) any such contract, transaction or arrangement; or
  - (ii) any conflict situation which has been authorised by the Board or the Members (subject to any terms, limits or conditions attaching to such authorisation), or
  - (iii) holding any office or employment with any Group Company,

and the Company will not treat the receipt by the director of any such profit, remuneration or other benefit as a breach of duty under section 176 of the CA 2006,

in each case to the greatest extent permitted by law.

## 28.2 Authorisation of conflicts by directors

- (a) For the purposes of section 175 of the CA 2006 and subject, where relevant, to Article 28.2(b), the directors will have the power at any time when there is an Investor Director in office (but not otherwise) to give any Director Conflict Authorisation.
- (b) Save where an Investor Director is the Relevant Director or there is no Investor Director in office, a Director Conflict Authorisation (and any subsequent amendment or revocation of any such Director Conflict Authorisation) will be effective only if an Investor Director votes in favour of, or consents in writing to, the same.
- (c) Where directors give a Director Conflict Authorisation under the power conferred by section 175 of the CA 2006 the Relevant Director will be obliged to act in accordance with any terms, limits or conditions to which such Director Conflict Authorisation is made subject, and the Company will not treat anything done (or omitted to be done) by the Relevant Director in accordance with any Director Conflict Authorisation (subject to such terms, limits or conditions) as a breach by him of his duties under sections 172 to 174 of the CA 2006.

## 28.3 Group Conflict and Investor Director Authorisations

- (a) Subject to Article 28.3(b), a Member Conflict Authorisation is given by each Member on the terms of these Articles to each director in respect of any Conflict Situation that exists as at the Investment Date or that subsequently arises because (in either case) the director is or becomes a shareholder, investor or other participant in, lender to, guarantor, director, officer, manager or employee of, or otherwise in any other way interested or concerned in, any member of the Relevant Group and/or any Relevant Investor Entity, or has been appointed by any Relevant Investor Entity, on terms that the director concerned:
  - (i) is not obliged to disclose to the Company information that is confidential to a third party obtained by him (other than in his capacity as a director of the Company or as its employee or agent or, if the directors so decide, in any other capacity that would otherwise oblige him to disclose it to the Company) in any situation to which the Member Conflict Authorisation applies, nor to use any such information directly or indirectly for the benefit of the Company or in performing his duties as a director of the Company, in circumstances where to do so would amount to a breach of a duty of confidence owed to that third party;

- (ii) is entitled to vote at any meeting of the Board or any committee on any resolution relating to the Conflict Situation; and
- (iii) may (but will be under no obligation to):
  - (A) absent himself from the discussions of, and/or the making of decisions;
  - (B) make arrangements not to receive documents and information,
 relating to the Conflict Situation concerned,

and the Company will not treat anything done (or omitted to be done) by the director concerned in accordance with any Member Conflict Authorisation (subject to such terms, limits or conditions) as a breach by him of his duties under sections 172 to 174 of the CA 2006.

- (b) A Member Conflict Authorisation given or deemed given under Article 28.3(a) may be revoked, varied or reduced in its scope or effect only by special resolution (with Investor Consent).

#### **28.4 Conflict Authorisation - miscellaneous**

- (a) Any Conflict Authorisation will (subject to any express contrary wording in its terms) be automatically deemed to extend to any actual or possible conflict of interest which may reasonably be expected to arise out of the Conflict Situation so authorised.
- (b) Nothing in this Article 28 will relieve any director from any duty he may otherwise have to declare and to update any declaration of any interest but no failure, delay or inaccuracy in making or updating such declaration will prejudice or invalidate any Conflict Authorisation.

#### **28.5 Voting on authorisation of Investor Director and Chairman's conflicts**

On any shareholder resolution (whether in general meeting or by written resolution or extra statutory agreement or otherwise):

- (a) to confer, revoke or vary any authorisation for any Investor Director or the Chairman but for which an Investor Director or the Chairman would be or may in the future become in breach of his duty to the Company under section 175 of the CA 2006; or
  - (b) to amend or delete this Article 28,
- only the A Shares will confer votes on their holders.

#### **28.6 Determination of questions regarding right to participate**

- (a) Subject to Article 28.6(b), if a question arises at a meeting of directors or of a committee of directors as to the right of a director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the Chairman whose ruling in relation to any director other than the Chairman is to be final and conclusive.
- (b) If any question as to the right to participate in the meeting (or part of the meeting) shall 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.

## **29 Notices**

- 29.1 Any notice, document or information (including a share certificate) which is sent or supplied by the Company:
- (a) in hard copy form, or in electronic form but to be delivered other than by electronic means, and which is sent by pre-paid post and properly addressed will be deemed to have been received by the intended recipient at the expiration of twenty-four hours (or, where first class mail is not used, forty-eight hours) after the time it was posted, and in proving such receipt it will be sufficient to show that such notice, document or information was properly addressed, pre-paid and posted;
  - (b) by electronic means will be deemed to have been received by the intended recipient twenty-four hours after it was transmitted, and in proving such receipt it will be sufficient to show that such notice, document or information was properly addressed; and
  - (c) by means of a website will be deemed to have been received when the material was first made available on the website or, if later, when the recipient received (or is deemed to have received) notice of the fact that the material was available on the website.
- 29.2 Any accidental failure on the part of the Company to send, or the non-receipt by any person entitled to, any notice of or other document or information relating to any meeting or other proceeding will not invalidate the relevant meeting or proceeding. This Article will have effect in place of the Company Communications Provisions relating to deemed delivery of notices, documents or information.
- 29.3 For the purposes of calculating the time when any notice, document or information sent or supplied by the Company is deemed to have been received by the intended recipient for the purposes of these Articles (regardless of whether the period is expressed in hours or days) full account will be taken of any day, and any part of a day, that is not a Business Day. This Article 29.3 will have effect in place of the Company Communications Provisions regarding the calculation of the time when any such notice, document or information is deemed to have been received by the intended recipient.

## **30 Indemnity, insurance, gratuities and pensions**

- 30.1 Subject to the CA 2006, the Company:
- (a) will, without prejudice to any other indemnity to which the person concerned may otherwise be entitled, indemnify every relevant officer out of the assets of the Company against all costs, charges, losses, expenses and liabilities incurred by him:
    - (i) in relation to the actual or purported execution and discharge of the duties of such office; and
    - (ii) in relation to the Company's (or associated company's) activities in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the CA 2006);
  - (b) may provide any relevant officer with funds to meet his defence expenditure in respect of any civil or criminal proceedings or regulatory investigation or other regulatory action or in connection with any application for any category of relief permitted by the CA 2006 and may do anything to enable him to avoid incurring any such expenditure; and

- (c) 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.

30.2 In this Article 30:

- (a) companies are **associated** if one is a subsidiary of the other or both are subsidiaries of the same body corporate;
- (b) a relevant officer means any director, secretary, auditor or other officer of the Company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined in section 235(6) of the CA 2006)); and
- (c) a relevant loss means any loss or liability which has been or may be incurred by a relevant officer in connection with that officer's duties or powers in relation to the Company, any associated company or any pension fund or employees' share scheme of the Company or associated company.

30.3 The directors may exercise all the powers of the Company to purchase and maintain for every director or other officer insurance against any liability for negligence, default, breach of duty or breach of trust or any other liability which may be lawfully insured against.

30.4 The directors may, on behalf of the Company, exercise all the powers of the Company to provide benefits, whether by the payment of gratuities or pensions or by insurance or in any other manner (whether similar to the foregoing or not), for any director or former director or any relation, connection or dependant of any director or former director who holds or has held any executive office or employment with the Company or with any body corporate which is or has been a subsidiary of the Company or with a predecessor in business of the Company or of any such subsidiary and may contribute to any fund and pay premiums for the purchase or provision of any such benefit. No director or former director will be accountable to the Company or the members for any benefit permitted by this Article 30.4 and the receipt of any such benefit will not disqualify any person from being or becoming a director of the Company.

### 31 Share certificates etc

The Company may in any manner permitted by the applicable provisions of Part 4 of the CA 2006 execute any share certificate, warrant or other document creating or evidencing any security allotted by the Company or any right or option to subscribe granted by the Company.

### 32 Subsidiary undertakings and reserves

32.1 The Board will exercise all voting and other rights or powers of control exercisable by the Company in relation to itself and its subsidiary undertaking so as to secure (but as regards its subsidiary undertakings only in so far as by the exercise of such rights or powers of control the Board can secure) that:

- (a) no Shares or other securities are issued or allotted by any such subsidiary and no rights are granted which might require the issue of any such Shares or securities otherwise than to the Company or to one of its wholly-owned subsidiaries; and
- (b) neither the Company nor any of its subsidiaries transfers or disposes of any Shares or securities of any subsidiary of the Company or any interest therein or any rights attached thereto otherwise than to the Company or one of its wholly-owned subsidiaries.

- 32.2 The Company will procure that (save as otherwise specified by an Investor Majority) each of its subsidiaries which has profits available for distribution will from time to time, and to the extent that it may lawfully do so, declare and pay to the Company the dividends necessary to permit lawful and prompt payment by the Company of amounts payable to Members pursuant to these Articles.

### **33 Data protection**

The Company may process personal data about the Members, holders of any interests in Shares and directors of the Company from time to time, including, without limitation, for the purpose of due diligence exercises, and compliance with applicable laws, regulations and procedures. Any data processing shall be carried out by the Company in accordance with applicable data protection legislation and in accordance with any privacy policy adopted by the Company and amended from time to time.

### **34 Relationship to Banking Documents**

- 34.1 Notwithstanding any other provisions of these Articles, no payment will be declared or made by the Company by way of dividend or other distribution, purchase, redemption, reduction or return of Shares or capital or by addition to or repayment of any dividend reserve if and to the extent that such payment is prohibited or restricted by the terms of the Banking Documents. No dividends or other distributions payable in respect of Shares, whether pursuant to the provisions of these Articles or otherwise will constitute a debt enforceable against the Company unless it is permitted to be paid in accordance with the Banking Documents for so long as they remain in force and effect (although any interest which may be prescribed to accrue on any such dividends or distributions pursuant to these Articles will accrue with effect from the date upon which the same would otherwise have been a debt due and enforceable but for the provisions of this Article 34 and the Banking Documents until the date on which payment is actually made).
- 34.2 Where any dividend, redemption or other payment is not made because of the provisions of Article 34.1 or the Banking Documents, such payment will be made upon the necessary consent being obtained or the prohibition thereon ceasing to apply.

### **35 Change of name**

The Company may change its name by decision of the directors provided that either:

- (a) an Investor Director votes in favour of the resolution or otherwise consents to such change in writing; or
- (b) (if there is no Investor Director in office) the change is approved in writing in advance by an Investor Majority,

and shall change its name by decision of the directors if directed to do so by an Investor Majority.

### **36 Partly paid Shares etc**

- 36.1 The company has a lien (**Company's Lien**) over every partly paid Share in respect of amounts unpaid as regards such Share.
- 36.2 The Company's Lien over a Share:
- (a) takes priority over any third party's interest in that Share; and

- (b) 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.
- 36.3 The directors may at any time decide that a Share which is or would otherwise be subject to the Company's Lien will not be subject to it, either wholly or in part.
- 36.4 Subject to the provisions of this Article 36, if:
  - (a) a lien enforcement notice has been given in respect of a Share; and
  - (b) the person to whom the notice was given has failed to comply with it,the Company may sell that Share in such manner as the directors decide.
- 36.5 A lien enforcement notice:
  - (a) 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;
  - (b) must specify the Share concerned;
  - (c) must require payment of the sum payable within 14 days of the notice;
  - (d) must be addressed either to the holder of the Share or to a person entitled to it by reason of the holder's death, bankruptcy or otherwise; and
  - (e) must state the Company's intention to sell the Share if the notice is not complied with.
- 36.6 Where Shares are sold under this Article 36:
  - (a) the directors may authorise any person to execute an instrument of transfer of the Shares to the purchaser or a person nominated by the purchaser; and
  - (b) the transferee is not bound to see to the application of the consideration, and the transferee's title is not affected by any irregularity in or invalidity of the process leading to the sale.
- 36.7 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:
  - (a) 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
  - (b) 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 a suitable indemnity 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 in respect of the Shares after the date of the lien enforcement notice.
- 36.8 A statutory declaration by a director that the declarant is a director and that a Share has been sold to satisfy the Company's Lien on a specified date:
  - (a) is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share; and



- (b) subject to compliance with any other formalities of transfer required by the articles or by law, constitutes a good title to the Share.
- 36.9 Subject to these Articles and the terms on which Shares are allotted, the directors may send a call notice to a member requiring the member to pay the Company a specified sum of money (**call**) which is payable in respect of Shares which that member holds at the date when the directors decide to send the call notice.
- 36.10 A call notice:
  - (a) may not require a member to pay a call which exceeds the total sum unpaid on that member's Shares (whether as to the Share's nominal value or any amount payable to the Company by way of premium);
  - (b) must state when and how any call to which it relates is to be paid; and
  - (c) may permit or require the call to be paid by instalments.
- 36.11 A member must comply with the requirements of a call notice, but no member is obliged to pay any call before 14 days have passed since the notice was sent.
- 36.12 Before the Company has received any call due under a call notice the directors may:
  - (a) revoke it wholly or in part; or
  - (b) specify a later time for payment than is specified in the notice,by a further notice in writing to the member in respect of whose Shares the call is made.
- 36.13 Liability to pay a call is not extinguished or transferred by transferring the Shares in respect of which it is required to be paid.
- 36.14 Joint holders of a Share are jointly and severally liable to pay all calls in respect of that Share.
- 36.15 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:
  - (a) to pay calls which are not the same; or
  - (b) to pay calls at different times.
- 36.16 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 (whether in respect of nominal value or premium):
  - (a) on allotment;
  - (b) on the occurrence of a particular event; or
  - (c) on a date fixed by or in accordance with the terms of issue.
- 36.17 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.

- 36.18 If a person is liable to pay a call and fails to do so by the Call Payment Date:
- (a) the directors may issue a notice of intended forfeiture to that person; and
  - (b) until the call is paid, that person must pay the Company interest on the call from the Call Payment Date at the Relevant Rate.
- 36.19 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(2).
- 36.20 The directors may waive any obligation to pay interest on a call wholly or in part.

### **37 Forfeiture and surrender**

- 37.1 A notice of intended forfeiture:
- (a) may be sent in respect of any Share in respect of which a call has not been paid as required by a call notice;
  - (b) must be sent to the holder of any Share in respect of which a call has not been paid as required by a call notice (or to a person entitled to it) by reason of the holder's death, bankruptcy or otherwise;
  - (c) must require payment of the call and any accrued interest by a date which is not less than 14 days after the date of the notice;
  - (d) must state how the payment is to be made; and
  - (e) must state that if the notice is not complied with, the Shares in respect of which the call is payable will be liable to be forfeited.
- 37.2 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 decide that any Share in respect of which it was given is forfeited, and the forfeiture is to include all dividends or other moneys payable in respect of the forfeited Shares and not paid before the forfeiture.
- 37.3 Subject to these Articles, the forfeiture of a Share extinguishes:
- (a) all interests in that Share, and all claims and demands against the Company in respect of it; and
  - (b) all other rights and liabilities incidental to the Share as between the person whose Share it was prior to the forfeiture and the Company.
- 37.4 Any Share which is forfeited in accordance with these Articles:
- (a) is deemed to have been forfeited when the directors decide that it is forfeited;
  - (b) is deemed to be the property of the Company; and
  - (c) subject to Article 10 may be sold, re-allotted or otherwise disposed of as the directors think fit.

- 37.5 If a person's Shares have been forfeited:
- (a) the Company must send that person notice that forfeiture has occurred and record it in the register of members;
  - (b) that person ceases to be a Member in respect of those Shares;
  - (c) that person must surrender the certificate for the Shares forfeited to the Company for cancellation;
  - (d) that person remains liable to the Company for all sums payable by that person under these Articles at the date of forfeiture in respect of those Shares, including any interest (whether accrued before or after the date of forfeiture); and
  - (e) 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.
- 37.6 At any time before the Company disposes of a forfeited Share, the directors may decide to cancel the forfeiture on payment of all calls and interest due in respect of it and on such other terms as they think fit.
- 37.7 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.
- 37.8 A statutory declaration by a director that the declarant is a director and that a Share has been forfeited on a specified date:
- (a) is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share; and
  - (b) subject to compliance with any other formalities of transfer required by the articles or by law, constitutes a good title to the Share.
- 37.9 A person to whom a forfeited Share is transferred is not bound to see to the application of the consideration (if any) nor is that person's title to the Share affected by any irregularity in or invalidity of the process leading to the forfeiture or transfer of the Share.
- 37.10 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:
- (a) was, or would have become, payable; and
  - (b) 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.
- 37.11 A Member may surrender any Share:
- (a) in respect of which the directors may issue a notice of intended forfeiture;

- (b) which the directors may forfeit; or
- (c) which has been forfeited.

37.12 The directors may accept the surrender of any such Share.

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

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

## **38 Definitions and interpretation**

38.1 In these Articles, unless the context otherwise requires:

**A Share** means an A Ordinary Share of 1p in the capital of the Company

**Accepting Shareholders** has the meaning given in Article 15.5

**acceptors** has the meaning given in Article 9.5(d)(i)

**acting in concert** has the meaning given by the City Code on Takeovers and Mergers as in force and construed on the Investment Date

**Acquisition Shares** has the meaning given in the Investment Agreement

**AIM** means the AIM Market of the London Stock Exchange

**Allocation Notice** means a Board Invitee Allocation Notice and/or a Member Allocation Notice

**Allotment Rights** means rights to subscribe for or to convert any security into Shares

**Asset Sale** means the disposal by any one or more members of the Group of assets (whether together with associated liabilities or otherwise and as part of an undertaking or otherwise) which represent 25% or more (by book value) of the consolidated gross tangible assets of the Group at that time

**Auditors** means the auditors for the time being of the Company

**B Share** means a B Ordinary Share of 1p in the capital of the Company

**Bad Leaver** means a Member who ceases to be either an employee or director or consultant (a) in circumstances where the Remuneration Committee serves written notice on the Company confirming that notwithstanding that such a person is a Very Bad Leaver, he is to be treated as a Bad Leaver for the purposes of these Articles or (b) in any other circumstances where he is not a Good Leaver or a Very Bad Leaver

**Banking Documents** has the meaning given in the Investment Agreement

**Board** means the board of directors of the Company for the time being

**Board Invitees** has the meaning given in Article 13.5

**Board Invitee Allocation Notice** has the meaning given in Article 13.6

**Business Day** means any day on which banks are open for business in London (excluding Saturdays, Sundays and public holidays)

**Buyer** means the purchaser to whom Shares are proposed to be transferred pursuant to Article 14

**C Share** means a C Ordinary Share of 1p in the capital of the Company

**CA 2006** means Companies Act 2006

**Call Payment Date** means 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 the Call Payment Date is that later date

**Cash Equivalent Value** means the value of the relevant Non-Cash Amount as determined by the Investor Majority (acting reasonably), provided that:

- (a) in the case of a Sale by private treaty where the sale agreement attributes a value to such Non-Cash Amount, the Cash Equivalent Value will be such value attributed to it in the sale agreement; and
- (b) in the case of a Sale following a public offer where the Non-Cash Amount includes the issue of securities (not accompanied by a cash alternative), which will rank pari passu with a class of securities already admitted to trading on a Recognised Investment Exchange, the Cash Equivalent Value of such Non-Cash Amount will be 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 Sale is completed

**Catch-Up Offer** has the meaning given in Article 9.7(a)(iii)

**Chairman** means the chairman of the Board appointed or designated as such pursuant to the Investment Agreement and/or Article 23.4

**Change of Control** means the acquisition whether by purchase, transfer, renunciation or otherwise (but excluding a Permitted Transfer made pursuant to Article 12) by any person of any interest in any Shares if, upon completion of that acquisition, such person, together with persons acting in concert or connected with him (excluding where solely as a result of the existence of the Investment Agreement), would hold more than 50% of the voting rights at a general meeting of the Company attached to the issued Shares for the time being

**Company Communications Provisions** means the company communications provisions in the CA 2006 (being the provisions at sections 1144 to 1148 and Schedules 4 and 5)

**Company's Lien** has the meaning given in Article 36.1

**Compulsory Transfer Notice** means a written notice given by the Board under Article 13.1

**Compulsory Transfer Period** means the period of 6 months beginning on (i) the date on which the relevant Transfer Event occurs or (ii) the date on which the circumstances arise in which a Compulsory Transfer Notice may be served in accordance with Articles 10, 11.2 or 12, where applicable

**Compulsory Transfer Price** means the price for each of the Compulsory Transfer Shares as agreed or determined in accordance with Articles 13.2 or 13.3 (as applicable)

**Compulsory Transfer Shares** means:

- (a) in the case of a Member who has become a Relevant Member as a result of a Leaver Event, such number and class of Shares as is specified by the Board with Investor Consent in the Compulsory Transfer Notice:
  - (i) held by the Relevant Member and any member of the Relevant Member's Group immediately before the occurrence of the Leaver Event; and
  - (ii) acquired by the Relevant Member and any member of the Relevant Member's Group after the occurrence of the Leaver Event under any Share Option Scheme, or any other option scheme, rights issue, capitalisation or other arrangement,provided always that no Compulsory Transfer Notice may be served in respect of any B Shares held by any such Member, save where such Member is a Very Bad Leaver, or
- (b) in the case of a Member who has become a Relevant Member other than as a result of a Leaver Event, all Shares (other than B Shares):
  - (i) held by the Relevant Member and any member of the Relevant Member's Group immediately before the occurrence of the relevant Transfer Event; and
  - (ii) acquired by the Relevant Member and any member of the Relevant Member's Group after the occurrence of the relevant Transfer Event under any Share Option Scheme, or any other option scheme, rights issue, capitalisation or other arrangement

**Conflict Authorisation** means a Director Conflict Authorisation or a Member Conflict Authorisation, as the case may be

**Conflict Situation** means any situation which would, or might (if not authorised), constitute or give rise to a situation in which a director has, or could have, a direct or indirect interest which conflicts, or possibly may conflict, with the interests of the Company

**connected with** has the meaning given in sections 1122 and 1123 of the Corporation Tax Act 2010 save that there will be deemed to be control for that purpose whenever either section 450, 451 or 1124 of that act would so require

**Corporate Transferee** has the meaning given in Article 12.

**Corporate Transferor** has the meaning given in Article 12.

**Deed of Adherence** has the meaning given in the Investment Agreement

**Deferred Consideration** means any consideration (on a Sale) or distribution to Members (on a Winding Up) the payment of which is deferred until after the Realisation Date (whether such consideration is unconditional or is contingent on any fact, matter, circumstance or event occurring after the Realisation Date)

**Deferred Consideration Value** means:

- (a) in respect of any element of Deferred Consideration that is paid or distributed as a cash sum, the total amount of such cash sum that is actually paid or distributed; and

- (b) in respect of any element of Deferred Consideration that is paid or distributed otherwise than in cash, the Cash Equivalent Value of that Deferred Consideration which is actually paid or distributed

**director** means a director of the Company, and includes any person occupying the position of director, by whatever name called

**Director Conflict Authorisation** means authorisation, on such terms (including as regards duration and revocation) and subject to such limits or conditions (if any) as the directors (with Investor Consent) may determine, of any Conflict Situation under the powers conferred by section 175 of the CA 2006

**Drag Along Notice** has the meaning given in Article 14.1

**Drag Sale** means the transfer of Shares by the Dragging Shareholders and the Dragged Shareholders to the Buyer in accordance with Article 14

**Drag Sale Price** means a price per share that is not less than the price per A Share to be paid to the Dragging Shareholders

**Dragged Shareholders** has the meaning given in Article 14.1

**Dragged Shares** has the meaning given in Article 14.2

**Dragging Shareholders** has the meaning given in Article 14.1

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

**Emergency Issue** means an issue of Shares to a Subscribing Investor in such proportions as the Investor Majority may direct:

- (a) in respect of an acquisition of any shares, undertaking or business by a Group Company which in the reasonable opinion of an Investor Majority requires funding by the issue of Shares ; or
- (b) where an Underperformance Event is subsisting (whether a notice has been served by an Investor Majority pursuant to Article 7.2 or not)

**Employee Trust** means a trust approved by Investor Consent and whose beneficiaries include employees of the Group

**Equity Shares** means the A Shares, B Shares and C Shares for the time being in issue

**Estimated Realisation Date** means the Investor Majority's best estimate of the Realisation Date for an anticipated Realisation

**Excess Shares** has the meaning given in Article 9.5(d)(i)

**Family Trust** means a trust that permits the settled property or the income from it to be applied only for the benefit of:

- (a) the settlor and/or a Privileged Relation of that settlor

- (b) any charity or charities as default beneficiaries (meaning that the charity or charities have no immediate beneficial interest in any of the settled property or the income from it when the trust is created but may become so interested if there are no other beneficiaries at any time except other charities)

For the purposes of this definition:

- (i) **settlor** includes a testator or an intestate in relation to a Family Trust arising respectively under a testamentary disposition or an intestacy of a deceased member and
- (ii) **Privileged Relation** includes a widow or widower of, or a surviving civil partner of, the settlor

**fully paid** in relation to a Share, means that the nominal value and any premium to be paid to the Company in respect of that Share has been paid to the Company

**Good Leaver** refers to a Member who ceases to be a director, employee or consultant:

- (a) as a result of death or
- (b) as a result of that person by virtue of physical ill health (which is confirmed by an independent medical report and which is not caused by illegal drug or alcohol dependence) being 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 six months and ceases to be an employee or director of, or consultant to, a Group Company as a result thereof
- (c) as a result of that person ceasing to be employed or engaged by a Group Company as a result of such person's retirement at or after state pension age; or
- (d) if the Remuneration Committee serves written notice on the Company confirming that such person be treated as a Good Leaver for the purposes of these Articles

**Group** means the Company and all its subsidiaries and subsidiary undertakings for the time being and **member of the Group** and **Group Company** will be construed accordingly

**holder** means, in relation to a Share, any registered holder of a Share for the time being, and references to Shares 'held by' will be construed accordingly

**Incentive Plan** means any employee incentive plan or arrangement of the Company or any other member of the Group that an Investor Majority identifies in writing as being a permitted employee incentive plan for the purposes of these Articles

**Initial Offer Period** means the final date upon which the last offer to any Board Invitee made pursuant to the provisions of Article 13.5(b) expires

**Insolvency Event** means:

- (a) an order is made and/or a resolution is proposed or passed for the winding up of a Group Company or for a provisional liquidator to be appointed in respect of any Group Company for the purposes of winding up a Group Company
- (b) an administration order is made in respect of a Group Company and a petition or other application to the court for such an order is presented or made and an administrator is appointed (or notice of intention so to appoint filed in court) in respect of the Group Company



- (c) a receiver (which expression shall include an administrative receiver) is appointed in respect of any Group Company or in respect of all or any material part of its assets
- (d) a voluntary arrangement is proposed under section 1 Insolvency Act 1986 in respect of any Group Company or
- (e) any Group Company is insolvent or unable to pay its debts within the meaning of section 123 Insolvency Act 1986 as they fall due

**Investment Agreement** means the investment agreement between the Company Midco, Bidco, the Original Investors and the Original Managers (as defined therein) dated 10 October 2018, as amended, waived, restated, modified or supplemented from time to time

**Investment Date** means the date of allotment of the first A Share to be allotted as such

**Investment Fund** means any person, company, investment fund or co-investment plan whose business consists of holding securities for investment purposes

**Investor** means an Investor, as defined in the Investment Agreement (and includes any party who subsequently adheres to the Investment Agreement as an Investor by entering into a Deed of Adherence)

**Investor Consent** has the meaning given in the Investment Agreement

**Investor Director** has the meaning given in Article 23.1

**Investor Loan Notes** has the meaning given in the Investment Agreement

**Investor Majority** means the holder(s) for the time being of over 50% in nominal value of the A Shares for the time being in issue

**Issue Price** means the amount paid up or credited as paid up on the Shares concerned (including any premium)

**Leaver Event** means, in relation to any Member who is at any time a director or employee of, or a consultant to, a member of the Group:

- (a) such Member ceasing to hold such office, employment or position; or
- (b) the member of the Group of which such a Member is a director, employee or consultant ceasing for any reason to be a member of the Group

where the Member does not remain or thereupon immediately become a director or employee of, or consultant to, a member of the Group

**Listing** means either:

- (a) the admission by the UK Listing Authority to listing, together with admission by the London Stock Exchange to trading, on the Official List of any of the Equity Shares, and such admission becoming effective or
- (b) the admission by the London Stock Exchange of any of the Equity Shares to trading on AIM, and such admission becoming effective or

- (c) any equivalent admission to any other Recognised Investment Exchange becoming unconditionally effective in relation to any of the Equity Shares

**Manager Majority** means the holders for the time being of over 50% in nominal value of the B Shares and C Shares for the time being in issue

**Market Value** means the open market value of each Compulsory Transfer Share as at the date on which a Compulsory Transfer Notice is served calculated by reference to the proceeds that the holder of such Compulsory Transfer Share would be expected to receive (following the application of Article 6) upon a Realisation by way of Sale on a going concern basis between a willing buyer and willing seller(s), and accordingly shall not include any addition of any premium or subtraction of any discount by reference to the size of the holding the subject of the Compulsory Transfer Notice or to any restrictions on the transferability of the Compulsory Transfer Shares save for any adjustment that arises from the application of Article 6 as set out above

**Member** means any registered holder of a Share for the time being

**Member Allocation Notice** has the meaning given in Article 13.8

**Member Conflict Authorisation** means authorisation, on such terms (including as regards duration and revocation) and subject to such limits or conditions (if any) as the Members may determine, of any Conflict Situation

**Member Offer Period** has the meaning given in Article 13.7

**Member Of The Same Group** means any subsidiary or holding company of that Member, or a subsidiary of such a holding company

**Model Articles** means the model articles for private companies limited by shares as set out in schedule 1 to The Companies (Model Articles) Regulations 2008 as amended prior to the date of adoption of these Articles

**Non-Cash Amount** means any amount which is payable otherwise than in cash

**Original Investors** has the meaning given in the Investment Agreement

**paid** means paid or credited as paid

**Permitted Transfer** means a transfer of a Share permitted under and made in accordance with Article 12

**Permitted Transferee** means a person to whom a Permitted Transfer has been, or may be, made

**Privileged Relation** means a spouse or civil partner and any children including step and adopted children of that Member who is not a minor

**Pro Rata Portion** means with respect to any Member a percentage calculated by dividing:

- (a) the consideration payable to that Member in respect of the Drag Sale or Tag Sale (as applicable)

by

- (b) the total consideration payable by the Buyer or the Tag Buyer (as applicable) to all Members in respect of the Drag Sale or Tag Sale (as applicable)

**Realisation** means a Sale, a Listing or a Winding Up

**Realisation Date** means the date on which a Realisation occurs, being

- (a) where the Realisation is by way of a Listing, the date the Listing occurs
- (b) where the Realisation is by way of a Sale, the date of receipt from the buyer or buyers of the consideration first payable on completion of the Sale
- (c) where the Realisation is by way of a Winding Up, the date of the first distribution of assets pursuant to the Winding Up

**Realisation Proceeds** means:

- (a) in the event of a Listing, the aggregate value of all of the Shares (expressed in pounds sterling) as conclusively determined by the sponsoring broker, calculated on the basis of the issue price referred to in the prospectus, admission document or listing particulars published in connection with the Listing, but excluding the gross amount of any new money raised by the Company from the subscription for new shares issued by the Company at the time of, and in connection with, the Listing and less the costs and expenses of the Listing to the extent borne by any Group Company
- (b) in the event of a Sale, the aggregate consideration payable to the Members for all the Shares (and not, for the avoidance of doubt, any amount to be provided by a purchaser to procure the repayment by any Group Company of any bank debt or other borrowings, including the Investor Loan Notes, Refinanceable Investor Loan Notes and any other loan notes issued by the Group, and any and all other liabilities of the Group) including the Cash-Equivalent Value of any Non-Cash Amount but excluding any Deferred Consideration (in respect of which the provisions of Article 6.4 will apply)
- (c) in the event of a Winding Up, the amount to be distributed (including the Cash Equivalent Value of any Non-Cash Amount) in the Winding Up to the Members in respect of their Shares (and not, for the avoidance of doubt, any amount to be repaid by any Group Company in respect of any bank debt or other borrowings, including the Investor Loan Notes, Refinanceable Investor Loan Notes and any other loan notes issued by the Group, and any and all other liabilities of the Group) on completion of such Winding Up, but excluding any Deferred Consideration (in respect of which the provisions of Article 6.4 will apply)

**Recognised Investment Exchange** has the meaning given in section 285(1)(a) of the Financial Services and Markets Act 2000

**Redemption Amount** means in the case of any Share which is a Redemption Share, such amount as is agreed between the holder(s) of the relevant Redemption Shares and the relevant party or parties subscribing for Syndication Shares to facilitate their redemption in accordance with Article 5.1

**Redemption Shares** has the meaning given in Article 5.1

**Refinanceable Investor Loan Notes** has the meaning given in the Investment Agreement

**Relevant Director** means a director in respect of whom a Conflict Authorisation is given, or is proposed to be given

**Relevant Group** means:

- (a) the Company
- (b) each (if any) body corporate which is for the time being a subsidiary of the Company
- (c) each (if any) body corporate of which the Company is for the time being a subsidiary (**Parent**) and
- (d) each (if any) body corporate (not falling within any preceding paragraph of this definition) which is for the time being a subsidiary of the Parent

**Relevant Investor Entity** means:

- (a) any Investor
- (b) any custodian nominee or manager for any Investor or any person for whom such Investor is itself the custodian or nominee
- (c) any body corporate in which any of the preceding hold for the time being or have ever held or are or may become obliged (whether or not contingently) to make or acquire any investment (whether debt, equity or otherwise) (**Investee**)
- (d) any other body corporate which is a Member Of The Same Group as any Investee or any Investor (or any person for whom such Investor is itself the custodian or nominee) or with whom the Investee (or a member of its group) or any Investor (or any person for whom such Investor is itself the custodian or nominee) has or is proposing or considering having any business or commercial dealings or relationship and
- (e) any carried interest, co-invest or other participation or incentive arrangement of whatsoever nature operated or organised for the time being by any of the foregoing

**Relevant Member** means a person in respect of whom a Transfer Event has occurred

**Relevant Member's Group** means, in relation to a Relevant Member, that Relevant Member and:

- (a) any Privileged Relations of that Relevant Member
- (b) the trustees of any Family Trust of which that Member is the settlor and
- (c) where the Relevant Member is a body corporate, any Member Of The Same Group as such Relevant Member

**Relevant Rate** means:

- (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 annum

**Remuneration Committee** has the meaning given in the Investment Agreement

**Sale** means the making of one or more agreements (whether conditional or not but which agreement(s) become(s) unconditional) for the disposal, transfer, purchase, subscription or renunciation of any part of the share capital of the Company giving rise to a Change of Control (other than as part of a solvent reorganisation of the Group by any means) and for the purposes of this definition **disposal** means a sale, transfer, assignment or other disposition whereby a person ceases to be the absolute beneficial owner of the Shares in question or of voting rights attached thereto or an agreement to enter into such disposal or the grant of a right to compel entry into such an agreement

**Share Option Scheme** means any share option scheme of the Company or any other member of the Group that an Investor Majority identifies in writing as being a permitted share option scheme for the purposes of these Articles

**Share Purchase Agreement** has the meaning given in the Investment Agreement

**Shareholder Contract** means any contract, agreement, arrangement or transaction, including in particular (but without limitation) contracts of employment or for the provision of services, made between any holder of a B Share and/or a C Share (or any person who is connected with such a Member) and any Group Company

**Shares** means shares of any class in the capital of the Company

**Subscribing Investor** means any Investor who subscribes for Shares pursuant to an Emergency Issue

**Syndicatee** has the meaning given in the Investment Agreement

**Syndication Shares** has the meaning given in Article 5.1

**Tag Along Offer** has the meaning given in Article 15.1

**Tag Along Shares** means such proportion of the Shares held by the Tag Beneficiaries (including any Shares that are issued by the Company to the Tag Beneficiaries after the date of the Tag Along Offer) as is equal to the proportion of the A Shares held by the Tag Sellers that are proposed to be transferred to the Tag Buyer

**Tag Beneficiaries** has the meaning given in Article 15.1

**Tag Buyer** has the meaning given in Article 15.1

**Tag Offer Period** has the meaning given in Article 15.2

**Tag Sale** means the transfer of Shares by the Tag Sellers and any accepting Tag Beneficiaries to the Tag Buyer in accordance with Article 15

**Tag Sale Price** means a price per share that is not less than the price per A Share to be paid to the Tag Seller(s)

**Tag Seller** has the meaning given in Article 15.1

**Termination Date** means:

- (a) where the Group Company or the employee, director or consultant terminates or purports to terminate a contract of employment or engagement by giving notice to the other party of the termination of the employment or engagement (whether or not the

same constitutes a wrongful or unfair dismissal by the Group Company, and whether or not the employee, director or consultant is lawfully able to terminate the employment or engagement), the date of that notice

- (b) where the Group Company (on the one hand) or employee, director or consultant (on the other hand) wrongfully repudiates the contract of employment or engagement and the other respectively accepts that the contract of employment or engagement has been terminated, the date of such acceptance by the Group Company, or employee or director (as the case may be)
- (c) where a contract of employment or engagement is terminated under the doctrine of frustration, the date of the frustrating event and
- (d) where a contract of employment or engagement is terminated in any other circumstance, the date on which the person actually ceases to be employed or engaged by the Group Company

**Transfer Event** means:

- (a) in relation to any Member being an individual, such Member:
  - (i) having a bankruptcy order made against him or being declared bankrupt by any court of competent jurisdiction;
  - (ii) being prohibited by law from being a director;
  - (iii) making an offer to make any arrangement or composition with his creditors generally;
  - (iv) dying; or
  - (v) by virtue of mental or physical ill health (which is confirmed by an independent written medical report) is unable to perform all or substantially all of his duties as a director for a period of at least three months;
- (b) in relation to any Member being a body corporate which holds a B Share and/or a C Share, such Member:
  - (i) having a receiver, manager or administrative receiver appointed over all or any part of its undertaking or assets;
  - (ii) appointing or suffering the appointment of an administrator appointed in relation to it;
  - (iii) entering into liquidation (other than a voluntary liquidation for the purpose of a bona fide scheme of solvent amalgamation or reconstruction);
  - (iv) having any equivalent action in respect of it taken in any jurisdiction outside England and Wales;
  - (v) ceasing to be within the control (as that term is defined by section 1124 of the Corporation Tax Act 2010) of the person(s) who controlled such Member on the date on which it became a Member;

- (c) in relation to any person or trustee who holds Shares by virtue of a transfer in accordance with Article 0 (*transfers to relations and Family Trusts*):
  - (i) such person ceasing to be a Privileged Relation of the Member from whom the Shares were transferred, or the trust in question ceasing to be a Family Trust in relation to such Member; or
  - (ii) there ceasing to be any beneficiaries of the Family Trust (or no beneficiaries other than charities);
- (d) any Member attempting to deal with or dispose of any Share or any interest in it other than in accordance with these Articles (and whether or not for value);
- (e) in relation to any Member, any of the circumstances specified in Articles 10 or 11.2 applying in respect of such Member such that a Compulsory Transfer Notice may be served; or
- (f) in relation to any Member, a Leaver Event occurring in respect of that Member,

provided always that where a Leaver Event occurs in relation to any Member, such Leaver Event shall prevail in respect of any Shares that are deemed to be Compulsory Transfer Shares as a result of such Leaver Event but without prejudice to the application of any other Transfer Event to any other Shares held by the Relevant Member or any member of the Relevant Member's Group.

**UK Listing Authority** means the Financial Conduct Authority or its successors as the competent authority for listing in the United Kingdom under Part 6 of the Financial Services and Markets Act 2000.

**Unallocated Shares** has the meaning given in the Investment Agreement.

**Underperformance Event** means any of the events set out in Article 7.2(a) to 7.2(e).

**Valuers** means the Auditors unless (a) the Relevant Member and the Chairman do not agree that the Valuers shall be the Auditors or (b) the Auditors give notice to the Company that they are unable or unwilling to take an instruction to report on the matter in question or the terms on which the Auditors are prepared to act are not acceptable to the Company (acting with Investor Consent), in which event the Valuers will be a firm of chartered accountants suitably experienced in such matters having regard to the size and nature of the Group as selected by the Chairman or, in default of such appointment within 10 Business Days, as appointed by the President of the Institute of Chartered Accountants in England and Wales on the application of any such party.

**Very Bad Leaver** means a Member who ceases to be a director, employee or consultant of any Group Company where he has been dishonest, fraudulent, convicted of a criminal offence for which a custodial sentence is imposed or has otherwise, in the reasonable opinion of the Investor taken any act or failed to take any act which has brought the Group into disrepute.

**Winding Up** means the passing of any resolution for the winding up of the Company, or any other return of capital (on liquidation, capital reduction or otherwise).

38.2 In these Articles, words importing a gender include every gender and references to persons will include bodies corporate, unincorporated associations and partnerships.

- 38.3 Words and expressions defined in or for the purposes of the CA 2006 will, unless the context otherwise requires, have the same meaning in these Articles.
- 38.4 The headings in these Articles will not affect their construction or interpretation.
- 38.5 Whenever under these Articles it is desired or necessary for any two or more persons to give any notice, consent or approval in writing, the same may be done by them executing two or more documents either in identical form or adapted only for execution.
- 38.6 The courts of England have exclusive jurisdiction to settle any dispute arising from or connected with these Articles or otherwise arising between the Company and any of its members (or any former member or any person claiming title or interest under or by virtue of any member or former member) (each a **Disputant**) relating in any way to the past or present or alleged membership of the Company or otherwise under the Articles of Association for the time being of the Company or under the CA 2006 (**Dispute**), including a dispute regarding the existence, validity or termination of membership of the Company or the consequences of its nullity.
- 38.7 The Company and each Disputant agree that the courts of England are the most appropriate and convenient courts to settle any Dispute and, accordingly, that they will not argue to the contrary.
- 38.8 Notwithstanding Article 38.6 and Article 38.7, this Article does not prevent the Company from taking proceedings relating to a Dispute (**Proceedings**) in any other courts with jurisdiction. To the extent allowed by law, the Company may take concurrent Proceedings in any number of jurisdictions.
- 38.9 Unless the context otherwise requires, reference in these Articles to any English term for any action, remedy, method of judicial proceeding, legal document, legal status, Court, legislation, official or any legal concept or thing will, in respect of any jurisdiction other than England and Wales, be deemed to include what most nearly approximates in that jurisdiction to the relevant English term.