

**Company Number: 11321427**

**PRIVATE COMPANY LIMITED BY SHARES**

**ARTICLES OF ASSOCIATION  
of  
JZ CONSUMER BRANDS LIMITED**



  
**Pinsent Masons**

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**PRIVATE COMPANY LIMITED BY SHARES**

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**ARTICLES OF ASSOCIATION**  
**OF**  
**JZ CONSUMER BRANDS LIMITED**  
**(the "Company")**

**1. EXCLUSION OF MODEL ARTICLES**

None of the regulations contained in the Companies (Model Articles) Regulations 2008 apply to the Company and these Articles alone are the articles of association of the Company

**2. INTERPRETATION**

**2.1** In these Articles, unless the context requires otherwise:

"**Act**" means the Companies Act 2006;

"**Alternate**" or "**Alternate Director**" has the meaning in Article 11;

"**Appointor**" has the meaning in Article 11;

"**Articles**" means these articles of association;

"**A Shares**" means the A ordinary shares of £0.01 each in the capital of the Company from time to time,

"**Auditors**" means the auditors of the Company from time to time;

"**Bad Leaver**" has the meaning in Article 35.1;

"**Bankruptcy**" includes individual insolvency proceedings in a jurisdiction other than England and Wales, Scotland or Northern Ireland which have an effect similar to that of bankruptcy;

"**Board**" means the board of Directors from time to time;

"**B Share Ratchet Entitlement**" means the additional proceeds payable to the Holder(s) of the B Shares on an Exit as determined in accordance with Article 38 and Schedule 1;

"**B Shares**" means the B ordinary shares of £0.01 each in the capital of the Company from time to time;

"**Chairman**" has the meaning in Article 14;

**"Change of Control"** means the acquisition whether by purchase, transfer, renunciation or otherwise but excluding a transfer of Shares made in accordance with Article 32 (other than Article 32.2 or 32.3) by any person not a Member as at the date of adoption of these Articles (a **"Third Party Purchaser"**) of any interest in any Shares if, upon completion of that acquisition, the Third Party Purchaser, together with persons acting in concert or connected with him, would hold more than 50 per cent of the Shares;

**"Companies Acts"** means the Companies Acts (as defined in section 2 of the Act), in so far as they apply to the Company;

**"C Share Ratchet Entitlement"** means the additional proceeds payable to the Holder(s) of the C Shares on an Exit as determined in accordance with Article 38 and Schedule 1;

**"C Shares"** means the non-voting C ordinary shares of £0.01 each in the capital of the Company from time to time;

**"Deemed Transfer Notice"** has the meaning in Article 34;

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

**"Discretionary Transfer Event"** means such event as the Shareholders may agree in writing as shall be deemed to be a Transfer Event for the purposes of Article 34;

**"Discretionary Transfer Exemption"** has the meaning in Article 34.1;

**"Distribution Recipient"** has the meaning in Article 42;

**"Eligible Director"** means any Director (as the case may be) who would have been entitled to vote on the matter had it been proposed as a resolution at a Directors' meeting (but excluding any such Director whose vote is not to be counted in respect of a particular matter);

**"Employee"** means any Executive or any other employee of the Company or of any Group Company;

**"Employment Tribunal"** means a tribunal in the United Kingdom that rules on disputes between employers and employees;

**"Environment"** means the natural and man-made environment,

**"Executive"** means a Director who is party to a Service Agreement,

**"Fully Paid"** in relation to a Share, means that the nominal value and any premium to be paid to the Company in respect of that Share have been paid to the Company,

**"Good Leaver"** has the meaning in Article 35.1,

**"Group"** means the Company, any subsidiary or subsidiary undertaking of the Company and **"member of the Group"** shall be construed accordingly;

**"Health and Safety Laws"** means all applicable laws, statutes, regulations, subordinate legislation, bye-laws, common law and other national, international, federal, European Union, state and local laws, judgments, decisions and injunctions of any court or tribunal, codes of practice and guidance notes that are legally binding and in force as at the date of this Agreement to the extent that they relate to or apply to the *Environment or to the health and safety of any person*;

**"Holder"** in relation to Shares means the person whose name is entered in the register of members as the Holder of the Shares;

**"Interested Directors"** has the meaning in Article 16;

**"Investor Director"** has the meaning given to that term in Article 19.3;

**"Leaver"** has the meaning in Article 35.1;

**"Leaver's Shares"** has the meaning in Article 35.1;

**"Market Value"** means the price for the relevant Member's shares as between an arm's length seller and buyer on a going concern basis; including the entitlement after the date of Leaving of the Company (or any Group Company) of the proceeds of any insurance policy on the life of the Leaver but disregarding whether such shares represent a minority or a majority interest, having regard to the rights and restrictions attached to such shares in respect of capital and income but disregarding any other special rights or restrictions attached to such shares (including for the avoidance of doubt any ratchet entitlement on an Exit pursuant to Schedule 1 of these Articles);

**"Member"** means a registered Holder of a Share;

**"Offer Notice"** has the meaning in Article 33;

**"permitted transfer"** has the meaning in Article 32;

**"Preference Amount"** means an amount equal to the Subscription Price for Preference Shares plus an amount equal to 8% per annum of the Subscription Price calculated on the basis of a 365 day year (or in the case of a leap year 366 days), compounded annually;

**"Preference Shares"** means non-voting Preference Shares of £1.00 each in the capital of the Company;

**"Privileged Relation"** in relation to a Member who is an individual (or a deceased or former Member who is an individual) means a spouse, civil partner (as defined in the Civil Partnership Act 2004), child or grandchild (including step or adopted or illegitimate child and their issue);

**"Proposed Price"** has the meaning in Article 33;

**"Proxy Notice"** has the meaning in Article 57;

**"Proxy Notification Address"** has the meaning in Article 58;

**"Pull Notice"** has the meaning in Article 36.2;

**"Pull Option"** has the meaning in Article 36.1;

**"Pulled Shareholders"** has the meaning in Article 36.2;

**"Pulled Shares"** has the meaning in Article 36.2;

**"Purchaser"** has the meaning in Article 33,

**"Relevant Company"** has the meaning in Article 16;

**"Relevant Director"** has the meaning in Article 61;

**"Relevant Loss"** has the meaning in Article 61;

**"Relevant Member"** has the meaning in Article 34;

**"Relevant Permitted Transferee"** has the meaning in Article 34;

**"Relevant Shares"** has the meaning in Article 36.1;

**"Road Traffic Laws"** means all applicable laws, statutes, regulations, subordinate legislation, bye-laws, common law and other national, international, federal, European Union, state and local laws, judgments, decisions and injunctions of any court or tribunal, codes of practice and guidance notes that are legally binding and in force as at the date of this Agreement to the extent that they relate to or apply to the road traffic offences;

**"Sale Notice"** has the meaning in Article 33;

**"Sale Price"** has the meaning in Article 33;

**"Sale Shares"** has the meaning in Article 33;

**"Selling Shareholders"** has the meaning in Article 36.1;

**"Service Agreement"** means a service or employment contract (or similar contract providing for remuneration of an individual who is a Director) between any Director or employee and the Company;

**"Shares"** means the A Shares, the B Shares, the C Shares and the Preference Shares and **"Share"** means a share in the capital of the Company of whatever class;

**"Specified Price"** for the purposes of Article 37, has the meaning in Article 37.3;

**"Subscription Price"** means the price paid by any Holder of Shares on any allotment of Shares (including any share premium)

**"Specified Shares"** has the meaning in Article 37;

**"Third Anniversary Date"** means the date falling on the third anniversary of the date of adoption of these Articles;

**"Third Party Purchaser"** has the meaning in Article 36.1;

**"Total Transfer Condition"** has the meaning in Article 33;

**"Transferee"** has the meaning in Article 32;

**"Transfer Event"** has the meaning in Article 34;

**"Transfer Notice"** has the meaning in Article 33;

**"Transferor"** has the meaning in Article 32,

**"Uncommitted Shares"** has the meaning in Article 37;

**"Valuers"** means the Auditors unless:

- (i) a report on the Market Value is to be made pursuant to a Deemed Transfer Notice and, within 21 days after the date of the Deemed Transfer Notice, the



Relevant Member notifies the Directors in writing that it objects to the Auditors making that report; or

- (ii) the Auditors give notice to the Company that they decline an instruction to report on Market Value,

in which case Valuers means a firm of chartered accountants agreed between the Transferor or Relevant Member (as the case may be) and the Directors or, in default of agreement within 20 working days after the event referred to in (i) or (ii) above, nominated by the President of the Institute of Chartered Accountants in England and Wales on the application of the Transferor or the Relevant Member or the Directors;

"Vendor" has the meaning in Article 33,

"Very Bad Leaver" has the meaning in Article 35.1; and

"Withdrawal Period" has the meaning in Article 33.

2.2 References in these Articles to a document includes, unless otherwise specified, any document sent or supplied in electronic form.

2.3 References in these Articles to "writing" means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise.

2.4 References in these Articles to Shares being "paid" means those Shares being paid or credited as paid.

2.5 Unless the context otherwise requires:

- (i) words importing the singular include the plural and vice versa;
- (ii) words importing any gender include all other genders; and
- (iii) words importing natural persons include corporations.

2.6 Words or expressions contained in these Articles which are defined in the Act have the same meaning as in the Act in force on the date of adoption of these Articles including the following words which are defined in the following sections of the Act:

Word(s)/expression	Section Number in Act
electronic form	section 1168
hard copy form	section 1168
ordinary resolution	section 282
special resolution	section 283
subsidiary	section 1159
subsidiary undertaking	section 1162
working day	section 1173

2.7 A reference to an Article by number is to the relevant Article of these Articles

2.8 Headings used in these Articles shall not affect their construction or interpretation.

- 2.9 References to any statute or section of a statute shall include reference to any statutory amendment, extension, modification or re-enactment of such statute or section of a statute for the time being in force.

3. **LIMITATION OF LIABILITY OF MEMBERS**

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

4. **DIRECTORS' GENERAL AUTHORITY**

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

5. **MEMBERS' RESERVE POWER**

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

- 5.2 No such decision invalidates anything which the Directors have done before the passing of the resolution.

6. **DIRECTORS MAY DELEGATE**

- 6.1 The Directors may delegate any of the powers which are conferred on them under these Articles:

- (a) to such person or committee;
- (b) by such means (including by power of attorney);
- (c) to such an extent;
- (d) in relation to such matters or territories; and
- (e) on such terms and conditions

as they think fit.

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

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

7. **DIRECTORS' MEETINGS**

- 7.1 Any decision of the Directors must be taken at a meeting of the Directors or must be made in accordance with Article 9.

- 7.2 The Directors must meet together for the dispatch of business at least 5 times each calendar year.

8. **COMMITTEES**

- 8.1 Committees to which the Directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of these Articles which govern the taking of decisions by Directors.

- 8.2 A committee of the Directors must include at least one Director. The provisions of Article 13 apply equally to meetings of any committee or the Directors as to meetings of the Directors.

9. **UNANIMOUS DECISIONS**

- 9.1 A decision of the Directors is taken in accordance with this Article when all Eligible Directors indicate to each other by any means that they share a common view on a matter.
- 9.2 Such a decision may take the form of a resolution in writing, where each Director has signed and delivered one or more copies of it or to which each Eligible Director has otherwise indicated agreement in writing.
- 9.3 A decision may not be taken in accordance with this Article if the Eligible Directors would not have formed a quorum at a Directors' meeting.

10. **CALLING A DIRECTORS' MEETING**

- 10.1 Any Director may call a Directors' meeting by giving at least seven days' notice of the meeting (or such shorter period of notice as a majority of the Directors may agree) to each of the Directors or by authorising the company secretary (if any) to give such notice.
- 10.2 Notice of any Directors' meeting must:
- (a) indicate its proposed date and time;
  - (b) indicate where it is to take place;
  - (c) include a reasonable detailed agenda of the business to be transacted at the meeting including any relevant documentation; and
  - (d) if it is anticipated that Directors participating in the meeting will not be in the same place, indicate how it is proposed that they should communicate with each other during the meeting.
- 10.3 Notice of a Directors' meeting must be given to each Director.
- 10.4 Notice of a Directors' meeting need not be given to Directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the Company either before or after the meeting. Where such notice is given after the meeting has been held, that does not invalidate the meeting, or any business conducted at it.

11. **ALTERNATE DIRECTORS**

- 11.1 Any Investor Director (the "**Appointor**") may appoint as an alternate any other Director, or another person approved by resolution of the Directors to.
- (a) exercise that Investor Director's powers; and
  - (b) carry out that Investor Director's responsibilities,
- in relation to the taking of decisions by the Directors in the absence of the alternate's Appointor (the "**Alternate**" or "**Alternate Director**").
- 11.2 Any appointment or removal of an Alternate must be effected by notice in writing to the Company signed by the Appointor, or in any other manner approved by the Directors.

- 11.3 The notice must.
- (a) identify the proposed Alternate; and
  - (b) in the case of a notice of appointment, contain a statement signed by the proposed Alternate that the proposed Alternate is willing to act as the Alternate of the Investor Director giving the notice
- 11.4 An Alternate Director may act as Alternate Director to more than one Investor Director and has the same rights, in relation to any decision of the Directors as the Alternate's Appointor.
- 11.5 Alternate Directors:
- (a) are deemed for all purposes to be Directors;
  - (b) are liable for their own acts and omissions;
  - (c) are subject to the same restrictions as their Appointors; and
  - (d) are not deemed to be agents of or for their Appointors,
- and in particular, (but without limitation) each Alternate Director is entitled to receive notice of all meetings of Directors and all meetings of committees of Directors of which his Appointor is a member.
- 11.6 A person who is an Alternate Director but not a Director:
- (a) 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
  - (b) may participate in a unanimous decision of the Directors (but only if his Appointor is an Eligible Director in relation to that decision and does not participate).
- No Alternate may be counted as more than one Director for such purposes.
- 11.7 An Alternate Director is not entitled to receive any remuneration from the Company for serving as an Alternate Director except such part of the Alternate's Appointor's remuneration as the Appointor may direct by notice in writing made to the Company.
- 11.8 An Alternate Director's appointment as an Alternate terminates:
- (a) when the Alternate's Appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;
  - (b) on the occurrence in relation to the Alternate of any event which, if it occurred in relation to the Alternate's Appointor, would result in the termination of the Appointor's appointment as a Director;
  - (c) on the death of the Alternate's Appointor; or
  - (d) when the Alternate's Appointor's appointment as a Director terminates.
- 11.9 A Director who is also an Alternate Director has an additional vote on behalf of each Appointor who is:

- (a) not participating in a Directors' meeting, and
  - (b) would have been entitled to vote if they were participating in it.
- 11.10 For the avoidance of doubt, a Director who is not an Investor Director shall not be entitled to appoint an alternate in respect of his directorship of the Company.
- 12. **PARTICIPATION IN DIRECTORS' MEETINGS**
- 12.1 Directors participate in a Directors' meeting, or part of a Directors' meeting, when:
  - (a) the meeting has been called and takes place in accordance with these Articles; and
  - (b) they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.
- 12.2 In determining whether Directors are participating in a Directors' meeting, it is irrelevant where any Director is or how they communicate with each other.
- 12.3 If all the Directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.
- 13. **QUORUM FOR DIRECTORS' MEETINGS**
- 13.1 At a Directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.
- 13.2 The quorum for Directors' meetings is two Directors, at least one of whom must be an Investor Director. If a quorum is not present within 30 minutes from the time appointed for the meeting, the meeting shall be adjourned to the same day in the next week at the same time and place. If at any adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting the meeting shall be dissolved
- 13.3 Subject to Articles 15.2 and 15.3 below, Directors or any committee of the Directors shall act by majority vote.
- 13.4 A person holding office as an Alternate Director shall only be counted in the quorum if his Appointor is not present.
- 14. **CHAIRING OF DIRECTORS' MEETINGS**
- 14.1 The Directors may appoint a Director to chair their meetings (the "**Chairman**")
- 14.2 The person so appointed for the time being is known as the Chairman.
- 14.3 The Directors (acting as a majority) may terminate the Chairman's appointment at any time.
- 14.4 If the Chairman 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.
- 15. **VOTES**
- 15.1 Neither:

15.1.1 the Chairman; nor

15.1.2 any other Director chairing the meeting (save where that Director is an Investor Director, in which case Article 15.3 below shall apply),

shall have a casting vote.

15.2 No resolution of the Directors shall be passed where any Investor Director has objected to the passing of that resolution

15.3 In respect of any proposed resolution of the Directors, the Investor Directors present at the meeting shall be entitled to nominate any one of their number who, having been so nominated, shall be entitled to cast five votes in respect of any resolution of the Directors.

## 16. **CONFLICTS OF INTEREST**

16.1 If a Director is in any way directly or indirectly interested in a proposed contract with the Company or a contract that has been entered into by the Company he must declare the nature and extent of that interest to the Directors in accordance with the Act.

16.2 Subject to Article 16.5, the Directors may authorise any matter which would, if not so authorised, result in a Director infringing his duty under section 175 of the Act to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts or possibly may conflict with the interests of the Company.

16.3 Any authorisation of a matter under Article 16.2 shall extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter so authorised.

16.4 A reference in these Articles to a conflict of interest includes a conflict of interest and duty and a conflict of duties.

16.5 Any authorisation given pursuant to Article 16.2:

(a) will only be effective if:

(i) the Director in question provides the other Directors with written details of the matter in respect of which authorisation is being sought (including the nature and extent of his interest in such matter) or in such other manner as the other Directors may from time to time direct;

(ii) any requirement as to quorum at the meeting at which the matter is considered is met without counting the Director in question and any other interested Director (the "**Interested Directors**"), and

(iii) the matter was agreed to without any Interested Director voting or would have been agreed to if the votes of any Interested Director had not been counted;

(b) may be given subject to any limits or conditions (including as to duration) as the Directors may expressly impose at the time of the giving of the authorisation or subsequently; and

(c) may be varied or terminated by the Directors at any time (but this will not affect anything done by the relevant Director prior to such

variation or termination in accordance with the terms of such authority).

16.6 The provisions of this Article 16 do not apply to any conflict of interest arising in relation to a transaction or arrangement with the Company.

16.7 In relation to any matter authorised by the Directors in accordance with the provisions of this Article 16, the relevant Director may (for so long as he reasonably believes such conflict of interest (or possible conflict of interest) subsists):

- (a) absent himself from any meeting of the Directors at which any matter relating to the conflict of interest or possible conflict of interest will or may be discussed or from the discussion of any such matter at a meeting or otherwise;
- (b) abstain from voting at any meeting of the Directors on any resolution relating to any matter that gives rise to the conflict of interest or possible conflict of interest;
- (c) make arrangements not to be given any documents or information relating to any matter which gives rise to the conflict of interest or possible conflict of interest sent or supplied by the Company provided that the relevant Director may make arrangements for such documents and information to be received and read by a professional adviser;
- (d) decide not to disclose any information which he has obtained in connection with the matter that gives rise to the conflict of interest or possible conflict of interest to the Directors or to any other officer or employee of the Company; and/or
- (e) decide not to use or apply any such information in performing his duties as a Director of the Company,

and the relevant Director's general duties will not be infringed by anything done or omitted to be done by the relevant Director in accordance with paragraphs (a) to (e) above.

16.8 Subject to his declaring the nature and extent of the interest in accordance with Article 17 (save in the case of an interest falling within sub-paragraph (a) below which shall not require to be so declared), a Director is permitted to have an interest of the following kind:

- (a) an interest which cannot reasonably be regarded as likely to give rise to a conflict of interest;
- (b) where the Director (or a person connected with him) is a Director or other officer of or employed by or otherwise interested (including by the holding of Shares) in any Relevant Company;
- (c) where the Director (or person connected with him) is a party to, or otherwise interested in any contract, transaction or arrangement with a Relevant Company or in which the Company is otherwise interested;
- (d) where the Director (or any person connected with him) acts (or any firm of which is a partner, employee or member acts) in a professional capacity for a Relevant Company (other than as auditor) whether or not he is remunerated for such actions;

(e) where the Director (or any person connected with him) is a director or officer of, or employed by, or otherwise be interested in (including by holding shares in) a Relevant Company;

(f) any other interest authorised by ordinary resolution;

and no authorisation pursuant to Article 16.2 is required in relation to such an interest.

16.9 A Director shall not, save as otherwise agreed by him, be accountable to the Company for any benefit which he (or any person connected with him) derives from any contract, transaction or arrangement or from any office, employment or position which has been approved by the Directors pursuant to Article 16.2 or which is referred to in Article 16.8.

16.10 In this Article 16:

(a) a "Relevant Company" means;

(i) the Company;

(ii) any subsidiary or subsidiary undertaking of the Company;

(iii) any holding company of the Company or any subsidiary or subsidiary undertaking of any such holding Company,

(iv) any body corporate promoted by the Company; or

(v) any body corporate in which the Company is otherwise interested; and

(b) a person is connected with a Director if he is connected to him in terms of section 252 of the Act.

## **17. DECLARATION OF INTERESTS IN PROPOSED OR EXISTING TRANSACTIONS OR ARRANGEMENTS WITH THE COMPANY**

17.1 A Director who is in any way, directly or indirectly interested in a proposed transaction or arrangement with the Company must declare the nature and extent of his interest to the other Directors before the Company enters into the transaction or arrangement.

17.2 A Director who is in any way directly or indirectly interested in a transaction or arrangement that has been entered into by the Company must declare the nature and extent of his interest to the other Directors as soon as is reasonably practicable unless the interest has already been declared pursuant to Article 17.1.

17.1 Any declaration required by Article 17.1 may (but need not be) be made at a meeting of the Directors or by notice in writing in accordance with section 184 of the Act or by general notice in accordance with section 185 of the Act. Any declaration required by Article 17.2 must be made at a meeting of the Directors or by notice in writing in accordance with section 184 of the Act or by general notice in accordance with section 185 of the Act.

17.2 If a declaration made pursuant to Article 17.1 or 17.2 proves to be, or becomes, inaccurate or incomplete, a further declaration must be made under Article 17.1 or 17.2 as appropriate.

17.3 A Director need not declare an interest if:

(a) it cannot reasonably be regarded as likely to give rise to a conflict of interest; or



- (b) to the extent that the other Directors are already aware of it (and for this purpose the other Directors are treated as aware of anything of which they ought reasonably to be aware);
- (c) to the extent that it concerns terms of his service contract that have been or are to be considered by a meeting of the Directors or by a committee of the Directors appointed for the purpose under these Articles; or
- (d) the Director is not aware of his interest or is not aware of the transaction or arrangement in question (and for this purpose a Director is treated as being aware of matters of which he ought reasonably to be aware).

17.4 Subject to the Act and any terms and conditions imposed by the Members in accordance with Article 16.5, a Director is entitled to vote on any resolution of the Directors or of a committee of the Directors concerning any contract, transaction, arrangement or proposal to which the Company is or is to be a party and in which he (or a person connected with him) has a material interest and be counted in the quorum for the meeting of Directors in relation to such contract, transaction, arrangement or proposal provided he has declared the nature and extent of his interest in accordance with Article 17.1.

## 18. RECORDS OF DECISIONS TO BE KEPT

The Directors must ensure that the Company keeps a record, in writing, for at least 10 years from the date of the decision recorded, of every unanimous or majority decision taken by the Directors. Where decisions of the Directors are taken by electronic means, such decisions must be recorded by the Directors in permanent form so that they may be read by the naked eye.

## 19. NUMBER AND METHODS OF APPOINTING DIRECTORS

19.1 Unless otherwise determined by ordinary resolution, the number of Directors shall not be less than two and not more than seven.

19.2 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:-

19.2.1 by ordinary resolution;

19.2.2 by a decision of the directors; or

19.2.3 in accordance with the provisions of Article 19.3.

19.3 Without prejudice to Article 19.1, the Holder(s) of a majority of the A Shares shall have the right exercisable by notice in writing signed on behalf of such Holder(s) to require the appointment of not more than five Directors from time to time and by like notice to remove or to require the removal of any Director so appointed and to appoint or to require the appointment of another person to act in place of such Director. Any Director appointed pursuant to this Article 19.3 shall for the purposes of these Articles constitute an "Investor Director".

## 20. TERMINATION OF DIRECTOR'S APPOINTMENT

A person ceases to be a Director as soon as:

- (a) the employment agreement / service contract of the relevant Director is terminated in accordance with its terms;

- (b) (where the Director is also a Member) such Director (or his appointor) is in material breach of any agreement entered into between the Members or the Members and the Company and such breach is not remedied within 14 days of the Company notifying the Director or his appointor of the breach;
- (c) that person ceases to be a Director by virtue of any provision of the Act or is prohibited from being a Director by law; or
- (d) a Bankruptcy order is made against that person; or
- (e) a composition is made with that person's creditors generally in satisfaction of that person's debts; or
- (f) a registered medical practitioner who is treating that person gives a written opinion to the Company stating that that person has become physically or mentally incapable of acting as a Director and is likely to remain so for more than 12 months; or
- (g) by reason of that person's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have; or
- (h) notification is received by the Company from the Director that the Director is resigning from office, and such resignation has taken effect in accordance with its terms.

## 21. **DIRECTORS' REMUNERATION**

21.1 Directors may undertake any services for the Company that the Directors decide.

21.2 Directors are entitled to such remuneration as the Directors determine:

- (a) for their services to the Company as Directors; and
- (b) for any other service which they undertake for the Company

21.3 A Director's remuneration may:

- (a) take any form, and
- (b) include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that Director.

21.4 Unless the Directors decide otherwise, Directors' remuneration accrues from day to day.

21.5 Unless the Directors decide otherwise, Directors are not accountable to the Company for any remuneration which they receive as Directors or other officers or employees of the Company's subsidiaries or of any other body corporate in which the Company is interested

## 22. **DIRECTORS' EXPENSES**

The Company must pay any reasonable expenses which the Directors or any relevant Alternate Director properly incur in connection with their attendance at:

- (a) meetings of Directors or committees of Directors;

- (b) general meetings;
- (c) separate meetings of the Holders of any class of Shares or of debentures of the Company,

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

## 23. **SECRETARY**

The Directors may appoint any person who is willing to act as the company secretary for such term, at such remuneration and upon such conditions as they may think fit and from time to time remove such person and, if the Directors so decide appoint a replacement, in each case by a decision of the Directors.

## 24. **SHARES**

- 24.1 No Share is to be issued for less than the aggregate of its nominal value and any premium to be paid to the Company in consideration for its issue. This does not apply to Shares taken on the formation of the Company by the subscribers to the Company's memorandum.
- 24.2 Except as otherwise provided in these Articles all A Shares, B Shares and C Shares rank *pari passu* in all respects for the purposes of voting but Preference Shares shall be non-voting Shares.

## 25. **DIRECTORS' POWER TO ALLOT SHARES**

- 25.1 Subject to Articles 24 and 26 the Directors may offer or allot Shares, grant rights to subscribe for or to convert any security into or otherwise deal in, or dispose in Shares on such terms and at such time as they may decide.

## 26. **OFFERS OF NEW SHARES TO EXISTING SHAREHOLDERS**

- 26.1 Save in such circumstances as may be agreed in writing by the A Shareholder and B Shareholder, the Directors must offer any A Shares or B Shares which they propose to offer or allot or grant rights to subscribe for or to convert any security into or otherwise deal in or dispose of to shareholders in accordance with the provisions of this Article 26, before allotting them to any other person.
- 26.2 The Directors must make an offer to allot to each person who is a shareholder at the date of such offer, a proportion of the shares being offered that is as nearly as practicable equal to the proportion in nominal value held by him of the equity share capital of the Company excluding the Preference Shares and the C Shares (the "**Pre-emption offer**"), provided that such shares shall be offered only in the same class of Shares held by that shareholder at the date of such offer. Each Pre-emption offer must be made in writing to all eligible shareholders on the same day and must state:-
  - 26.2.1 the aggregate number of shares to be allotted;
  - 26.2.2 the terms of such allotment; and
  - 26.2.3 the number of shares offered for sale to the shareholder to whom the Pre-emption offer is addressed.
- 26.3 The following conditions must be incorporated in the Pre-emption offer:-
  - 26.3.1 if the shareholder wishes to purchase all or any of the relevant Shares which are subject to the Pre-emption offer (the "**Offered Shares**"), he must accept

such offer in writing in accordance with the provisions of Article 60 within 14 days of the date of service of the Pre-emption offer (the "**Acceptance**"); and

26.3.2 if the shareholder wishes to purchase more than the number of Offered Shares he must indicate in the Acceptance, the maximum number of additional Shares he is willing to purchase (the "**Additional Acceptance**"); and

26.3.3 if within 14 days of the date of service of the Pre-emption offer there are shares which have not been accepted for purchase by the shareholders, (the "**Surplus Shares**"), the Surplus Shares will be allocated to and deemed to be accepted by each shareholder who has made an Additional Acceptance provided that they shall be so allocated in the class of Shares currently held by that shareholder, and

26.3.4 if there are insufficient Surplus Shares to satisfy all Additional Acceptances, the number of Surplus Shares to be allocated to each Shareholder who has made an Additional Acceptance shall be calculated according to the proportion which the number of Fully Paid Shares held by the relevant shareholder as at the date of the Pre-emption offer bears to the aggregate number of Fully Paid A Shares and B Shares held by all shareholders who have made an Additional Acceptance. Each shareholder who made an Additional Acceptance will be deemed to agree to purchase the number of Surplus Shares allocated to him pursuant to such calculation, and

26.3.5 each relevant shareholder must no later than five working days after the allocation of Shares to him pay to the Company the total subscription price payable for such Shares and upon payment of such sum, the Company must deliver a share certificate to the relevant shareholder for the number of Shares purchased by him.

26.4 If any Pre-emption offer is not accepted in full, the Directors may within one month after the date of such offer dispose of any shares referred to in the Pre-emption offer and not allotted to any shareholder to such person or persons as they think fit but only at the same price and on the same terms which were specified in the Pre-emption offer.

26.5 The pre-emption provisions of section 561 and section 562 of the Act shall not apply to any allotment of the Company's equity securities.

## 27. **VARIATION OF CLASS RIGHTS**

27.1 A Shares, B Shares and C Shares shall be treated as a single class of share in all respects save as expressly provided in these Articles.

## 28. **COMPANY NOT BOUND BY LESS THAN ABSOLUTE INTERESTS**

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

## 29. **SHARE CERTIFICATES**

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

29.2 Every certificate must specify.

(a) in respect of how many Shares, of what class, it is issued;

- (b) the nominal value of those Shares;
- (c) the amount paid up on them; and
- (d) any distinguishing numbers assigned to them.

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

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

29.5 Certificates must:

- (a) have affixed to them the Company's common seal; or
- (b) be otherwise executed in accordance with the Companies Acts.

### 30. **REPLACEMENT SHARE CERTIFICATES**

30.1 If a certificate issued in respect of a Member's Shares is:

- (a) damaged or defaced; or
- (b) said to be lost, stolen or destroyed

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

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

- (a) may at the same time exercise the right to be issued with a single certificate or separate certificates,
- (b) must return the certificate which is to be replaced to the Company if it is damaged or defaced; and
- (c) must comply with such conditions as to evidence, indemnity and the payment of a reasonable fee as the Directors reasonably decide.

### 31. **SHARE TRANSFERS**

31.1 No Member may transfer any Share or any interest in a Share unless the transfer is permitted by and is made in accordance with these Articles and is not prohibited under Article 31.14.

31.2 Notwithstanding Article 30.1 no Member may transfer any B Shares nor any C Shares (or any interest in any B Share or C Share) unless the transfer is permitted by and is made in accordance with Articles 32, 33, 34, 35 or 36

31.3 The Directors must immediately register any duly stamped transfer which is made in accordance with these Articles but must not register any transfer of a Share or any interest in a Share unless the transfer is permitted by and is made in accordance with these Articles and is not prohibited under Article 31.14.

31.4 For the purpose of ensuring that a transfer of Shares is in accordance with these Articles or that no circumstances have arisen whereby a Member may be bound to give or be deemed to have given a Transfer Notice the Directors may from time to time require any Member or any person named as transferee in any transfer lodged

for registration to furnish to the Directors such information and evidence as they deem relevant for such purpose.

- 31.5 Failing such information or evidence being furnished to their reasonable satisfaction within a reasonable time after request under Article 31.4 the Directors may in their absolute discretion refuse to register the transfer in question or require by notice in writing to the Member(s) concerned that a Transfer Notice be given in respect of the Shares concerned.
- 31.6 If such information or evidence requested under Article 31.4 discloses to the satisfaction of the Directors in their reasonable discretion that circumstances have arisen whereby a Member may be bound to give or be deemed to have given a Transfer Notice the Directors may in their reasonable discretion by notice in writing to the Member(s) concerned require that a Transfer Notice be given in respect of the Shares concerned.
- 31.7 An obligation to transfer a Share under these Articles shall be deemed to be an obligation to transfer the entire legal and beneficial interest in such Share free from any lien, charge or encumbrance.
- 31.8 If a Member holding Shares of one class acquires Shares of another class, such Shares shall, upon registration of the relevant transfer, be re-designated as the same class of Shares originally held by such Member.
- 31.9 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.
- 31.10 No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any Share
- 31.11 The Company may retain any instrument of transfer which is registered.
- 31.12 The transferor remains the Holder of a share until the transferee's name is entered in the register of members as Holder of it.
- 31.13 Save as expressly permitted by these Articles, a Member must not enter into any arrangement where the terms upon which that Member holds any Shares are to be varied if as a result any interest in those Shares is varied, disposed of or created or extinguished
- 31.14 Notwithstanding any other provision of these Articles, the Directors must not register a transfer of any Share or any interest in any Share to any minor, undischarged bankrupt, trustee in Bankruptcy (acting in that capacity) or person of unsound mind.

## **32 PERMITTED TRANSFERS**

- 32.1 For the purposes of these Articles, "permitted transfer" means any transfer of Shares expressly permitted under this Article 32.
- 32.2 A Member may transfer Shares to any person at any time with the prior written consent of the Holders of A Shares.
- 32.3 Any Member which is a body corporate may at any time transfer any Shares held by it to a member of the same Group.
- 32.4 Where Shares have been transferred under Article 32.3 (whether directly or indirectly or by a series of such transfers) from a Member (the "**Transferor**") to a member of the same Group as the Transferor (the "**Transferee**") and subsequent to such transfer the Transferee ceases to be a member of that Group the Transferee shall forthwith

transfer all the Shares held by it to the Transferor, for such consideration as they agree and if they do not do so within 28 days of the date upon which the Transferee ceases to be a member of the same Group the Directors shall require the Transferee to serve a Transfer Notice in respect of such Shares (unless a majority of the Holders of the A Shares determine otherwise).

- 32.5 Any transfer of any Share pursuant to this Article 32 will only be treated as a permitted transfer for the purposes of these Articles if it is a transfer of the entire legal and beneficial interest in such share, free from any lien, charge or other encumbrance.

### 33. VOLUNTARY TRANSFERS

- 33.1 Except as expressly permitted under Article 32, any Member who wishes to transfer any Share (a "**Vendor**") must before transferring or agreeing to transfer such Share or any interest in it, serve notice in writing (a "**Transfer Notice**") on the Company of his wish to make that transfer.

- 33.2 In the Transfer Notice the Vendor must specify:

- (a) the number and class of Shares which he wishes to transfer ("**Sale Shares**");
- (b) the identity of the person (if any) to whom the Vendor wishes to transfer the Sale Shares;
- (c) the price per share at which the Vendor wishes to transfer the Sale Shares (the "**Proposed Price**"),
- (d) any other terms relating to the transfer of the Sale Shares; and
- (e) whether the Transfer Notice is conditional upon all (and not part only) of the Sale Shares being sold pursuant to the following provisions of this Article 33 (a "**Total Transfer Condition**").

- 33.3 Each Transfer Notice must:

- (a) relate to one class of Share only;
- (b) constitute the Company as the agent of the Vendor for the sale of the Sale Shares on the terms of this Article 33;
- (c) save as provided in Article 33.6, be irrevocable; and
- (d) not contain or be deemed to contain a Total Transfer Condition unless the same is both expressly stated in that Transfer Notice and permitted by these Articles.

- 33.4 The Sale Shares must be offered for purchase in accordance with this Article 33 at a price per Sale Share (the "**Sale Price**") agreed between the Vendor and the Directors. If they cannot agree the Sale Price by the end of the 20th working day after the date of service of the Transfer Notice, the Directors must instruct the Valuers to determine the Market Value of each Sale Share in accordance with Article 33.15 as at the date of the Transfer Notice. The Vendor and the Company must take all reasonable steps to co-operate with the Valuers in the valuation process and in particular must agree to the terms of engagement of the Valuers provided that those terms of engagement are reasonable and consistent with the rights and obligations of the Company and the Vendor as set out in these Articles. The written opinion of Market Value by the Valuers must be circulated to the Vendor as soon as is reasonably practicable.

- 33.5 The Sale Price shall be the lower of:

- (a) the Proposed Price; and
  - (b) the Market Value.
- 33.6 If the Market Value is reported on by the Valuers under Article 33.4 is less than the Proposed Price, the Vendor may revoke the Transfer Notice by written notice given to the Directors within the period of 7 working days after the date the Directors serve on the Vendor the Valuers' written opinion of the Market Value (the "**Withdrawal Period**").
- 33.7 Within 20 working days after determination of the Sale Price, the Directors must give an Offer Notice (the "**Offer Notice**") to the Members to whom the Sale Shares will be offered in accordance with these Articles.
- 33.8 An Offer Notice shall:
  - (a) specify the Sale Price,
  - (b) contain the other information set out in the Transfer Notice,
  - (c) invite the relevant offerees to apply in writing, before expiry of the Offer Notice, to purchase the numbers of Shares specified by them in their application, and
  - (d) expire 15 working days after its service.
- 33.9 Sale Shares of a particular class specified in column (1) in the table below shall be offered to all persons in the category set out in the corresponding line in column (2) in the table below.

<b>(1)</b> <b>Class of Sale Shares</b>	<b>(2)</b> <b>Offer to (in order of priority)</b>
Preference Shares	Members holding Preference Shares (save that this requirement shall not apply where the Vendor holds 100% of the Preference Shares);  then to Members holding A Shares;  then to Members holding B Shares;  then to Members holding C Shares.
A Shares	Members holding Preference Shares;  then to Members holding A Shares (save that this requirement shall not apply where the Vendor holds 100% of the A Shares);  then to Members holding B Shares;  then to Members holding C Shares.
B Shares	Members holding Preference Shares;  then to Members holding A Shares;  then to Members holding B Shares (save that this requirement shall not apply where the Vendor holds 100% of the B Shares);



	then to Members holding C Shares.
C Shares	Members holding Preference Shares;  then to Members holding A Shares;  then to Members holding B Shares;  then to Members holding C Shares (save that this requirement shall not apply where the Vendor holds 100% of the C Shares).

- 33.10 After the expiry date of the Offer Notice, (or, if earlier, after valid applications being received for all the Sale Shares in accordance with Article 33.9), the Directors must, in the priorities and in respect of each class of persons set out in the columns in the table in Article 33.9, allocate the Sale Shares in accordance with the applications received, subject to the other provisions of these Articles, save that:
- (a) if there are applications from any class of offerees for more than the number of Sale Shares available for that class of offerees, they must be allocated to those applicants in proportion (as nearly as possible but without allocating to any Member more Sale 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;
  - (b) if it is not possible to allocate any of the Sale Shares without involving fractions, they must be allocated amongst the applicants of each class in such manner as the Directors think fit; and
  - (c) if the Transfer Notice contained a Total Transfer Condition, no allocation of Sale Shares will be made unless all the Sale Shares are allocated.
- 33.11 Within 5 working days of the expiry date of the Offer Notice, the Directors must give notice in writing (a "**Sale Notice**") to the Vendor and to each person to whom Sale Shares have been allocated (each a "**Purchaser**") specifying the name and address of each Purchaser, the number of Sale Shares agreed to be purchased by him and the total price payable for them.
- 33.12 Completion of a sale and purchase of Sale Shares pursuant to a Sale Notice will take place at the registered office of the Company at the time specified in the Sale Notice when the Vendor must, upon payment to him by a Purchaser of the Sale Price in respect of the Sale Shares allocated to that Purchaser, transfer those Sale Shares and deliver the relative share certificates to that Purchaser.
- 33.13 The Vendor may, during the period of 90 working days commencing 20 working days after the expiry date of the Offer Notice, sell all or any of those Sale Shares for which a Sale Notice has not been given by way of bona fide sale to the proposed transferee (if any) named in the Transfer Notice or, if none was so named, to any transferee at any price per Sale Share which is not less than the Sale Price, without any deduction, rebate or allowance to the proposed transferee, provided that if the Transfer Notice contained a Total Transfer Condition, the Vendor will not be entitled, save with the written consent of all the other Members, to sell only some of the Sale Shares under this Article 33.13.
- 33.14 If a Vendor fails for any reason (including death) to transfer any Sale Shares when required pursuant to this Article 33:

- (a) the Directors shall authorise any person (who shall be deemed to be irrevocably appointed as the attorney or agent (at the discretion of the Directors) of that Vendor for the purpose) to execute the necessary transfer of such Sale Shares and deliver it on the Vendor's behalf;
- (b) the Company may receive the purchase money for such Sale Shares from the Purchaser and must upon receipt (subject, if necessary, to the transfer being duly stamped) register the Purchaser as the Holder of such Sale Shares;
- (c) the Company must hold such purchase money in a separate bank account on trust for the Vendor but is not bound to earn or pay interest on any money so held but will pay such purchase money to the Vendors upon presentation by the Vendors of a duly executed stock transfer form in relation to the Sale Shares and the share certificates for such shares (or an executed indemnity in common form);
- (d) the Company's receipt for such purchase money will be a good discharge to the Purchaser who is not bound to see to the application of it; and
- (e) after the name of the Purchaser has been entered in the register of Members in purported exercise of the power conferred by this Article 33.14, the validity of the proceedings will not be questioned by any person.

33.15 If instructed to report on their opinion of Market Value under Article 33.4 or Article 35.3 the Valuers must:

- (a) act as expert and not as arbitrator and their written determination will be final and binding on the Members (except in the case of manifest error), and
- (b) be entitled in their absolute discretion to appoint legal advisers to advise on the interpretation and effect of any records or documents provided to it for the purposes of determining the Market Value.

33.16 The Company must use its reasonable endeavours to procure that the Valuers deliver their written opinion of the Market Value to the Directors and to the Vendor within 20 working days of being requested to do so.

33.17 The Valuers' fees for reporting on their opinion of the Market Value and the fees of any legal advisers appointed by the Valuer pursuant to Article 33.15(b) must be paid as to one half by the Vendor and as to the other half by the Purchasers pro rata to the number of Sale Shares purchased by them unless:

- (a) the Vendor revokes the Transfer Notice pursuant to Article 33.6; or
- (b) none of the Sale Shares are purchased pursuant to this Article 33,

when the Vendor must pay all the Valuers' fees.

33.18 Any shares acquired by a Member pursuant to the provisions of these Articles will automatically convert into shares of the same classification originally held by such Member.

34. **COMPULSORY TRANSFER**

34.1 In this Article 34, a "Transfer Event" occurs, in relation to any Member (save for any Member who is a Holder of Preference Shares and/or A Shares):

- (a) if that Member being an individual:
  - (i) has a bankruptcy order made against him or is declared bankrupt by any court of competent jurisdiction unless the Directors resolve that such event is not a Transfer Event in relation to that Member for the purposes of this Article 34, or
  - (ii) makes or offers or purports to make any arrangement or composition with his creditors generally unless the Directors resolve that such event is not a Transfer Event in relation to that Member for the purposes of this Article 34; or
- (b) if that Member being a body corporate.
  - (i) has a receiver, manager or administrative receiver appointed over all or any part of its undertaking or assets; or
  - (ii) has an administrator appointed in relation to it,
  - (iii) enters into liquidation (other than a voluntary liquidation for the purpose of a bona fide scheme of solvent amalgamation or reconstruction); or
  - (iv) has any equivalent action in respect of it taken in any jurisdiction,

unless the Directors resolve that such event is not a Transfer Event in relation to that Member for the purposes of this Article 34; or
- (c) if a Member is, in accordance with these Articles, a Leaver (where the provisions of Article 35 shall apply) unless the Shareholders have previously agreed in writing that such event is not a Transfer Event in relation to that Member for the purposes of this Article 34 (*in general or in any particular circumstances*) (a "**Discretionary Transfer Exemption**");
- (d) if a Member attempts to deal with or dispose of any Share or any interest in it otherwise than in accordance with Article 32, Article 33 and this Article 34 or in breach of Article 35 or 37 unless the Directors resolve that such event is not a Transfer Event in relation to that Member for the purposes of this Article 34;
- (e) if a Member for any reason does not give a Transfer Notice in respect of any Shares or transfer any Shares (as the case may be) as required by Article 33.1 unless the Directors resolve that such event is not a Transfer Event in relation to that Member for the purposes of this Article 34; or
- (f) if a Discretionary Transfer Event occurs in respect of any Member.

34.2 The Member in respect of whom it is a Transfer Event (the "**Relevant Member**") and any other Member who has acquired Shares from him under a permitted transfer

(directly or by means of a series of two or more permitted transfers) (a "**Relevant Permitted Transferee**") will be deemed to have immediately given a Transfer Notice in respect of all the Shares then held by the Relevant Member (or in the case of a Relevant Permitted Transferee the Shares acquired by the Relevant Permitted Transferee from the Relevant Member under a permitted transfer) (a "**Deemed Transfer Notice**").

- 34.3 For the purpose of Article 34.1 and 34.4, any Shares received by way of rights or on a capitalisation by any person to whom Shares may have been transferred (directly or by means of a series of two or more permitted transfers) will also be treated as included within the Deemed Transfer Notice.
- 34.4 A Deemed Transfer Notice will supersede and cancel any then current Transfer Notice insofar as it relates to the same Shares except for Shares which have then been validly transferred pursuant to that Transfer Notice.
- 34.5 Subject always to the provisions of Article 35.3 in relation to a Leaver (and in respect of whom no Discretionary Transfer Exemption applies), the Shares the subject of a Deemed Transfer Notice must be offered for sale in accordance with Article 33 as if they were Sale Shares in respect of which a Transfer Notice had been given and treating as the Vendor the person who is deemed to have given the Deemed Transfer Notice save that:
- (a) the Sale Price will be a price per Sale Share agreed between the Vendor and the Directors or, in default of agreement within 15 working days after the making of the notification or resolution under Article 34.1 that the same is a Transfer Event, the Market Value;
  - (b) a Deemed Transfer Notice will be deemed not to contain a Total Transfer Condition and will be irrevocable;
  - (c) the Vendor may retain any Sale Shares for which Purchasers are not found, and
  - (d) the Sale Shares must be sold together with all rights, attaching thereto as at the date of the Transfer Event including the right to any dividend declared or payable on those Shares after that date.
- 34.6 Once a Deemed Transfer Notice has been deemed to have been served under these Articles in respect of any Share then, except as permitted by Article 32.2 no permitted transfer under Article 32 may be made in respect of such Share unless and until an Offer Notice has been served in respect of such Share and the period of allocation permitted under Article 33 has expired without such allocation.
- 34.7 Any resolution of Directors to resolve that any event is not a Transfer Event in relation to a Member for the purposes of Article 34.1, or a Discretionary Transfer Event shall remain valid notwithstanding any subsequent change in the Directors (or in the case of the Discretionary Transfer Event, the Shareholders) and may not be revoked by any subsequent resolution of the Directors (or in the case of the Discretionary Transfer Event, any agreement or resolution of the Shareholders).

## 35. **LEAVER PROVISIONS**

35.1 In this Article.

- (a) "**Bad Leaver**" means a Leaver who is not a Good Leaver or a Very Bad Leaver;
- (b) "**Good Leaver**" means a Leaver who.-

- (i) ceases to be employed by the Company as a result of death;
  - (ii) by virtue of mental or physical ill health is determined by at least two medical reports from independent medical specialists to be unable to perform all or substantially all of his duties as a Director or employee of the Company for a period of at least 12 months and ceases to be a Director or employee of the Company as a result thereof; or
  - (iii) becomes a Leaver as a result of ceasing to be an employee or a Director or a consultant of the Company but the Holder of 80% of the A Shares resolves that he is to be treated as a Good Leaver;
- (c) **"Leaver"** a shareholder who is an individual and is or was previously a Director or employee or a consultant of the Company and ceases to hold such office or employment or consultancy and as a consequence is no longer a Director or employee or consultant of the Company;
- (d) **"Leaver's Shares"** means, as at the date the person becomes a Leaver, Shares held by the Leaver and any of his permitted transferees (as a consequence of a permitted transfer to them by the Leaver);
- (e) **"Very Bad Leaver"** means a Leaver who.
  - (i) voluntarily resigns from his position as a Director or employee of the Company;
  - (ii) commits an act of fraud or material dishonesty;
  - (iii) is disqualified as a director;
  - (iv) is convicted of a criminal offence for which a custodial sentence is a possible punishment (other than an offence under Road Traffic Laws or Health and Safety Laws which does not result in fact in a custodial sentence); or
  - (v) being an employee or Director of the Company:
    - (1) has his contract of employment or service agreement terminated as a result of the Company being in unremedied breach of its financing arrangements; or
    - (2) commits any act of gross misconduct or other act or omission justifying summary dismissal;

35.2 When a person becomes a Leaver (save in circumstances where a Discretionary Transfer Exemption applies):

- (a) (if a Director) that person must resign from the Board immediately,
- (b) that person may not participate in any meeting of Members or vote on any resolution of Members;

- (c) any Transfer Notice previously issued or deemed issued in relation to the Leaver's Shares is immediately cancelled (unless and to the extent that the Shares subject to it have already been sold) and no further Transfer Notice may be issued or deemed issued in respect of such Shares;
- (d) a Deemed Transfer Notice will be deemed to have been served on the date of cessation of employment in respect of all the Leaver's Shares and the provisions of Article 34 shall apply in relation to such Shares save that any reference in such article to Vendor shall be deemed to be a reference to the relevant Leaver.

35.3 Any Deemed Transfer Notice arising in terms of this Article will be deemed to include a provision that in relation to the Shares which are subject to that Deemed Transfer Notice:

- (a) if the Leaver is a Good Leaver, the Sale Price will be the Market Value;
- (b) if the Leaver is a Bad Leaver, the Sale Price will be 75% of Market Value;
- (c) if the Leaver is a Very Bad Leaver in the circumstances described in Clause 35.1(e)(i), the Sale Price will be 25% of Market Value;
- (d) if the Leaver is a Very Bad Leaver in any other circumstance described in Clause 35.1(e), the Sale Price will be the lower of:
  - (i) 25% of Market Value; and
  - (ii) the Subscription Price paid by the Leaver in respect of his Shares,

and the Market Value will be calculated on the date the Leaver becomes a Leaver.

If the Leaver and the Directors cannot agree the Market Value within 20 days of the Leaver becoming a Leaver (or within 20 days of the third anniversary of the date of adoption of these Articles where Article 34.4 applies), the Directors must instruct the Valuers to determine the Market Value of the Shares which are subject to the Deemed Transfer Notice in accordance with Article 33.15 and the Company must use its reasonable endeavours to procure that the Valuers deliver their report on the Market Value to the Directors and the Leaver within 20 working days of being requested to do so.

## 36. PULL ALONG

36.1 If any one or more Members holding at least 51% of the issued Shares taken as one class (together the "**Selling Shareholders**") wish to transfer all their Shares (the "**Relevant Shares**") to a bona fide purchaser who is not acting in concert or otherwise connected with the Selling Shareholders on arm's length terms (the "**Third Party Purchaser**"), the Selling Shareholders will have the option (the "**Pull Option**") to require all the other Holders of Shares to transfer all their shares with full title guarantee to the Third Party Purchaser or as the Third Party Purchaser directs in accordance with this Article 36.

36.2 The Selling Shareholders may exercise the Pull Option by giving notice to that effect (a "**Pull Notice**") to all other Members (the "**Pulled Shareholders**") at any time before the registration of the transfer of Relevant Shares resulting in the Change of Control. A Pull Notice must specify that the Pulled Shareholders are required to transfer all their Shares (the "**Pulled Shares**") pursuant to Article 36.1 to the Third Party

Purchaser, the price at which the Pulled Shares are to be transferred (determined in accordance with Article 36.4) the proposed date of transfer and the identity of the Third Party Purchaser.

- 36.3 A Pull Notice is irrevocable but the Pull Notice and all obligations thereunder will lapse if for any reason there is not a Change of Control caused by a transfer of Relevant Shares by the Selling Shareholders to the Third Party Purchaser within 120 days after the date of the Pull Notice.
- 36.4 The Pulled Shareholders are obliged to sell the Pulled Shares at the price specified in the Pull Notice which will attribute an equal value (inclusive of any non cash and/or deferred consideration payable at such time plus an amount equal to the relevant proportion of any other consideration (in cash or otherwise) received or receivable by the Holders of the Relevant Shares which having regard to the substance of the transaction as a whole can reasonably be regarded as an addition to the price paid or payable for the Relevant Shares and all Shares transferred in any related previous transaction in the 6 months preceding the date of the Pull Notice) to all Shares (including the Relevant Shares). If any part of the price specified in the Pull Notice is payable otherwise than in cash on transfer any Member may require, as a condition of his acceptance of the offer, to receive in cash on transfer all or any of the price offered for his Pulled Shares.
- 36.5 Completion of the sale of the Pulled Shares must take place on the same date as the date proposed for completion of the sale of the Relevant Shares unless:
- (a) all of the Pulled Shareholders and the Selling Shareholders agree otherwise, or
  - (b) that date is less than 7 days after the date of the Pull Notice, when it will be deferred until the 7th day after the date of the Pull Notice
- 36.6 Each of the Pulled Shareholders will on service of the Pull Notice be deemed to have irrevocably appointed each of the Selling Shareholders severally to be his attorney and/or agent (at their discretion) to execute any stock transfer and to do such other things as may be necessary or desirable to accept, transfer and complete the sale of the Pulled Shares pursuant to this Article 36 (but without giving the Selling Shareholders authority to give warranties or indemnities on behalf of the Pulled Shareholders (other than as to title to the Pulled Shares or in respect of any lost share certificates relating to them) or to enter into any other liability, restriction or obligation on behalf of the Pulled Shareholder other than one which is necessary to effect the transfer of the Pulled Shares).
- 36.7 Any Transfer Notice or Deemed Transfer Notice served in respect of any Share will automatically be revoked by the service of a Pull Notice.

### 37. TAG ALONG

- 37.1 Subject to Article 36.1 but notwithstanding any other provision in these Articles no sale or transfer or other disposition of any interest in any Share (the "**Specified Shares**") will have any effect if it would result in a Change of Control unless before the transfer is lodged for registration a purchaser has made a bona fide offer in accordance with these Articles to purchase at the Specified Price (defined in Article 37.3), all the Shares held by Members who are not acting in concert or otherwise connected with the purchaser (the "**Uncommitted Shares**").
- 37.2 An offer made under Article 37.1 must be in writing, given in accordance with Article 60 open for acceptance for at least 20 days, and will be deemed to be rejected by any Member who has not accepted it in accordance with its terms within the time period prescribed for acceptance and the consideration thereunder must be settled in full on completion of the purchase and within 30 days of the date of the offer.

37.3 For the purposes of this Article 37:

- (a) the expression "transfer", "transferor" and "transferee" include respectively the renunciation of a renounceable letter of allotment, and any renouncer and renounee of such letter of allotment; and
- (b) the expression "**Specified Price**" means a price per share at least equal to the highest price paid or payable by the purchaser or persons acting in concert with him or connected with him for any Shares within the last six months (including to avoid doubt the Specified Shares) plus an amount equal to the relevant proportion of any other consideration (in cash or otherwise) received or receivable by the Holders of the Specified Shares which having regard to the substance of the transaction as a whole can reasonably be regarded as an addition to the price paid or payable for the Specified Shares Provided always that an equal value shall be attributed to all Shares including the Specified Shares.

37.4 If any part of the Specified Price is payable otherwise than in cash on transfer any Member may require, as a condition of his acceptance of the offer, to receive in cash on transfer all or any of the price offered for his Uncommitted Shares.

### 38. RETURN OF CAPITAL

38.1 On a return of capital of the Company (other than a redemption of Shares or the purchase by the Company of its own Shares) the proceeds will be distributed among the Holders of the Shares in the following proportions and priority:

Priority	Class of Shares	Proportion of proceeds
1	Preference Shares	The Subscription Price paid in respect of the Preference Shares plus any outstanding Preference Amount.
2	A Shares, B Shares and C Shares	<p>(i) Where the Applicable Exit Multiple (as determined in accordance with Schedule 1) is less than 2.00 or when the Exit Date occurs prior to the Third Anniversary Date, the balance of the proceeds shall be paid among the Holders of the A Shares and the B Shares pro rata to their shareholding.</p> <p>(ii) Where the Applicable Exit Multiple (as determined in accordance with Schedule 1) is greater than or equal to 2.00, and the Exit Date occurs on or after the Third Anniversary Date, then:</p> <p>(A) the Holders of the B Shares shall be entitled to receive the B Share Ratchet Entitlement;</p> <p>(B) the Holders of the C Shares shall be entitled to receive, in aggregate, the C Share Ratchet Entitlement (such sum to be apportioned among the Holders of the C Shares pro rata according to the percentage proportion of C</p>



		<p>Shares held by each such Holder); and</p> <p>(C) the remainder of the proceeds shall be paid among the Holders of the A Shares and the B Shares pro rata to their shareholding.</p>
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### 39. **FRACTIONAL ENTITLEMENTS**

39.1 If on any consolidation and division or sub-division of Shares Members are entitled to fractions of Shares, the Directors may:

- (a) sell the Shares representing the fractions to any person (including the Company) for the best price reasonably obtainable; and
- (b) distribute the net proceeds of sale in due proportion among the Holders of the Shares.

39.2 Where any Holder's entitlement to a portion of the proceeds of sale amounts to less than a minimum figure determined by the Directors, that Member's portion may be distributed to an organisation which is a charity for the purposes of the law of England and Wales, Scotland or Northern Ireland.

39.3 The person to whom the Shares are transferred is not obliged to ensure that any purchase money is received by the person entitled to the relevant fractions.

39.4 The transferee's title to the Shares is not affected by any irregularity in or invalidity of the process leading to their sale.

### 40. **PROCEDURE FOR DECLARING DIVIDENDS**

40.1 The Company may by ordinary resolution declare dividends, and the Directors may decide to pay interim dividends.

40.2 A dividend must not be declared unless the Directors have made a recommendation as to its amount. Such a dividend must not exceed the amount recommended by the Directors.

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

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

40.5 If the Company's share capital is divided into different classes, no interim dividend may be paid on Shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrears.

40.6 Prior to the payment of any dividend to ordinary Shareholders the Company shall declare and pay as a dividend any outstanding Preference Amount to the holders of Preference Shares.

40.7 The Directors may pay at intervals any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment, including without prejudice to the foregoing generality any Preference Amount.

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

#### 41. **CALCULATION OF DIVIDENDS**

- 41.1 All dividends must be declared and distributed amongst the holders of Shares (as if the same were one class of share) proportionately according to the number of Shares held (and irrespective of the amount paid up on such Shares).
- 41.2 If any Share is issued on terms providing that it ranks for dividend as from a particular date, that Share ranks for dividend accordingly.

#### 42. **PAYMENT OF DIVIDENDS AND OTHER DISTRIBUTIONS**

- 42.1 In these Articles, the "Distribution Recipient" means, in respect of a Share on which a dividend or other sum is payable:

- (a) the Holder of the Share; or
- (b) if the Share has two or more joint Holders, whichever of them is named first in the register of members; or
- (c) if the Holder is no longer entitled to the Share by reason of death or Bankruptcy, or otherwise by operation of law, the transmittee.

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

- (a) transfer to a bank or building society account specified by the Distribution Recipient in writing;
- (b) sending a cheque made payable to the Distribution Recipient by post to the Distribution Recipient at the Distribution Recipient's registered address (if the Distribution Recipient is a Holder of the Share), or (in any other case) to an address specified by the Distribution Recipient in writing;
- (c) sending a cheque made payable to such person by post to such person at such address as the Distribution Recipient has specified in writing; or
- (d) any other means of payment as the Directors agree with the Distribution Recipient in writing.

- 42.3 Notwithstanding any provision in these Articles, the Company may not (i) pay or declare a dividend, whether in cash, in specie or in kind (ii) undertake any reduction in share capital or (iii) otherwise undertake a return on capital to its Members from time to time unless the same is permitted by and declared and paid in accordance with the terms of any financing facilities in place from time to time between the Company and any bank or institution (whether as lender, or agent and trustee for a group of banks or institutions or otherwise).

#### 43. **NO INTEREST ON DISTRIBUTIONS**

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

- (a) the terms on which the Share was issued; or

- (b) the provisions of another agreement between the Holder of that Share and the Company.

#### 44. UNCLAIMED DISTRIBUTIONS

44.1 All dividends or other sums which are:

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

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

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

44.3 If:

- (a) 12 years have passed from the date on which a dividend or other sum became due for payment; and
- (b) the Distribution Recipient has not claimed it,

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

#### 45. NON-CASH DISTRIBUTIONS

45.1 Subject to the terms of issue of the Share in question, the Company may, by ordinary resolution on the recommendation of the Directors, decide to pay all or part of a dividend or other distribution payable in respect of a Share by transferring non-cash assets of equivalent value (including, without limitation, shares or other securities in any company).

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

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

#### 46. WAIVER OF DISTRIBUTIONS

Distribution Recipients may waive their entitlement to a dividend or other distribution payable in respect of a Share by giving the Company notice in writing to that effect, but if:

- (a) the Share has more than one Holder; or
- (b) more than one person is entitled to the Share, whether by reason of the death or Bankruptcy of one or more joint Holders, or otherwise,

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

**47. NOTICE OF GENERAL MEETINGS**

The notice of a general meeting of the Company must state:

- (a) *the time and date of the meeting;*
- (b) *the place of the meeting; and*
- (c) *the general nature of the business to be transacted.*

**48. ANNUAL GENERAL MEETINGS**

The Company is not required to hold an annual general meeting.

**49. ATTENDANCE AND SPEAKING AT GENERAL MEETINGS**

49.1 A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting.

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

- (a) that person is able to vote, during the meeting, on resolutions put to the vote at the meeting; and
- (b) that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting

49.3 The Directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it.

49.4 In determining attendance at a general meeting, it is immaterial whether any two or more members attending it are in the same place as each other.

49.5 Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them.

**50. QUORUM FOR GENERAL MEETINGS**

50.1 The quorum at any general meeting of the Company or adjourned general meeting shall be two Members present in person or by proxy or (if a corporation) by duly authorised representative, of whom one must be a Holder of A Shares.

50.2 No business shall be transacted by any general meeting unless a quorum is present at the commencement of the meeting and also when that business is voted on.

50.3 If a general meeting is adjourned because a quorum is not present, and at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the Members present shall form a quorum.

**51. CHAIRING GENERAL MEETINGS**

51.1 The Chairman appointed for the purposes of Directors' meetings will chair general meetings if present and willing to do so. If the Chairman is unable to attend any

general meeting or unwilling to chair the meeting or is not present within ten minutes of the time at which a meeting was due to start, the Member who appointed him will be entitled to appoint another of its nominated Directors present at the meeting to chair the meeting, and the appointment of the chairman of the meeting must be the first business of the meeting.

- 51.2 The person chairing a meeting in accordance with this Article is referred to as the "chairman of the meeting".

**52. ATTENDANCE AND SPEAKING BY DIRECTORS AND NON-MEMBERS**

- 52.1 Directors may attend and speak at general meetings, whether or not they are Members.

- 52.2 The chairman of the meeting may at the relevant meeting permit other persons who are not:

- (a) Members of the Company; or
- (b) otherwise entitled to exercise the rights of Members in relation to general meetings,

to attend and speak at such meeting.

**53. ADJOURNMENT**

- 53.1 If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the chairman of the meeting must adjourn it.

- 53.2 The chairman of the meeting may adjourn a general meeting at which a quorum is present if:

- (a) the meeting consents to an adjournment; or
- (b) it appears to the chairman of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.

- 53.3 The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting.

- 53.4 When adjourning a general meeting, the chairman of the meeting must:

- (a) either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the Directors; and
- (b) have regard to any directions as to the time and place of any adjournment which have been given by the meeting.

- 53.5 If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the Company must give at least seven clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given):

- (a) to the same persons to whom notice of the Company's general meetings is required to be given; and

- (b) *containing the same information which such notice is required to contain.*

53.6 No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.

**54. VOTING: GENERAL**

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

54.2 At a general meeting, on a show of hands every Member holding A Shares or B Shares who is present in person or by proxy has one vote, unless the proxy is himself a Member entitled to vote; on a poll every Member holding A Shares or B Shares present in person or by proxy has one vote for each A Share or B Share of which he is the Holder or the holder of a valid proxy and on a vote on a written resolution every Member holding A Shares or B Shares has one vote for each A Share or B Share of which he is the Holder, except that no Shares of one class confer any right to vote upon a resolution for the removal from office of a Director appointed by Holders of shares of another class under a right to appoint which is a class right.

54.3 In the case of any Member who is also a Leaver, where the Company has sought to invoke the compulsory transfer provisions of Article 34 and where (1) such Member has not sought an appeal of the decision to dismiss or (2) such Member has sought an appeal of the decision to dismiss (where such Member has appealed a decision made by an employment tribunal or court of competent jurisdiction), such Member shall have no vote in respect of any Shares held by him and shall not be entitled to sell or otherwise transfer Shares until such time (in the case of provisions (2) above) as the Member successfully appeals a decision of any employment tribunal.

**55. VOTING: MENTAL DISORDER**

If a court has appointed a person to manage the affairs of a member as a result of a mental disorder of such member, the person appointed by that court may, provided he has not less than 48 hours before the time appointed for the relevant meeting, deposited at the registered office of the Company evidence to the satisfaction of the Directors that he has authority to exercise the right to vote, attend any general meeting of the Company and vote at such meeting whether on a show of hands or on a poll.

**56. POLL VOTES**

56.1 A poll on a resolution may be demanded:

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

56.2 A poll may be demanded by:

- (a) the chairman of the meeting;
- (b) the Directors;
- (c) two or more persons having the right to vote on the resolution; or

- (d) a person or persons representing not less than one tenth of the total voting rights of all the Members having the right to vote on the resolution.

56.3 A demand for a poll may be withdrawn if:

- (a) the poll has not yet been taken; and
- (b) the chairman of the meeting consents to the withdrawal,

and such demand will not invalidate the result of a show of hands declared before the demand was made.

56.4 Polls must be taken immediately and in such manner as the chairman of the meeting directs. The result of the poll shall be the decision of the meeting in respect of the resolution on which the poll was demanded.

56.5 A demand for a poll does not prevent a general meeting from continuing except as regards the question on which the poll was demanded.

56.6 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.

## 57. **CONTENT OF PROXY NOTICES**

57.1 Proxies may only validly be appointed by a notice in writing (a "**Proxy Notice**") which:

- (a) states the name and address of the Member appointing the proxy;
- (b) identifies the person appointed to be that Member's proxy and the general meeting in relation to which that person is appointed;
- (c) is signed by or on behalf of the Member appointing the proxy, or is authenticated in such manner as the Directors may determine; and
- (d) is delivered to the Company in accordance with these Articles.

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

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

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

- (a) allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting; and
- (b) appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.

## 58. **DELIVERY OF PROXY NOTICES**

58.1 Any notice of a general meeting must specify the address or addresses in the United Kingdom ("**Proxy Notification Address**") at which the Company or its agents will receive Proxy Notices relating to that meeting, or any adjournment of it, delivered in hard copy or electronic form

- 58.2 A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid Proxy Notice has been delivered to the Company by or on behalf of that person.
- 58.3 Subject to Articles 58.4 and 58.5, a Proxy Notice must be delivered to a Proxy Notification Address not less than 48 hours before the general meeting or adjourned meeting which it relates. A Proxy Notice which is not delivered in such manner shall be invalid unless the Directors in their absolute discretion, accept the Proxy Notice at any time before the meeting.
- 58.4 In the case of a poll taken more than 48 hours after it is demanded, the notice must be delivered to a Proxy Notification Address not less than 24 hours before the time appointed for the taking of the poll.
- 58.5 In the case of a poll not taken during the meeting but taken not more than 48 hours after it was demanded, the Proxy Notice must be delivered
- (a) in accordance with Article 58.3; or
  - (b) at the meeting at which the poll was demanded to the chairman of the meeting, the secretary or any Director.
- 58.6 An appointment under a Proxy Notice may be revoked by delivering to the Company a notice in writing given by or on behalf of the person by whom or on whose behalf the Proxy Notice was given.
- 58.7 A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.
- 58.8 If a Proxy Notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf.
59. **AMENDMENTS TO RESOLUTIONS**
- 59.1 An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if:
- (a) notice of the proposed amendment is given to the Company in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the chairman of the meeting may determine); and
  - (b) the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the resolution.
- 59.2 A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if:
- (a) the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed; and
  - (b) the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.



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

60. **NOTICES AND COMMUNICATION**

- 60.1 The Company may send, supply or give any document, information or notice to a Member by hard copy, electronic form or by making that document or information available on a website and giving notice of the availability of that document or information to the relevant Member (provided that Member has individually agreed to the Company sending or supplying documents or information generally or those documents or information in question to him by means of a website or an email address), in each case subject to the provisions of sections 1143 to 1148 and Schedule 5 of the Act.
- 60.2 A notice given by means of a website shall be deemed to have been sent, supplied or given 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.
- 60.3 Any document, information or notice which is required to be sent or given to the Company shall be sent by hard copy or electronic form in each case, subject to the provisions of sections 1143 to 1148, Schedule 4 and Schedule 5 of the Act
- 60.4 Any notice, document or other information will be deemed served on or delivered to the intended recipient:
- (a) if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted (or five working days after posting either to an address outside the United Kingdom or from outside the United Kingdom to an address within the United Kingdom, if (in each case) sent by reputable international overnight courier addressed to the intended recipient, provided that delivery in at least five working days was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the courier service provider);
  - (b) if properly addressed and delivered by hand, when it was given or left at the appropriate address;
  - (c) if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied; and
  - (d) if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website, subject to Article 60.1.

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

- 60.5 Proof that an envelope containing a document, notice or information was properly addressed, prepaid and posted shall be conclusive evidence that the document, notice or information was sent, supplied or given by post. A copy of a record of the total number of recipients sent to or each recipient to whom an e-mail message was sent together with any notices of failed transmissions and copies of records of subsequent re-sending, suitably certified by or on behalf of the Company, shall be conclusive evidence that the document, notice or information was sent, supplied or given by e-mail.

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

60.7 A Director may agree with the Company that notices or documents sent to that Director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours.

60.8 Any notice or document to be sent or supplied to a Director in connection with the taking of decisions by Directors may also be sent or supplied by the means by which that Director has asked to be sent or supplied with such notices or documents for the time being.

## 61. **INDEMNITY AND INSURANCE**

61.1 Subject to Article 61.2 but without prejudice to any indemnity to which he is otherwise entitled, a Relevant Director shall be indemnified out of the Company's assets against:

- (a) any liability incurred by that Director in connection with any negligence, default, breach of duty or breach of trust in relation to the Company or an associated Company; and/or
- (b) any other liability incurred by that Director as an officer of the Company or an associated company.

61.2 This Article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Act or by any other provision of law.

61.3 The Directors shall purchase and maintain insurance, at the expense of the Company, for the benefit of any Relevant Director in respect of any Relevant Loss.

61.4 In this Article:

- (a) a "**Relevant Director**" means any Director or secretary or former Director or secretary of the Company or an associated Company;
- (b) a "**Relevant Loss**" means any loss or liability which has been or may be incurred by a relevant Director in connection with that Director's duties or powers in relation to the Company, any associated Company or any pension fund or employees' share scheme of the Company or associated Company; and
- (c) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.

## SCHEDULE 1

### RATCHET ENTITLEMENT

#### 1. Definitions

In this Schedule, the following terms shall have the following meanings:

**"Acting in Concert"** has the meaning given to it in the City Code on Takeovers and Mergers;

**"Asset Sale"** means any transaction or series of transactions whereby any persons or Connected Persons or group of persons Acting in Concert purchases or otherwise acquires or obtains the whole or substantially the whole of the undertaking or assets of the Company (excluding, for the avoidance of doubt, a sale and leaseback of any assets of the Company) or any other Group Member which directly or indirectly owns all or substantially all of the business and assets of the Group;

**"Asset Sale Date"** means the date of completion of an Asset Sale,

**"Applicable Exit Multiple"** means the figure shown in the first column of the table set out in paragraph 3 (in relation to the B Shares) or paragraph 5 (in respect of the C Shares) below which, in respect of an Exit, most closely represents the Exit Multiple,

**"Applicable Ratchet Percentage"** means the percentage figure shown opposite the Applicable Exit Multiple in the table set out in paragraph 3 (in relation to the B Shares) or paragraph 5 (in respect of the C Shares) below;

**"Connected Persons"** has the meaning given in section 1122 of the Corporation Tax Act 2010;

**"Exit"** means an Asset Sale, a Liquidation, a Listing or a Share Sale;

**"Exit Balance"** means the Net Proceeds minus the Preference Amount;

**"Exit Date"** means an Asset Sale Date, a Liquidation Date, a Listing Date or a Share Sale Date, as the case may be;

**"Exit Multiple"** means the Net Proceeds due to the Investor Member prior to the application of the B Share Ratchet Entitlement or the C Share Ratchet Entitlement divided by the Total Invested Capital by the Investor Member;

**"Investor Member"** means the Holder of Preference Shares and A Shares;

**"Liquidation"** means the liquidation, dissolution or winding-up of the Company pursuant to the making of a winding-up order by the court on the passing of a resolution by the Members that the Company be wound up or dissolved (save for a solvent winding-up for the purpose of reconstruction or amalgamation previously approved by a resolution of the Members);

**"Liquidation Date"** means the date of completion of a Liquidation;

**"Listing"** means:

- (a) the admission of all or any of the Shares to trading on a market for listed securities operated by a Recognised Investment Exchange (as so recognised by the Financial Conduct Authority under Part XVIII of FSMA), together with the admission of such Shares to the Official List of the UK Listing Authority, or
- (b) the admission of all or any of the Shares to trading on the Alternative Investment Market of the London Stock Exchange plc; or

- (c) the admission of all or any of the Shares to, or to trading on, any other market wherever situated together, if necessary, with the admission of such Shares to listing on any official or otherwise prescribed list maintained by a competent or otherwise prescribed listing authority,

and "**Listed**" will be construed accordingly;

**"Listing Date"** means the date on which all or any of the Shares are Listed (subject only (where relevant) to any announcement required in accordance with the rules of the relevant stock exchange or listing authority);

**"Net Proceeds"** means an amount equal to the surplus assets and retained profits of the Company after payment of all liabilities and all other capital available for distribution among the Members (including by way of dividend or redemption in respect of any Share) on an Exit calculated as follows:

- (a) in the case of a Listing the valuation placed on all of the Shares on the Listing Date, as shown in the prospectus or listing particulars published in connection with the Listing, less the gross amount of any new money raised by the Company in connection with the Listing from a subscription for new shares; or
- (b) in the case of a Share Sale the aggregate price or value of the consideration to be paid in cash or cash equivalent for all of the Shares; or
- (c) in the case of any Asset Sale the aggregate price or value of the consideration to be paid in cash or cash equivalent for all of the assets,

in each case taking into account.

- (a) any arrears and accruals of dividends declared and payable (but not subsequently paid) to the holders of the Shares in accordance with the provisions of the Articles;
- (b) the net financial indebtedness of the Company that is outstanding immediately prior to an Exit and any other borrowings or financial indebtedness and any accrued interest on such borrowings or financial indebtedness owed to any banking, financial, acceptance credit or other similar institution or organisation; and
- (c) professional fees, applicable taxes and any other relevant costs incurred by the Company on an Exit (including but not limited to those of lawyers, corporate financiers, accountants etc).

**"Preceding Multiple"** means the Applicable Exit Multiple minus 0.1;

**"Preceding Multiple Balance"** means the Preceding Net Proceeds minus the Preference Amount;

**"Preceding Net Proceeds"** means the amount which is equal to the Total Invested Capital multiplied by the Preceding Multiple;

**"Share Sale"** means any transaction or series of transactions whereby any person or Connected Persons or group of persons Acting in Concert purchases or otherwise acquires or obtains all of the Shares;

**"Share Sale Date"** means the date of completion of a Share Sale, and

**"Total Invested Capital"** means the total amount invested by the Members in the Company (including, without limitation, by way of Shares, loans or other securities and any and all accrued returns thereon) from time to time.

## 2. B Share Ratchet Calculation

- 2.1 If the Applicable Exit Multiple is 2.00, then the amount receivable by the Holders of the B Shares by way of the B Share Ratchet Entitlement shall be an amount equal to **X** calculated in accordance with the following formula:

$$X = \text{Applicable Ratchet Percentage} \times (Y - Z)$$

where:-

**Y** = the amount of the Exit Balance which the Holder of the A Shares would have been entitled to if the B Share Ratchet Entitlement and the C Share Ratchet Entitlement had not been applied; and

**Z** = the amount of the Exit Balance of the Preceding Multiple Balance which the Holder of the A Shares would have been entitled to if the B Share Ratchet Entitlement and the C Share Ratchet Entitlement had not been applied

- 2.2 If the Applicable Exit Multiple is greater than 2.00, then the amount receivable by the Holders of the B Shares by way of the B Share Ratchet Entitlement shall increase on a cumulative basis as if the calculation set out in paragraph 2.1 above were to be repeated at regular exit multiple intervals of 0.1 beginning at 2.00 and ending on (and including) the relevant Applicable Exit Multiple.

## 3. B Share Applicable Exit Multiple Table

Applicable Exit Multiple	Applicable Ratchet Percentage
1.90	0.00%
2.00	0.75%
2.10	0.75%
2.20	0.75%
2.30	0.75%
2.40	0.75%
2.50	1.50%
2.60	1.50%
2.70	1.50%
2.80	1.50%
2.90	2.25%
3.00	2.25%
3.10	2.25%
3.20	2.25%
3.30	3.00%
3.40	3.00%
3.50	3.00%
3.60	3.00%
3.70	3.75%
3.80	3.75%
3.90	3.75%
4.00	3.75%
4.10	3.75%

4.20	3.75%
4.30	3.75%
4.40	3.75%
4.50	3.75%
4.60	3.75%
4.70	3.75%
4.80	3.75%
4.90	3.75%
5.00	3.75%
5.10	3.75%
5.20	3.75%
5.30	3.75%
5.40	3.75%
5.50	3.75%
5.60	3.75%
5.70	3.75%
5.80	3.75%
5.90	3.75%
6.00	3.75%

#### 4. C Share Ratchet Calculation

- 4.1 If the Applicable Exit Multiple is 2.00, then the aggregate amount receivable by the Holders of the C Shares by way of the C Share Ratchet Entitlement shall be an amount equal to X calculated in accordance with the following formula:

$$X = \text{Applicable Ratchet Percentage} \times (Y - Z)$$

where:-

**Y** = the amount of the Exit Balance which the Holder of the A Shares would have been entitled to if the B Share Ratchet Entitlement and the C Share Ratchet Entitlement had not been applied; and

**Z** = the amount of the Exit Balance of the Preceding Multiple Balance which the Holder of the A Shares would have been entitled to if the B Share Ratchet Entitlement and the C Share Ratchet Entitlement had not been applied

- 4.2 If the Applicable Exit Multiple is greater than 2.00, then the aggregate amount receivable by the Holders of the C Shares by way of the C Share Ratchet Entitlement shall increase on a cumulative basis as if the calculation set out in paragraph 4.1 above were to be repeated at regular exit multiple intervals of 0.1 beginning at 2.00 and ending on (and including) the relevant Applicable Exit Multiple.

#### 5 C Share Applicable Exit Multiple Table

Applicable Exit Multiple	Applicable Ratchet Percentage
1.90	0.00%
2.00	6.00%
2.10	7.00%
2.20	8.00%
2.30	9.00%
2.40	10.00%

2.50	11.00%
2.60	10.00%
2.70	10.00%
2.80	10.00%
2.90	10.00%
3.00	10.00%
3.10	9.00%
3.20	8.00%
3.30	7.00%
3.40	6.00%
3.50	5.00%
3.60	4.00%
3.70	3.00%
3.80	2.00%
3.90	2.00%
4.00	2.00%
4.10	2.00%
4.20	2.00%
4.30	2.00%
4.40	2.00%
4.50	2.00%
4.60	2.00%
4.70	2.00%
4.80	2.00%
4.90	2.00%
5.00	2.00%
5.10	2.00%
5.20	2.00%
5.30	2.00%
5.40	2.00%
5.50	2.00%
5.60	2.00%
5.70	2.00%
5.80	2.00%
5.90	2.00%
6.00	2.00%