

**THE COMPANIES ACT 2006**

**PRIVATE COMPANY LIMITED BY SHARES**

**HC1299 Limited (the "Company")**

11 October 2018

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006, the directors of the Company propose that the following resolutions are passed ("the **Resolutions**").

**SPECIAL RESOLUTION**

1. **THAT** the new articles of association attached hereto and marked "A" be adopted in substitution for and to the exclusion of the Company's existing articles of association.
2. **THAT** in accordance with article 8.2 (a) of the Company's articles of association the pre-emption rights do not apply to the allotment of equity securities pursuant to the authority given in resolution 4 below.

**ORDINARY RESOLUTION**

3. **THAT** pursuant to section 636 of the Companies Act 2006 the 1 Ordinary share of £1.00 in the issued share capital of the Company be reclassified into 1 A Ordinary shares of £1.00.
4. **THAT** in accordance with section 551 of the Companies Act 2006, the director of the Company be generally and unconditionally authorised to allot 74 A Ordinary shares and 25 B Ordinary shares of £1.00 in the Company up to an aggregate nominal amount of £99.00 provided that this authority shall, unless renewed, varied or revoked by the Company, expire on the fifth anniversary hereof, save that the Company may, before such expiry, make an offer or agreement which would or might require shares to be allotted and the directors may allot shares in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired.

WEDNESDAY



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COMPANIES HOUSE

## AGREEMENT

Please read the notes at the end of this document before signifying your agreement to the Resolution.

The undersigned, a person entitled to vote on the Resolution on the Circulation Date hereby irrevocably agrees to the Resolution:

**A director for and on behalf of Radio  
Bidco Limited**

A handwritten signature in black ink, appearing to be 'J. M.', written over a horizontal dotted line.

Date

11 October 2018

## NOTES

1. If you agree with the Resolutions, please indicate your agreement by signing and dating this document where indicated above and returning it to the Company using one of the following methods:

**By Hand:** delivering the signed copy to the Company's registered office.

**Post:** returning the signed copy by post to the Company's registered office.

If you do not agree to the Resolutions, you do not need to do anything: you will not be deemed to agree if you fail to reply.

2. Once you have indicated your agreement to the Resolutions, you may not revoke your agreement.

3. Unless, within 28 days of the Circulation Date, sufficient agreement has been received for the Resolutions to pass, it will lapse. If you agree to the Resolutions, please ensure that your agreement reaches us before or during this date.

4. In the case of joint holders of shares, only the vote of the senior holder who votes will be counted by the Company. *Seniority is determined by the order in which the names of the joint holders appear in the register of members.*

5. If you are signing this document on behalf of a person under a power of attorney or other authority please send a copy of the relevant power of attorney or authority when returning this document.

SS.

**THE COMPANIES ACT 2006**  
**PRIVATE COMPANY LIMITED BY SHARES**  
**NEW**

**ARTICLES OF ASSOCIATION**

**-of-**

**HC1299 LIMITED**

**(Incorporated in England and Wales under Registered no. 11576672)**

**(Adopted by Special Resolution passed on 11 October 2018)**



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## PRELIMINARY

### 1. MODEL ARTICLES

- 1.1 The articles of association of the Company (the **"Articles"**) shall comprise the articles contained herein together with the articles contained in Schedule 3 to the Companies (Model Articles) Regulations 2008 (SI 2008/3229) (the **"Model Articles"**), save insofar as they are excluded or modified by, or are inconsistent with, the provisions contained herein.
- 1.2 The whole of Model Articles 5(2), 6(2), 9, 10, 11, 13(3), 14, 16, 19, 20, 21, 23(2), 23(3), 23(4), 25(1), 25(3)(b), 26(3)(a), 28, 30, 32, 33, 34, 36, 37(4), 37(5), 37(7), 37(8), 39, 42, 43(2), 46(2)(a), 50, 63(5), 64, 67(3), 70(5), 70(6), 70(7), 80, 81, 85 and 86 shall not apply to the Company.
- 1.3 Except as stated in this Article 1, no other regulations or model articles contained in any statute or subordinate legislation, including regulations contained in the Model Articles, shall apply as the articles of association of the Company.

### 2. DEFINITIONS AND INTERPRETATION

- 2.1 In these Articles the following expressions shall have the following meanings:

<b>"Act"</b>	means the Companies Act 2006
<b>"Accepting Shareholders"</b>	shall be as defined in Article 15.2
<b>"Adoption Date"</b>	means the date of adoption of these Articles
<b>"A Ordinary Shares"</b>	means the A ordinary shares of £0.01 each in the capital of the Company
<b>"Assets Sale"</b>	means a sale by the Company or any other member of the Group of all or substantially all of the Group's business, assets and undertaking to a single buyer or to one or more buyers as part of a single transaction or series of connected transactions (other than as part of a Reorganisation)
<b>"Auditors"</b>	means the auditors of the Company from time to time
<b>"Available Profits"</b>	means profits available for distribution within the meaning of the Act
<b>"B Ordinary Shares"</b>	means the B ordinary shares of £0.01 each in the capital of the Company
<b>"Bad Leaver"</b>	shall be as defined in Article 14.1.4(b)
<b>"Bidco"</b>	means Radio Bidco Limited (company number 10861273)
<b>"Board"</b>	means the board of directors of the Company (or any duly authorised committee thereof) from time to time
<b>"Business Day"</b>	means any day other than a Saturday, Sunday or English bank or public holiday
<b>"Buyer Group"</b>	means the Proposed Buyer and its subsidiary undertakings, its parent undertaking (whether direct or indirect) and any other subsidiary undertakings of such parent undertaking at the relevant time
<b>"Company"</b>	means HC1299 Limited (company number 11576672)
<b>"Company's Website"</b>	means any website operated or controlled by the Company which

	contains information about the Company
<b>"Completion Date"</b>	means 11 October 2018
<b>"Confidential Information"</b>	shall be as defined in Article 21.4
<b>"Default Event"</b>	shall mean any of the following: <ul style="list-style-type: none"> <li>(a) any material and/or persistent breach (or, in the opinion of the A Directors, a reasonably foreseeable material breach) of: <ul style="list-style-type: none"> <li>(i) the Investment Agreement; and/or</li> <li>(ii) these Articles of Association,</li> </ul> <p>which breach, in either case, has a material adverse effect on the Target Group as a whole and, where capable of remedy, has not been remedied to the reasonable satisfaction of Bidco within 14 days of written notice from any of Bidco or an A Director requiring remedial action;</p> </li> <li>(b) the proposal of a resolution: <ul style="list-style-type: none"> <li>(i) for a Winding-Up;</li> <li>(ii) for a reduction in the capital of the Company; or</li> <li>(iii) varying any of the rights attaching to the A Ordinary Shares,</li> </ul> <p>in each case without Bidco Consent;</p> </li> <li>(c) any member of the Group being or, in the reasonable opinion of Bidco (acting by Bidco Direction), having no reasonable prospect of avoiding becoming, in material breach of any provision of any of the Financing Documents which has not been remedied to the reasonable satisfaction of Bidco within 14 days of written notice from any of Bidco or an A Director requiring remedial action (but for this purpose, no account shall be taken of any waiver given in respect of any such breach by any person or any standstill agreement or similar arrangements with any person); or</li> <li>(d) any failure to satisfy (or, in the opinion of the A Directors, a reasonably foreseeable failure to satisfy) any of the Performance Covenants where the option at clause 8.6 of the Investment Agreement has not been exercised</li> </ul>
<b>"Defaulting Shareholder"</b>	shall be as defined in Article 12.3
<b>"Director"</b>	means a director of the Company from time to time
<b>"Director Interest"</b>	shall be as defined in Article 21.3
<b>"Drag Completion Date"</b>	shall be as defined in Article 15.3
<b>"Drag Notice"</b>	shall be as defined in Article 15.3
<b>"EBITDA"</b>	means the cumulative amount of the consolidated earnings before

interest, taxation, depreciation and amortisation of the Group for the relevant period

<b>"Employee Trust"</b>	means any trust established, with Bidco Consent, to enable or facilitate the holding of Securities by, or for the benefit of, all or most of the bona fide employees of any Group Company
<b>"Equity Documents"</b>	means these Articles, the Investment Agreement, the Loan Note Instrument and any instrument or agreement under which any other Security has been issued and/or constituted
<b>"Equity Shares"</b>	means the A Ordinary Shares and the B Ordinary Shares and any other class of equity shares of the Company in issue from time to time
<b>"Loan Notes"</b>	means the £2,586,8278.5% loan notes 2024 constituted by the Loan Note Instrument or, as the case may be, the amount of such Loan Notes from time to time issued and outstanding, and references to a <b>"Loan Note"</b> shall be construed accordingly
<b>"Loan Note Instrument"</b>	means the agreed form loan note instrument to be executed by the Company on the Completion Date
<b>"Excluded Notice"</b>	means a Sale Notice, a notice to a Defaulting Shareholder under Article 12.3 or a notice to appoint or remove a Director under Article 22
<b>"Exit"</b>	means a Sale, Assets Sale, Listing or Winding-Up
<b>"Fair Price"</b>	shall be as defined in Article 14.1.4(d)
<b>"Family Trust"</b>	means a trust established by an individual holder of B Ordinary Shares which only permits such Shareholder and his Family Members to be beneficiaries
<b>"Family Member"</b>	means, in relation to a Relevant Employee, his spouse, civil partner and/or any one or more of his children (including step and adopted children)
<b>"Final Leaving Date"</b>	shall be as defined in Article 14.1.1
<b>"Financing Documents"</b>	has the meaning given in the Investment Agreement
<b>"First Offer"</b>	shall be as defined in Article 11.4
<b>"FSMA"</b>	means the Financial Services and Markets Act 2000
<b>"Further Drag Shares"</b>	shall be as defined in Article 15.6
<b>"Further Leaver Interests"</b>	shall be as defined in Article 14.1.7
<b>"Garden Leave"</b>	shall mean any period during which any Group Company shall, in respect of an employee and pursuant to the service agreement between the relevant Group Company and that employee, cease or have ceased to provide that employee with work and withdraw or have withdrawn his right of access to any premises of the relevant Group Company following notice of termination being given by the relevant Group Company pursuant to such service agreement
<b>"Good Leaver"</b>	shall be as defined in Article 14.1.4(a)
<b>"Group"</b>	means the Company and any undertaking which is a subsidiary undertaking of the Company from time to time (including from the Completion Date, any member of the Target Group) and, if



applicable, any New Holding Company and references to **"Group Company"** and **"members of the Group"** shall be construed accordingly

**"in electronic form"**

means in a form specified by section 1168(3) of the Act and otherwise complying with the requirements of section 1168 of that Act

**"Independent Expert"**

means a partner at Ernst & Young LLP, KPMG LLP, Deloitte LLP, PricewaterhouseCoopers LLP or, where no such person is able or willing to act, or where Bidco, by Bidco Direction, so directs, any other reputable international accountancy firm or reputable international corporate finance house nominated by the Board (with Bidco Consent) (in each case acting as an expert and not as an arbitrator) who shall, in each case, be engaged on terms to be agreed by the Board (with Bidco Consent)

**"Investment Agreement"**

means the investment agreement to be dated on the Completion Date and made between (1) the Company, (2) Bidco, (3) the Managers and (4) Lyceum Capital Partners LLP

**"A Director"**

means a Director appointed by Bidco pursuant to the Investment Agreement

**"Issue Price"**

means in respect of a Share the price at which the relevant Share is issued, being the aggregate of the amount paid up or credited as paid up in respect of the nominal value thereof and any share premium thereon

**"Leaver"**

means:

- (a) any Shareholder who is on or at any time after the Completion Date a Relevant Employee and who subsequently ceases, or has ceased, to be a Relevant Employee by virtue of his service agreement or letter of appointment being terminated;
- (b) any Shareholder who is on or at any time after the Completion Date a Relevant Employee, who remains a Relevant Employee but who becomes or has become a Non-Contributory Employee;
- (c) any Shareholder who is (or is the nominee of) a Family Member of any person who is on or at any time after the Completion Date a Relevant Employee, who subsequently either ceases to be a Relevant Employee or remains a Relevant Employee but who becomes or has become a Non-Contributory Employee; or
- (d) any Shareholder who is (or is the nominee of) the trustee of a Family Trust of any person who is on or at any time after the Completion Date a Relevant Employee, who subsequently either ceases to be a Relevant Employee or remains a Relevant Employee but who becomes or has become a Non-Contributory Employee, in each case in respect of the Shares held on behalf of such person or on behalf of any Family Member of such person;
- (e) any Shareholder (not being Bidco) holding Shares, Loan Notes and/or other Securities as a result of a transfer made after the Completion Date by a person in relation to whom such Shareholder was a Permitted Transferee who

ceases to be such a Permitted Transferee in relation to such person, including, without limitation, any Shareholder who ceases to be the spouse or civil partner of a Relevant Employee unless such Shares, Loan Notes or other Securities are transferred back to the original transferor or another Permitted Transferee (provided that the original transferor is not also at that time a Leaver);

- (f) any person who holds or becomes entitled to any Shares, Loan Notes and/or Securities:
  - (i) following the death of a Shareholder;
  - (ii) following the bankruptcy of a Shareholder (if an individual) or the receivership, administrative receivership, administration, liquidation or other arrangement for the winding-up (whether solvent or insolvent) of a Shareholder (if a company), in each case not being Bidco or a nominee of Bidco; or
  - (iii) following the exercise of an option after ceasing to be a Relevant Employee or whilst a Relevant Employee after becoming a Non-Contributory Employee; or
- (g) any Shareholder holding Shares as a nominee for any person who is on or at any time after the Completion Date a Relevant Employee who subsequently either ceases, or who has ceased, to be a Relevant Employee or who remains a Relevant Employee but who becomes, or has become, a Non-Contributory Employee, in either case in respect of the Shares, Loan Notes and/or other Securities held on behalf of such person,

provided that, for the purposes of this definition, a person shall be deemed to cease or have ceased to be a Relevant Employee upon the commencement of any period during which the relevant person is placed on Garden Leave, notwithstanding that the relevant person remains an employee of the Company or any other Group Company or, if not placed on Garden Leave, upon the date on which the relevant person is given notice of termination of his employment, appointment or engagement or in the case of a Relevant Employee who has become a Non-Contributory Employee, upon the date on which the Relevant Employee is designated as a Non-Contributory Employee by the Board (with Bidco Consent)

**"Leaver's Shares"**

means all of the B Ordinary Shares held by a Leaver, or to which he is entitled, on the Leaving Date, and any B Ordinary Shares acquired by a Leaver, or to which he becomes entitled, after the Leaving Date, whether under an employee share scheme or otherwise

**"Leaving Date"**

means the date on which the relevant person becomes a Leaver

**"Listing"**

means the admission of the whole of any class of the issued share capital of the Company (or any New Holding Company) to the Official List of the Financial Conduct Authority and to trading on the London Stock Exchange's market for listed securities or to trading on the Alternative Investment Market of the London Stock

	Exchange or on any other Recognised Stock Exchange or other stock exchange or multi-lateral trading facility nominated by Bidco Direction
<b>"Managers"</b>	shall be as defined in the Investment Agreement
<b>"New Holding Company"</b>	means any new parent undertaking of the Company formed for the purpose of facilitating a Refinancing, Listing or a Reorganisation
<b>"Non-Contributory Employee"</b>	means an employee who ceases or has ceased for any reason to perform any work for or provide any services to the Group in any capacity for a period of more than nine consecutive months (excluding any period of Garden Leave or maternity, adoption, paternity, shared parental or parental leave) and who is designated by the Board (with Bidco Consent) as a Non-Contributory Employee
<b>"Offeree"</b>	shall be as defined in Article 11.1
<b>"Offeror"</b>	shall be as defined in Article 15.1
<b>"Offeror Group"</b>	means the Offeror and its subsidiary undertakings, its parent undertaking (whether direct or indirect) and any subsidiary undertakings of such parent undertaking at the relevant time
<b>"Other Shareholders"</b>	shall be as defined in Article 15.3
<b>"Other Tag Shareholder"</b>	shall be as defined in Article 16.6
<b>"Pension Scheme"</b>	means an occupational pension scheme (as defined in section 235(6) of the Act) for the benefit of employees of any Group Company
<b>"Performance Covenants"</b>	has the meaning given in the Investment Agreement
<b>"Permitted Transferee"</b>	means, in respect of a Shareholder, a person to whom such Shareholder is permitted to transfer Shares under Article 13
<b>"Permitted Transferor"</b>	shall be as defined in Article 14.1.4(c)
<b>"Proposed Buyer"</b>	shall be as defined in Article 16.1
<b>"Proposed Sale"</b>	shall be as defined in Article 16.1
<b>"Proposed Sellers"</b>	shall be as defined in Article 16.1
<b>"Qualifying Offer"</b>	shall be as defined in Article 15.1
<b>"Recognised Stock Exchange"</b>	means a recognised investment exchange, recognised overseas investment exchange, designated investment exchange or designated overseas investment exchange, in each case for the purposes of FSMA
<b>"Refinancing"</b>	shall be as defined in the Investment Agreement
<b>"Relevant Employee"</b>	shall mean: <ul style="list-style-type: none"> <li>(a) an employee of the Company or any other Group Company; or</li> <li>(b) a Director or a director of any other Group Company (other than in either case for the purposes of Article 14 (Leavers), an A Director)</li> </ul>

<b>"Relevant Proportion"</b>	shall be as defined in Article 16.3.2
<b>"Relevant Shares"</b>	shall be as defined in Article 12.3
<b>"Reorganisation"</b>	shall be as defined in the Investment Agreement
<b>"Sale"</b>	means the sale of more than 50% in number (or such higher percentage as may be specified by Bidco Direction) of the A Ordinary Shares to a single buyer or to one or more buyers as part of a single transaction or series of connected transactions (other than as part of a Reorganisation or a sale to one or more Permitted Transferees)
<b>"Sale Notice"</b>	shall be as defined in Article 14.1.1
<b>"Sale Price"</b>	shall be as defined in Article 14.1.4(c)
<b>"Securities"</b>	means, as the context permits, collectively or any of, the Loan Notes, the Shares and any other securities (whether equity or debt securities) or other instruments evidencing indebtedness or similar and/or any rights convertible into, or exchangeable or exercisable for, any equity or debt securities of any Group Company or other indebtedness issued from time to time by any Group Company (excluding: (i) any amount borrowed or payable under the Financing Documents; (ii) any amount borrowed from or payable to any other lending institution; and (iii) any securities issued by a Group Company to another Group Company) and reference to a <b>"Security"</b> shall be construed accordingly
<b>"Security Holder"</b>	means a holder of a Security or Securities from time to time
<b>"Security Interest"</b>	means any mortgage, charge (whether fixed or floating), lien, option, pledge, restriction, equity, right of first refusal, right of pre-emption, third party right or interest, assignment, trust arrangement or other security interest of any kind or other type of agreement or arrangement having or which would have similar effect and any agreement (whether conditional or otherwise) to create any of the foregoing
<b>"Secured Party"</b>	means, in respect of any Shares, any bank, institution or other entity or person to which such Shares have been mortgaged, charged or pledged (or in favour of which any other security interest in such shares has been created) and any nominee, agent or trustee for any such entity or person
<b>"Serious Ill Health"</b>	means an illness, injury or disability of a Leaver certified by a general medical practitioner (nominated by the Board) as rendering the Leaver permanently (or for the foreseeable future) incapable of carrying out his current role as an employee or consultant or a similarly determined illness, injury or disability of a Family Member of his which is either terminal or who requires significant daily domiciliary caring for, and time spent with, the Leaver, save where any such incapacity has arisen as a result of the misuse or abuse of drugs or alcohol
<b>"Service Agreements"</b>	has the meaning given in the Investment Agreement
<b>"Share"</b>	means any share of any class in the capital of the Company from time to time
<b>"Share Purchase Agreement"</b>	has the meaning given in the Investment Agreement

<b>"Shareholder"</b>	means any holder of any Share from time to time
<b>"Shareholder Communication"</b>	means any notice, resolution, document or information which the Company wishes or is required to communicate with Shareholders or other persons
<b>"Situational Conflict"</b>	shall mean a direct or indirect interest of a Director which conflicts or may potentially conflict with the interests of the Company (other than a Transactional Conflict or in circumstances which cannot reasonably be regarded as likely to give rise to a conflict of interest). For these purposes a conflict of interest shall include a conflict of interest and duty and a conflict of duties
<b>"Statutes"</b>	means the Act and the Electronic Communications Act 2000 (including any subordinate legislation made under either of them)
<b>"Subsequent Offer"</b>	shall be as defined in Article 11.4.1
<b>"Tag Offer"</b>	shall be as defined in Article 16.2
<b>"Tagging Shareholder"</b>	shall be as defined in Article 16.5
<b>"Target"</b>	means Rock Seven Investments Ltd, a company incorporated in England and Wales (company number 05141512)
<b>"Target Group"</b>	means the Target and its subsidiary undertakings from time to time and references to a <b>"Target Group Company"</b> shall be construed accordingly
<b>"Topco"</b>	means Radio Topco Limited (company number 10888253)
<b>"Topco A Ordinary Shares"</b>	means the issued A ordinary shares in the capital of Topco
<b>"Topco Articles"</b>	means the articles of association of Topco
<b>"Transactional Conflict"</b>	means a direct or indirect conflict of interest of a Director which arises in relation to an existing or proposed transaction or arrangement with a Group Company
<b>"website communication"</b>	means the publication of a Shareholder Communication on the Company's Website in accordance with Part 4 of Schedule 5 of the Act
<b>"Winding-Up"</b>	means any winding-up, dissolution or liquidation of the Company or a New Holding Company (including following an Assets Sale).

- 2.2 Unless the context otherwise requires, words and expressions defined in or having a meaning provided by the Act shall have the same meaning in these Articles, save that in relation to any person, a **"subsidiary"** and/or a **"subsidiary undertaking"** shall include any undertaking the shares or ownership interests in which are subject to security, where the legal title to such shares or ownership interests is registered in the name of the secured party or its nominee and which would, but for the security arrangements, otherwise be a subsidiary or subsidiary undertaking (as applicable) of that person.
- 2.3 The term **"connected person"** shall have the meaning attributed to it at the Adoption Date by sections 1122 and 1123 of the Corporation Tax Act 2010 and the words **"connected with"** shall be construed accordingly, save that for these purposes, the term **"company"** (as defined in section 1123 of the Corporation Tax Act 2010) shall include a limited liability partnership and provided that two or more persons shall not be treated as connected solely by reason of acting together to secure or exercise control of the Company (within the meaning of section 1122(4) of the Corporation Tax Act 2010). The term **"acting in concert"** shall have the meaning attributed to it at the Adoption Date by the City Code on Takeovers and Mergers.
- 2.4 Unless the context otherwise requires or as expressly defined otherwise, references in these Articles to:

- 2.4.1 any of the masculine, feminine and neuter genders shall include other genders;
  - 2.4.2 the singular shall include the plural and vice versa;
  - 2.4.3 a person shall include a reference to any natural person, body corporate, unincorporated association, partnership, firm or trust;
  - 2.4.4 save where used in the definition of "**Employee Trust**" the terms "**employee**" and "**employees**" shall be deemed to include workers, consultants and non-executive directors, references to a "**contract of employment**", "**service agreement**" or similar and to the commencement or termination of "**employment**" or "**employment arrangements**" shall be deemed to include workers' contracts, contracts for consultancy, letters of appointment or similar and the commencement or termination of the same, references to "**resignation**" shall mean resignation in any such context, references to "**employer**" shall be deemed to include the member of the Group that the contract of employment or service agreement is with, and references to "**summary dismissal**" shall be deemed to include a reference to termination of a contract of employment or service agreement without notice;
  - 2.4.5 any statute, statutory instrument or statutory provision shall be construed as a reference to the same as it may have been, or may from time to time be, amended, modified, consolidated, re-enacted or replaced;
  - 2.4.6 any document, agreement or instrument shall be construed as a reference to the same as it may have been, or may from time to time be, amended, modified, supplemented, novated or replaced;
  - 2.4.7 a "**Bidco Consent**" or a "**Bidco Direction**" shall mean the giving of a written consent or direction by Bidco, provided that for so long as there is an A Director, any such consent or direction required or permitted to be given under these Articles shall be validly given if given by the A Director or, if at any time there is more than one A Director, any A Director in the manner set out in clause 7 of the Investment Agreement (in each case such consent or direction to be given by the A Director in his capacity as a representative of Bidco and not in his capacity as a director of the Company); and
  - 2.4.8 any class of Shareholder giving a written direction, written consent or written notice shall, unless these Articles expressly provide otherwise, mean the giving of such a direction, consent or notice by the holders of not less than 75% in number of such class of Shares in issue from time to time.
- 2.5 The headings in these Articles are for convenience only and shall not affect their meaning.
- 2.6 In construing these Articles, general words introduced by the word "**other**" shall not be given a restrictive meaning by reason of the fact that they are preceded by words indicating a particular class of acts, matters or things and general words introduced by the word "**including**" shall not be given a restrictive meaning by reason of the fact that they are followed by particular examples intended to be embraced by the general words.
3. **SHARE CAPITAL**
- 3.1 The issued share capital of the Company at the Adoption Date is £1.00, divided into:
- 3.1.1 75 A Ordinary Shares; and
  - 3.1.2 25 B Ordinary Shares.
- 3.2 Model Article 43(1) shall be amended by the insertion of the words "with Bidco Consent" after the words "the Company may" and before the word "issue" and the insertion of the words "a further class or classes of" before the word "shares".

- 3.3 Model Article 44(2)(a) shall be amended by the insertion of the words "with Bidco Consent" after the words "in cash, or" and before the words "in fully paid or partly paid shares or other securities" and also immediately before the words "or partly in one way and partly in another".
- 3.4 Subject to the Act and without prejudice to any other provision of these Articles, the Company may, with Bidco Consent, purchase its own shares with cash up to an amount in a financial year not exceeding the lower of: (i) £15,000; and (ii) the nominal value of 5 per cent. of the Company's fully paid share capital as at the beginning of the financial year.

## **SHARE RIGHTS**

### **4. DIVIDEND RIGHTS**

- 4.1 Subject to: (i) the Board recommending payment of the same; (ii) Bidco Consent; and (iii) the remaining provisions of this Article 4, any Available Profits which the Company may determine to distribute in respect of any financial year shall be distributed amongst the holders of the A Ordinary Shares and B Ordinary Shares (pari passu as if the same constituted one class of share) according to the number of such Shares held by the relevant Shareholder at the relevant time.
- 4.2 Model Article 70(1) shall be amended by the insertion of the words "Subject to Article 4.1" at the start of that Model Article.

### **5. RETURN OF CAPITAL RIGHTS**

- 5.1 The rights as regards returns of capital attaching to each class of Shares shall be as set out in this Article.
- 5.2 On a return of capital on liquidation or otherwise (except on a redemption or purchase by the Company of any Shares), the surplus assets of the Company remaining after the payment of its liabilities and all other sums payable in priority shall be applied in the following order of priority:
- 5.2.1 first, in paying to each holder of A Ordinary Shares and each holder of B Ordinary Shares (pari passu as if the same constituted one class of Shares) in respect of each A Ordinary Share or B Ordinary Share of which it is the holder, a sum equal to the Issue Price thereof; and
- 5.2.2 finally, the balance of such assets (if any) after all payments to be made (the "**Surplus Assets**") shall be distributed amongst the holders of the Equity Shares (pari passu as if the same constituted one class of Shares) according to the number of such Equity Shares held by the relevant Shareholder at the relevant time.

### **6. VOTING RIGHTS**

- 6.1 The voting rights attached to each class of Shares shall be as set out in this Article:
- 6.1.1 on a written resolution, every Shareholder holding one or more A Ordinary Shares or B Ordinary Shares on the date on which the resolution is circulated as required by the Act shall, subject to sections 289 and 290 of the Act and these Articles, have the number of votes specified in Article 6.2;
- 6.1.2 on a resolution to be passed at a general meeting of the Company on a show of hands, every qualifying person (as defined in section 318(3) of the Act) present shall, subject to section 323(4) of the Act, have one vote; and
- 6.1.3 on a resolution to be passed at a general meeting of the Company on a poll, every Shareholder holding one or more A Ordinary Shares or B Ordinary Shares who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or by proxy, shall have the number of votes specified in Article 6.2.

6.2 Subject to Article 6.3, in the event of a vote by way of poll or written resolution:-

- (a) the holders of the A Ordinary Shares shall be entitled to such number of votes as is equal to 75% of all votes capable of being cast in respect of the relevant resolution (pro rata to the number of A Ordinary Shares held by each such holder of A Ordinary Shares); and
- (b) the holders of the B Ordinary Shares shall be entitled to cast the balance of all votes capable of being cast in respect of the relevant resolution (pro rata to the number of B Ordinary Shares held by each such holder of B Ordinary Shares),

provided that for the avoidance of doubt in no circumstances shall the operation of these Articles reduce the number of votes capable of being cast by the holders of the A Ordinary Shares to less than 75% of all the votes capable of being cast on the relevant resolution of the Company.

6.3 Notwithstanding any other provisions of these Articles, if at any time a Default Event has occurred and Bidco (by Bidco Direction) so directs, then:

6.3.1 the B Ordinary Shares subject to Article 6.4 shall cease to entitle each holder thereof to vote on any written resolution of the Company or of the holders of any class of Shares in the Company or to attend and vote (whether on a show of hands or on a poll) at any general meeting of the Company or at any separate class meeting; and

6.3.2 new shares in the Company may be issued, ranking ahead of or pari passu with any class of Shares, without the consent of the holders of such class or classes of Shares.

6.4 The provisions of Article 6.3 shall continue only for so long as the breach or failure giving rise to the Default Event subsists (and, for this purpose, no account shall be taken of any waiver given by any person in respect of any such breach or any standstill agreement or similar arrangement with any person).

6.5 For the avoidance of doubt, the provisions in Article 6.3 shall enable the holders of any A Ordinary Shares in issue from time to time to:

6.5.1 consent to the holding of a general meeting of the Company or a separate class meeting on short notice pursuant to the Act on the basis that such holders would constitute the only Shareholders who would be entitled to attend and vote at the general meeting and/or separate class meeting; and

6.5.2 pass written resolutions of the Company and/or of the holders of any class of Shares pursuant to the Act, on the basis that such holders would constitute the only Shareholders who would be entitled to vote on such a written resolution provided that the holders of the A Ordinary Shares shall not be entitled to pass any written resolution to vary the rights attaching to the B Ordinary Shares where the variation adversely affects the economic rights attaching to those Shares.

6.6 The provisions of Article 6.7 shall apply (unless Bidco by a Bidco Direction directs otherwise) if at any time:

6.6.1 any Shareholder (other than Bidco) is, in the reasonable opinion of Bidco, in material breach of any provision of any of the Equity Documents (without prejudice to the provisions of Article 12.3) which breach has a material adverse effect on the Target Group as a whole and, where capable of remedy, has not been remedied to the reasonable satisfaction of Bidco within 14 days of written notice from any of Bidco or an A Director requiring remedial action;

6.6.2 any Group Company is lawfully entitled to terminate any contract of employment by reason of a proven repudiatory breach thereof by an employee who is a Shareholder or whose Permitted Transferee(s) are Shareholders or who is otherwise entitled to Shares



held by a nominee or trustee on his behalf; or

6.6.3 any person becomes a Leaver.

6.7 Notwithstanding any other provisions of these Articles, if the provisions of this Article apply:

6.7.1 the Shares which any person referred to in Article 6.6 holds or to which he is entitled;

6.7.2 the Shares which any Family Member of any person referred to in Article 6.6 holds or to which he is entitled;

6.7.3 any Shares formerly held by any person referred to in Article 6.6, which have been transferred either in breach of the provisions of these Articles or in accordance with Article 13 (Permitted Transfers); and

6.7.4 any Shares formerly held by a Family Member of any person referred to in Article 6.6 or a trustee of a Family Trust of such person, which have been transferred in breach of the provisions of these Articles,

shall immediately cease to entitle the holders thereof to vote on any written resolution of the Company or of the holders of any class of Shares and to attend and vote (whether on a show of hands or on a poll) at any general meeting of the Company or at any separate class meeting (including, for the avoidance of doubt, for the purposes of Articles 6.8 and 6.9).

6.8 The provisions of Article 6.7 shall continue:

6.8.1 in the case of Article 6.6.1, for so long as such breach subsists (and for this purpose no account shall be taken of any waiver given by any person in respect of any such breach or any standstill agreement or similar arrangement with any person); or

6.8.2 in the case of Article 6.6.2 (where such contract is actually terminated) and Article 6.6.3, until such time as such person and any Permitted Transferee of such person ceases to be a Shareholder.

6.9 The class rights attaching to the A Ordinary Shares may be varied or abrogated either with the consent in writing of the holders of at least 75% in number of the A Ordinary Shares who would have been entitled to vote at a separate meeting of the holders of A Ordinary Shares or with the sanction of a special resolution passed at a separate class meeting of the holders of the A Ordinary Shares. Any variation or abrogation which does not affect the class rights attaching to the A Ordinary Shares shall not require such consent.

6.10 Subject to Article 29, the class rights attaching to the B Ordinary Shares may be varied or abrogated either with the consent in writing of the holders of at least 75% in number of the B Ordinary Shares (excluding any B Ordinary Shares held by a person who is at the relevant time a Leaver) who would have been entitled to vote at a separate meeting of the holders of B Ordinary Shares or with the sanction of a special resolution passed at a separate class meeting of the holders of the B Ordinary Shares. Any variation or abrogation which does not affect the class rights attaching to the B Ordinary Shares shall not require such consent.

6.11 Unless otherwise expressly provided by the terms of issue, the rights attaching to any class of Shares shall not be deemed to be varied or abrogated by:

6.11.1 the creation, allotment or issue of further Shares or Securities convertible into Shares, ranking subsequent to, *pari passu* with, or in priority to them, or the issue of any Securities by any Group Company, or the purchase or redemption by the Company of its own Shares in accordance with the Act; or

6.11.2 any alteration to these Articles made conditional upon, or otherwise in connection with, a Sale, a Listing, a Reorganisation or in connection with any matter referred to in Article 6.11.1.

7. **INTENTIONALLY BLANK**

8. **INTENTIONALLY BLANK**

9. **RIGHTS ON SALE OR LISTING**

In the event of a Sale (including, without limitation, pursuant to Article 15 or 16) or a Listing then, notwithstanding anything to the contrary in the agreed terms and conditions governing such Sale or Listing, upon a Bidco Direction, the selling Shareholders immediately prior to such Sale or Listing shall procure that the consideration (whenever received) shall be placed in a designated trustee account and shall be distributed amongst such selling Shareholders in such amounts and in such order of priority as would be applicable on a return of capital (pursuant to Article 5 (Return of Capital Rights)).

10. **LIEN AND FORFEITURE**

10.1 The lien conferred by Model Article 52(1) shall attach to all Shares of any class, whether fully paid or not, and to all Shares registered in the name of any person indebted or under liability to the Company (other than in his capacity as an employee of the Company), whether he be the sole registered holder thereof or one of two or more joint holders. Model Article 52 shall be modified accordingly.

10.2 Model Article 52(3) shall be amended by the insertion of the words "with Bidco Consent" after the words "the directors may".

10.3 Model Article 53(1) shall be amended by the insertion of the words "to such person(s) and on such terms as shall be contained in a Bidco Direction" after the words "in such manner as the directors decide".

10.4 Model Article 60(2)(c) shall be amended by the insertion of the words "subject always to compliance with the provisions of Article [10]" at the end of that Model Article.

10.5 Model Article 61(1) shall be amended by the insertion of the words "(subject to Article [10])" after "If" and immediately prior to the words "a forfeited share".

**SHARE ISSUES**

11. **SHARE ISSUES**

11.1 Save in respect of share issues effected pursuant to:

11.1.1 Article 11.4 below; and

11.1.2 Schedule 3 (Completion undertakings) to the Investment Agreement,

all new Equity Shares to be issued to any person shall be offered for subscription to the holders of Equity Shares (excluding any holder of Equity Shares who is at that time a Leaver) (each an "Offeree"), as nearly as possible, on the same terms and in the same proportions between them as the number of Equity Shares for the time being held respectively by each such Offeree bears to the total number of Equity Shares in issue, provided that it shall be a condition of any offer under this Article 11.1 that any Offeree wishing to take up its subscription rights, must acquire the same proportion of any Loan Notes and/or other Securities to be issued by any member of the Group as is equal to the proportion of Equity Shares being subscribed by him.

11.2 The offer referred to in Article 11.1 shall be made by notice specifying the number of Equity Shares to which the relevant Offeree is entitled and specifying a time (being not less than 10 Business Days from the date of the notice) within which the offer, if not accepted, will be deemed to be declined. After the expiration of such time or on the receipt of an intimation from the Offeree to whom such notice is given that he declines to accept the Equity Shares so offered, the Board may

(with Bidco Consent) deal with the same in such manner as it may think most beneficial to the Company (including the decision not to issue the Equity Shares to any person). If any fractional entitlements arise on the apportionment of any such new Equity Shares amongst the Offerees accepting the offer made under Article 11.1, the allocation of such entitlements shall be determined by the Board (with Bidco Consent, such consent not to be unreasonably withheld or delayed).

- 11.3 Any Offeree who accepts an offer referred to in Article 11.1 in accordance with Article 11.2 shall be issued with Equity Shares of the same class (treating, for these purposes and for the avoidance of doubt, each class of Shares as a separate class) as such Offeree holds as at the date of the offer.
- 11.4 Notwithstanding the provisions of Articles 11.1 and 11.2, the Company does not need to make an offer under Article 11.1 if:
- 11.4.1 Bidco reasonably considers that it is necessary for the Company to issue further Shares in order to allow it to raise the additional funding necessary to cure the effects of a Default Event (or in the opinion of the A Directors, a reasonably foreseeable occurrence of a Default Event, for this purpose excluding limb (a) of that definition) and upon a Bidco Direction (which shall follow such reasonable consultation with all the other Shareholders as is feasible in the circumstances), the Company shall issue such number of new Shares to Bidco (the "**New Bidco Shares**") or such other person as the Bidco Direction shall specify (the "**First Offer**"), and the rights of pre-emption of the holders of Equity Shares (other than Bidco or its nominee who are to be allotted Shares in the First Offer) shall be deemed to be waived in respect of any such issue. As soon as reasonably practicable following the issue of such New Bidco Shares, and in any event, no later than 20 Business Days after the allotment of the New Bidco Shares, the Company shall (or, if so directed by Bidco Direction, Bidco or such other person allotted Shares in the First Offer shall) offer to all holders of Equity Shares (other than, in either case, Bidco or such other persons who were allotted Shares in the First Offer) (the "**Subsequent Offer**") such number of Equity Shares to the effect that, if the Subsequent Offer were accepted, each Offeree would hold the equivalent proportion of Equity Shares that it held prior to the First Offer. Any Subsequent Offer shall be on the same financial terms as the First Offer and otherwise, on the same terms that would have applied under Articles 11.1 to 11.3 (inclusive); or
- 11.4.2 the holders of at least 50% in number of the A Ordinary Shares and at least 50% in number of the B Ordinary Shares agree otherwise in writing.
- 11.5 The provisions of sections 561 and 562 of the Act shall not apply to an allotment of the Company's equity securities.

## **SHARE TRANSFERS**

### **12. PROHIBITED TRANSFERS**

- 12.1 Any person who holds, or becomes entitled to, any Share shall not, without Bidco Consent, effect a transfer of such Shares, except in accordance with Article 13 (Permitted Transfers), Article 14 (Leavers), Article 15 (Drag Along, whether as an Accepting Shareholder or Other Shareholder) or Article 16 (Tag Along, whether as a Proposed Seller or a Tagging Shareholder).
- 12.2 The reference in Article 12.1 to the transfer of a Share shall mean the transfer of either or both of the legal and beneficial ownership in such Share and/or the grant of an option to acquire either or both of the legal and beneficial ownership in such Share and the following shall be deemed (but without limitation) to be a transfer of a Share:
- 12.2.1 any direction (by way of renunciation or otherwise) by a Shareholder entitled to an allotment or issue of any Share that such Share be allotted or issued to some person other than itself;
- 12.2.2 any sale or other disposition of any legal or equitable interest in a Share (including any

voting right attached thereto) and whether or not by the registered holder thereof and whether or not for consideration or otherwise and whether or not effected by an instrument in writing;

12.2.3 any grant or creation of any Security Interest over any Share; and

12.2.4 any agreement, whether or not subject to any condition, to do any of the things referred to in Articles 12.2.1, 12.2.2 or 12.2.3.

12.3 For the purpose of ensuring compliance with Article 12.1, the Company may with Bidco Consent (and shall immediately if so directed by a Bidco Direction) require any Leaver or other Shareholder to provide to the Company such information and/or evidence as the Board may reasonably request in relation to a proposed transfer, and failing such information and/or evidence being provided within 10 Business Days of any request, the Board shall forthwith upon receipt of a Bidco Direction, or otherwise with Bidco Consent, notify the relevant Leaver or Shareholder (the "**Defaulting Shareholder**") that a breach of the transfer provisions of these Articles is deemed to have occurred, whereupon:

12.3.1 the Company shall refuse to register any transfer of the Relevant Shares (otherwise than with Bidco Consent); and

12.3.2 the Relevant Shares shall cease to confer on the holder thereof (or any proxy thereof) any rights:

(a) to vote on any written resolution of the Company or of the holders of any class of Shares or to attend and vote (whether on a show of hands or on a poll) at a general meeting of the Company or at any separate meeting of the class in question; or

(b) to receive dividends or other distributions (other than the Issue Price of the Relevant Shares upon a return of capital) or to receive any further Shares issued pursuant to the exercise of a right attaching to the Relevant Shares or in pursuance of an offer made to the holder thereof,

save that nothing in this Article 12.3 shall prevent a transfer of Shares to (or by) a Secured Party in the event it is exercising its security rights.

12.4 The rights referred to in Article 12.3.2 may be reinstated by the Board (with Bidco Consent) or, if earlier, upon the completion of the transfer of the Leaver's or other Shareholder's Shares. The expression "**Relevant Shares**" shall mean the Shares which the Defaulting Shareholder holds or to which it is entitled and any Shares formerly held by it which have been transferred in breach of Article 12.1 or in accordance with Article 13 (Permitted Transfers).

12.5 Each Shareholder hereby irrevocably appoints any Director as his agent to execute, complete and deliver any form of transfer or other document required to give effect to the provisions of this Article 12 for and on its behalf.

12.6 Notwithstanding the provisions of Article 12.2:

12.6.1 the creation (with Bidco Consent) of any Security Interest over any Shares, Loan Notes or any other Securities; or

12.6.2 the assignment or transfer (with Bidco Consent) of the beneficial ownership in any Shares, Loan Notes or any other Securities,

registered in the name of any Shareholder shall not be, and shall not be deemed to be, a transfer of Shares for any purpose under these Articles.

12.7 Model Article 67(4) shall be amended by the insertion at the end of that Model Article of the words "and, accordingly, shall be subject to the restrictions on transfers of Shares contained in Article 12".

- 12.8 Notwithstanding anything contained in these Articles, where a transfer of Shares is or is proposed to be:
- 12.8.1 executed by a Secured Party by way of the exercise of any power of sale or other enforcement power under any relevant security interest;
  - 12.8.2 executed by a receiver or manager or similar officer appointed by or on behalf of any Secured Party under any relevant security interest; or
  - 12.8.3 made to any Secured Party pursuant to any relevant security interest,
- each being a "**Secured Party Transfer**",
- 12.8.4 the directors (or director if there is only one) of the Company may not decline to register (or suspend the registration of) such a Secured Party Transfer;
  - 12.8.5 a holder of Shares shall not be required to comply with any provision of these Articles which restricts the transfer of shares or which requires any such shares to be first offered to all or any shareholders for the time being of the Company before any such Secured Party Transfer may take place; and
  - 12.8.6 a holder of Shares shall not have any right under these Articles or otherwise to require any Shares that are the subject of a Secured Party Transfer to be transferred to them, and, for the avoidance of doubt, regulations 4 and 26(5) of the Model Articles shall not apply insofar as they would otherwise prevent or restrict any Secured Party Transfer (or the recognition of any Secured Party Transfer).
  - 12.8.7 A certificate by any officer of a Secured Party that the Shares were so charged, mortgaged or pledged and the transfer was or will be so executed shall be conclusive evidence of such facts.
- 12.9 Notwithstanding anything contained in these Articles, the Company shall have no present or future lien on any share, dividend or moneys payable in respect of Shares which have been mortgaged, charged or pledged by way of security to a Secured Party and any lien conferred pursuant to these Articles shall not apply in respect of any such share, dividend or moneys payable. If there is any inconsistency between any provision of Article 12.8 and this Article 12.9 and any provision of any other Article, the provisions of Articles 12.8 and 12.9 shall apply.

### 13. **PERMITTED TRANSFERS**

- 13.1 Notwithstanding the provisions of Article 12 (Prohibited Transfers):
- 13.1.1 any Shareholder who is a trustee of an Employee Trust may at any time transfer any Share which he holds in that capacity to:
    - (a) the new or remaining trustees of the Employee Trust upon any change of trustees;
    - (b) any beneficiary of the Employee Trust, with Bidco Consent; and
    - (c) any director or employee of any Group Company, with Bidco Consent;
  - 13.1.2 the holder of any A Ordinary Shares may at any time transfer any Shares it holds in that capacity to:
    - (a) any company within its group; or
    - (b) any investor in Topco and for this purpose an "investor" is an Investor or Investor Associate, as each such term is defined in the Topco Articles; and

13.1.3 any holder of B Ordinary Shares who is an individual may at any time transfer (with Bidco Consent) any B Ordinary Shares held by him to a person or persons shown to the reasonable satisfaction of the Board (with Bidco Consent) to be:

- (a) a Family Member of his; or
- (b) trustees to be held under a Family Trust in relation to that individual. Where B Ordinary Shares are held by trustees under a Family Trust:
  - (i) those Shares may, on any change of trustees, be transferred by those trustees to any new trustee of that Family Trust whose identity has been the subject of Bidco Consent; and
  - (ii) those Shares may at any time be transferred by those trustees to the settlor of that trust or any person to whom that settlor could have transferred them under these Articles if he had remained the holder of them.

13.2 Subject to Article 12.3, the Company shall be obliged to register any transfer made pursuant to the above provisions.

13.3 Where any Shareholder holding Shares as a result of a transfer made after the Completion Date by a person in relation to whom such Shareholder was a Permitted Transferee ceases to be such a Permitted Transferee, upon a Bidco Direction such Shareholder shall immediately transfer all such Shares to the person who originally transferred the Shares to them or to any other Permitted Transferee of such original transferor, and prior to such transfer occurring the provisions of Article 12.3 shall apply.

13.4 If a Shareholder (other than Bidco) being a company ceases to be within the control of the individual(s) who, or ceases to have the same ultimate parent undertaking which, controlled such company on the date on which it became a Shareholder or on the Adoption Date (whichever shall be the later) such Shareholder shall immediately transfer all such Shares to a company which is controlled by such individual(s) or such ultimate parent undertaking provided that this Article 13.4 shall have no application to Bidco or any nominee of Bidco. For the purposes of this Article 13.4 "**control**" shall have the meaning given to it in section 1124 of CTA 2010 and "**controlled**" shall be construed accordingly.

13.5 If any Shareholder is a Family Member or a Family Trust of any person who is a Director and the Shareholder ceases at any time to be a Family Member or a Family Trust of the relevant Director, the Shareholder shall, within 30 days of such cessation, transfer all Shares held by the Shareholder to the relevant Director or, at his direction, to another Family Member or Family Trust of his.

13.6 Subject to the provisions of Article 14, if the personal representatives of a deceased Shareholder are permitted under these Articles to become registered as the holders of any of the deceased holder's Shares and elect to do so, those Shares may at any time be transferred by those personal representatives to any person to whom the deceased holder could have transferred such Shares under this Article if he had remained the holder of them. No other transfer of such Shares by personal representatives shall be permitted under this Article 13.

## 14. LEAVERS

14.1 The provisions of this Article 14.1 shall apply to any Leaver and to any Leaver's Shares.

14.1.1 Subject to Articles 14.1.6, 14.1.7 and 14.1.8, within the period commencing on the relevant Leaving Date and expiring at midnight on the first anniversary of such date (the "**Final Leaving Date**"), Bidco may direct the Company by a Bidco Direction immediately to serve a notice on the Leaver (which notice may be served on one or more occasions if the first and subsequent notices do not relate to all of the Leaver's Shares and/or are revoked pursuant to Article 14.1.2) notifying him that he is, with immediate effect, deemed to have offered such number and class of his Leaver's Shares to such

person(s) (including the Company and/or any Employee Trust) as may be specified in the Bidco Direction (a "**Sale Notice**"). On receipt of a Sale Notice, the relevant Leaver shall, subject to Article 14.1.2, be obliged forthwith to transfer, at the Sale Price as determined in accordance with Article 14.1.4, such number of his Leaver's Shares to the person(s) specified in the Sale Notice. Subject to Article 14.1.2, completion of the sale and purchase of the Leaver's Shares in accordance with the Sale Notice shall take place on the date specified in the Sale Notice (or where there is a dispute as to the Fair Price, within 5 Business Days of the date on which the Fair Price is agreed or determined in accordance with Articles 14.1.4(d) and 14.1.5) whereupon the Leaver shall transfer the relevant Leaver's Shares to the person(s) specified in the Sale Notice (or any subsequent notice served upon the Leaver by the Company with Bidco Consent) and deliver the relevant Share certificate(s) against payment of the Sale Price for such Shares.

14.1.2 At any time after service of a Sale Notice pursuant to Article 14.1.1 and/or 14.1.7 and/or 14.1.8 but before completion of the transfer of Shares referred to in such Sale Notice, Bidco may (by a Bidco Direction and for any reason) direct the Company to revoke the Sale Notice relating to a Leaver's Shares, in which case the transfer of the Leaver's Shares contemplated by such Sale Notice shall not take place. Revocation of a Sale Notice in accordance with this Article 14.1.2 shall not preclude the Company from serving a further Sale Notice in accordance with Article 14.1.1 and/or 14.1.6 and/or 14.1.7.

14.1.3 Save in the case of an acquisition of a Leaver's Shares by the Company, if the Leaver defaults in transferring any Leaver's Shares pursuant to Article 14.1.1 and/or 14.1.7 and/or 14.1.8, the Company may receive the relevant purchase money and may nominate some person to execute an instrument of transfer of such Leaver's Shares in the name and on behalf of the Leaver and thereafter, when such instrument has been duly stamped (if required), the Company shall cause the name of the proposed transferee to be entered in the register of members as the holder of such Leaver's Shares and shall hold the purchase money on trust (without interest) for the Leaver. The receipt of the Company for the purchase money shall be a good discharge to the proposed transferee (who shall not be bound to see to the application thereof) and, after his name has been so entered in the register of members or register of noteholders, the validity of the proceedings shall not be questioned by any person. In the case of an acquisition of Leaver's Shares by the Company, if the Leaver defaults in transferring any Leaver's Shares pursuant to Article 14.1.1 and/or 14.1.7 and/or 14.1.8, the Company may nominate some person to execute an instrument of transfer of such Leaver's Shares in the name and on behalf of the Leaver and thereafter, when such instrument has been duly stamped (if required), the Company shall cause such share capital to be cancelled or held in treasury in accordance with the Act and shall hold the purchase money on trust (without interest) for the Leaver.

14.1.4 In these Articles:

- (a) a Leaver shall be deemed to be a "**Good Leaver**" in circumstances where:
  - (i) the Relevant Employee is not a Bad Leaver; or
  - (ii) the Board (with Bidco Consent) agrees that a Leaver who is otherwise a Bad Leaver may be treated as a Good Leaver;
- (b) a Leaver shall be deemed to be a "**Bad Leaver**" in circumstances where:
  - (i) the relevant person ceases to be a Relevant Employee by reason or in consequence of his resignation as an employee of any Group Company within a period of 8 months of the Adoption Date (other than where such resignation arises as a consequence of his death or Serious Ill Health) save that any such resignation (i) which gives rise to a claim against any Group Company of or relating to constructive dismissal or (ii) where any other provisions of this Bad Leaver definition apply, the Relevant Employee shall be treated as a Bad

Leaver;

- (ii) the relevant person ceases to be a Relevant Employee by reason or in consequence of the termination by his employer of his service agreement:
    - (1) in circumstances justifying (in accordance with the terms of his contract of employment) summary dismissal for cause which is determined as such by an Employment Tribunal or Court or otherwise agreed by the parties to be or amount to the same; or
    - (2) in circumstances where he then proceeds to breach any post-termination restrictions imposed on him under the terms of any contract of employment, the Investment Agreement and/or any settlement agreement between him and any Group Company, Bidco and/or otherwise;
  - (iii) the relevant person at any time on or prior to the Final Leaving Date (whether or not the provisions of this Article 14 have previously been exercised in respect of that Leaver and whether or not he has previously been treated as a Good Leaver):
    - (1) is determined by the Board, acting in their absolute discretion and with Bidco Consent, to have breached any post-termination restrictions imposed on him under the terms of any contract of employment, the Investment Agreement and/or any settlement agreement between him and any Group Company, Bidco and/or otherwise; or
    - (2) is determined by the Board, acting in their absolute discretion and with Bidco Consent, to have taken any action which is prohibited by clause 11.1 and/or 11.2 of the Investment Agreement; or
  - (iv) the relevant person has committed an act of fraud or ceases to be a Relevant Employee by reason or in consequence of his own fraud;
- (c) the **"Sale Price"** shall be:
- (i) in the case of a Good Leaver, the Fair Price; and
  - (ii) in the case of a Bad Leaver, the price which shall be the lower of the Fair Price and the Issue Price, provided that, in the case of any Leaver's Shares which were originally acquired by that Leaver (or that Leaver's Permitted Transferee, as the case may be) by way of transfer rather than allotment, reference to the Issue Price in this Article (c)(ii) shall, in relation to those Shares, be deemed to be a reference to the lower of the Issue Price and the amount paid by such Leaver on such transfer. For the purposes of this Article (c), **"Permitted Transferee"** shall mean, in relation to a Leaver, the person to whom the Leaver transferred his Shares pursuant to Article 13 (if applicable); and
- (d) the **"Fair Price"** shall be such price as the transferor and the Company (with Bidco Consent) shall agree within 10 Business Days of the date of the Sale Notice or, failing such agreement, such price as the Auditors (or, if the Auditors are unable or unwilling to act for any reason or Bidco so directs by Bidco Direction, an Independent Expert) shall determine pursuant to Article 14.1.5.

14.1.5 If the Fair Price falls to be determined by the Auditors (which expression shall, for the



purposes of this Article 14.1.5, be deemed to include a reference to the Independent Expert if the Fair Price falls to be determined by an Independent Expert in accordance with Article 14.1.4(d)):

- (a) the Company shall immediately instruct the Auditors to determine the Fair Price on the basis which, in their opinion, represents a fair price for the Leaver's Shares at the Leaving Date as between a willing seller and a willing buyer and on a going concern basis (provided this is the case) and provided that in calculating the Fair Price for the Leaver's Shares, the Auditors shall use an enterprise valuation model which shall be based on not less than 6.3 times and not more than 9 times EBITDA of the Group as set out in the most recently available audited consolidated Group accounts (save that in the event of a breach of the Performance Covenants, whilst such breach subsists, the multiple shall be 6.3 times EBITDA only) provided, if applicable, that in the event the Auditors are required to determine the Fair Price in circumstances of the Leaver's death or his own or a Family Member's Serious Ill Health, there shall (if relevant) be no upper limit to the EBITDA multiplier so used. In making such determination, the Auditors shall not take account of whether the Leaver's Shares comprise a majority or minority interest in the Company or the fact that their transferability is restricted by these Articles but shall take account of the fact that the Shares are not quoted on any Recognised Stock Exchange and all borrowing, guarantees and any other actual or known contingent liabilities of each Group Company;
- (b) the Auditors shall certify the Fair Price as soon as possible after being instructed by the Company and, in so certifying, the Auditors shall be deemed to be acting as experts and not as arbitrators and the Arbitration Act 1996 shall not apply;
- (c) the certificate of the Auditors shall, in the absence of manifest error, be final and binding; and
- (d) the Company shall procure that any certificate required hereunder is obtained with due expedition and the cost of obtaining such certificate shall be borne by the Company unless:-
  - (i) such arrangement would not be permitted by law; or
  - (ii) the Fair Price as determined by the Auditors is not more than 110% of the price (if any) which the Company had previously notified to the Leaver as being in its opinion the Fair Price (or, if the price which the Company had previously notified was zero, the Fair Price as determined by the Auditors is less than 10% of the Issue Price of such Shares), in which event the cost shall be borne by the Leaver and deducted from the consideration payable to the Leaver for his Leaver's Shares which are being transferred under the provisions of this Article 14.

14.1.6 The Sale Notice shall provide that the Leaver's Shares are to be offered, at the discretion of the Board with Bidco Consent, to any of:

- (a) any existing employee or future employee of any Group Company or any nominee pending allocation to an existing or future employee of any Group Company;
- (b) any Employee Trust;
- (c) the Company; or
- (d) Bidco (provided that such Leaver's Shares are acquired on a temporary basis

pending their reallocation and transfer to any persons specified in Articles (a) to (c)) above.

14.1.7 Where any Leaver's Shares ("**Further Leaver Interests**") are acquired (by way of subscription or transfer) by a Leaver after the Final Leaving Date, the provisions of this Article 14 shall apply to such Further Leaver Interests on the same terms (including as to price) as applied to the Leaver's Shares (as applicable) save that for the purposes of Article 14.1.1, the Final Leaving Date shall be the first anniversary of the date on which those further Shares were acquired by the Leaver.

14.1.8 At any time, if a person becomes a Bad Leaver (whether or not the provisions of this Article 14 were previously exercised in respect of that person and whether or not he has previously been treated as a Good Leaver):

- (a) Bidco may direct the Company by Bidco Direction immediately to serve notice on the Leaver notifying him that he is, with immediate effect, deemed to have offered such number of his Leaver's Shares to such person as may, consistent with Article 14.1.6, be specified in the Bidco Direction and the provisions of Articles 14.1.1 to 14.1.5 (inclusive) (and to the extent directed by Bidco Direction) shall apply mutatis mutandis to any transfer of any Leaver's Shares under this Article 14.1.8 (the Sale Price for the Leaver's Shares being, for the avoidance of doubt, the lower of the Issue Price and the Fair Price); and
- (b) the relevant Leaver shall forthwith pay to the Company an amount equal to the amount previously received by him in respect of any Leavers' Shares (if any) less the amount which he would have received if he had been treated as a Bad Leaver (being, for the avoidance of doubt, the lower of the Issue Price and the Fair Price) in respect of those Leaver's Shares.

## 15. **DRAG ALONG**

15.1 In these Articles a "**Qualifying Offer**" shall mean a bona fide offer in writing on arm's length terms which is made by or on behalf of any person (including for the avoidance of doubt a Reorganisation or an offer by a New Holding Company in connection with a Refinancing) ("**the Offeror**") which is communicated to any one or more of (i) the shareholder(s) of Topco or a subsidiary of it or (ii) the Shareholders, and which is for (a) all of the issued equity share capital of Topco or a subsidiary undertaking of it or (b) for all of the Equity Shares, in each case not already owned by the Offeror or persons connected or acting in concert with the Offeror.

15.2 If the holders of not less than 50% in nominal value of (i) the Topco Ordinary Shares then in issue or (ii) of the Equity Shares (the "**Accepting Shareholders**") have indicated in writing that they wish to accept the Qualifying Offer, then the provisions of this Article 15 shall apply.

15.3 The Accepting Shareholders may give written notice (a "**Drag Notice**") to the holders of the B Ordinary Shares (the "**Other Shareholders**") of their wish to accept the Qualifying Offer and each of the Other Shareholders shall thereupon become bound to accept the Qualifying Offer and to transfer the legal and beneficial interest in their Equity Shares to the Offeror (or its nominee) with full title guarantee on the date specified by the Accepting Shareholders (the "**Drag Completion Date**") by delivering to the Company on or before the Drag Completion Date:

- 15.3.1 the relevant share certificate(s) (or a suitable indemnity in lieu thereof) in respect of the Equity Shares held by him;
- 15.3.2 a duly executed sale agreement or form of acceptance (in a form acceptable to the Accepting Shareholders) pursuant to which the Other Shareholders provide customary warranties as to title to, and ownership of, the Equity Shares held by them; and
- 15.3.3 a duly executed form of transfer in respect of those Equity Shares in favour of the Offeror (or its nominee),

and if required by Bidco Direction, shall sign, execute and deliver such other documents as may be reasonably required to effect the transfer of any shares, debt instruments or other securities to the Offeror (or its nominee).

- 15.4 If any Other Shareholder shall fail to comply with its obligations under Article 15.3, then any Accepting Shareholder shall be entitled to execute, and shall be entitled to authorise and instruct such person as he thinks fit to execute, the necessary forms of transfer and other documents on the Other Shareholder's behalf and, against receipt by the Company (on trust for such Shareholder) of the consideration payable for the relevant Equity Shares, to deliver such documents to the Offeror (or its nominee) and to register such Offeror (or its nominee) as the holder thereof and, after such registration, the validity of such proceedings shall not be questioned by any person. If the consideration offered to the Other Shareholders includes a right to subscribe for or acquire any share, debt instrument or other security in the capital of the Offeror (or any other member of the Offeror Group) as an alternative (whether in whole or in part) to the consideration payable in cash then the Accepting Shareholders shall also be entitled to elect which alternative to accept on behalf of the relevant Other Shareholder(s) (and may elect for different alternatives for different Other Shareholders) and neither the Board, nor the Company, nor any Accepting Shareholder shall have any liability to the Other Shareholders in relation to such election.
- 15.5 If the Offeror has also agreed to purchase Securities (for this purpose being Securities held in Topco or any subsidiary undertaking of Topco) from the Accepting Shareholders, to the extent that some or all of the Other Shareholders hold Loan Notes and/or other Securities (as applicable) the Drag Notice may also require each Other Shareholder to transfer all of the Loan Notes and/or other Securities (as applicable) held by it to the Offeror at a consideration equal to the outstanding principal and interest on such Loan Notes and/or other Securities, or as otherwise agreed by the Other Shareholders. The relevant provisions of this Article 15 shall apply to Loan Notes and other Securities (as applicable) held by the Other Shareholders and references to any Other Shareholders' Shares and Further Drag Shares shall be construed accordingly.
- 15.6 If any Shares are allotted by the Company (whether pursuant to the exercise of pre-existing options or warrants or otherwise) at any time after the date of the Drag Notice ("**Further Drag Shares**"), the Accepting Shareholders (whose composition shall be determined without taking into account the holders of any Further Drag Shares which are A Ordinary Shares) shall be entitled to serve an additional written notice on the holders of the Further Drag Shares whereupon the holders of the Further Drag Shares shall become bound to transfer their Further Drag Shares to the Offeror (or its nominee) with full title guarantee on the date specified in such notice and for the same consideration payable pursuant to the Qualifying Offer. The provisions of Article 15.4 and, to the extent directed by Bidco Direction, Article 15.7 shall apply mutatis mutandis to any transfer of Further Drag Shares under this Article 15.6.
- 15.7 Each Other Shareholder shall pay its pro-rata share (calculated by reference to the number of Equity Shares held by each Shareholder), as a deduction from the gross pre-tax proceeds to be received pursuant to the Qualifying Offer, without prejudice to any other deductions lawfully required to be made, of the reasonable costs incurred by the Accepting Shareholders in connection with the Qualifying Offer and the transfer of Securities pursuant thereto to the extent that it can reasonably be demonstrated that such costs were incurred on behalf of the Accepting Shareholders and/or the Other Shareholders.
- 15.8 The provisions of Article 9 shall apply to any Sale under this Article 15.
16. **TAG ALONG**
- 16.1 If at any time one or more (i) shareholders of Topco or (ii) Shareholders (the "**Proposed Sellers**") propose to sell to any person, in one or a series of related transactions (other than as part of a Reorganisation), such number of (i) Topco A Ordinary Shares or (ii) Equity Shares (as applicable) ("**Sale Shares**") as would, if registered, constitute (i) a sale of Topco (as the definition of Sale applies in the Topco Articles) or (ii) a Sale (a "**Proposed Sale**"), the Proposed Sellers shall give written notice of any Proposed Sale to the holders of B Ordinary Shares at least 10 Business Days prior to the proposed date of completion thereof. Such notice shall set out, to the extent not described in any accompanying documents, the identity of the proposed buyer (the "**Proposed**

**Buyer**"), the sale price and other terms and conditions of payment, the proposed date of sale and the number of Sale Shares to be acquired by the Proposed Buyer.

16.2 The Proposed Sale may not be completed unless the Proposed Buyer has unconditionally (other than in respect of anti-trust clearances) offered to buy the Relevant Proportion of the issued B Ordinary Shares held by each Shareholder and, subject to Article 16.3, the consideration shall be as calculated pursuant to clause 8.7 of the Investment Agreement and paid at the same time and on the same payment terms as apply to the Proposed Sale (such offer being a **"Tag Offer"**).

16.3 For the purposes of Article 16.2:

16.3.1 **"consideration"** shall (unless and to the extent otherwise directed by a Bidco Direction):

- (a) exclude any consideration in the form of any share, debt instrument or other security in the capital of the Proposed Buyer or any member of the Buyer Group or a right to subscribe for or acquire any share, debt instrument or other security in the Proposed Buyer or any member of the Buyer Group provided that, if such form of consideration is to be excluded, an alternative consideration for each relevant B Ordinary Share is offered which is of equivalent value to such consideration; and
- (b) for the avoidance of doubt, exclude any separate right or opportunity offered to a Shareholder to subscribe for or acquire any share, debt instrument or other security in the capital of any member of the Buyer Group which is in addition to (and not part of) the consideration offered for each B Ordinary Share pursuant to the Proposed Sale; and

16.3.2 **"Relevant Proportion"** shall mean the same proportion of the B Ordinary Shares held by each Shareholder as the proportion (as the case may be) of Topco A Ordinary Shares or A Ordinary Shares to be transferred by the Proposed Sellers in the Proposed Sale bears to the total number of Topco A Ordinary Shares or A Ordinary Shares held by the Proposed Sellers prior to the making of the Tag Offer.

16.4 A Tag Offer shall be made in writing and shall remain open for acceptance for not less than 21 days.

16.5 Each Shareholder who accepts a Tag Offer (a **"Tagging Shareholder"**):

16.5.1 shall transfer the legal and beneficial interest in the B Ordinary Shares in respect of which it has accepted the Tag Offer to the Proposed Buyer (or its nominee) with full title guarantee on the date specified by the Proposed Sellers, and agrees that it may be required to give such warranties, indemnities, representations and covenants as are agreed to by the Proposed Sellers pursuant to the Proposed Sale; and

16.5.2 shall, without prejudice to any other deductions lawfully required to be made, pay its Relevant Proportion of the costs incurred by the Proposed Sellers in connection with the Proposed Sale and the transfer of Shares pursuant thereto as a deduction from the gross pre-tax proceeds to be received pursuant to Article 16.2 to the extent that it can reasonably be demonstrated that such costs were properly incurred on behalf of all the Tagging Shareholders.

16.6 If the Proposed Buyer has also agreed to purchase Securities (having the same meaning as in Article 15.5) from the Proposed Sellers pursuant to the Proposed Sale, to the extent that some or all of the Shareholders (each an **"Other Tag Shareholder"**) hold Loan Notes and/or other Securities, the Proposed Buyer must also offer to acquire from each Other Tag Shareholder the same proportion of the Loan Notes and/or Securities (as applicable) held by such Shareholders as the proportion of Loan Notes and/or other Securities (as applicable) to be transferred by the Proposed Sellers bears to the total number of Loan Notes and/or other Securities in issue. The relevant provisions of this Article 16 shall apply to the Loan Notes and/or other Securities held by such Other Tag Shareholders and references to any Equity Shares held by such persons shall be

construed accordingly.

- 16.7 The provisions of this Article 16 shall not apply to any Proposed Sale which is a Permitted Transfer under Article 13 or to any transfer of Shares, Loan Notes and/or other Securities made in accordance with Article 13.3 or pursuant to a Qualifying Offer under Article 15.

## **SHAREHOLDER MEETINGS**

### **17. PROCEEDINGS OF SHAREHOLDERS**

- 17.1 No business shall be transacted at any general meeting unless a quorum of Shareholders is present at the time when the meeting proceeds to business and, subject to Article 17.2, for its duration. Two persons entitled to vote upon the business to be transacted, each being a Shareholder or a proxy for a Shareholder or a duly authorised representative of a Shareholder which is a corporation (and at least one of which shall be a proxy for, or a duly authorised representative of, Bidco), shall be a quorum.
- 17.2 If within half an hour from the time appointed for the meeting a quorum is not present, or if during a meeting a quorum ceases to be present for a period exceeding 10 minutes, with Bidco Consent the meeting shall stand adjourned to the same day in the next week, at the same time and place, or to such other time and place as a Bidco Direction shall determine and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, if the Shareholder or Shareholders present include a proxy for, or a duly authorised representative of, Bidco, that person shall constitute a quorum.
- 17.3 A resolution put to the vote of a meeting shall be decided on a show of hands unless before, or on the declaration of the result of, the show of hands, a poll is duly demanded. Subject to the provisions of the Act, a poll may be demanded at any general meeting by the chairman, or by any Shareholder present in person or by proxy and entitled to vote or by a duly authorised representative of a corporation which is a Shareholder entitled to vote.
- 17.4 An instrument appointing a proxy and any authority under which it is executed or a copy of such authority certified notarially or in some other way approved by the Board must be delivered to the registered office of the Company:
- 17.4.1 in the case of a general meeting or an adjourned meeting, not less than 48 hours before the time appointed for the holding of the meeting or to the place of the meeting at any time before the time appointed for the holding of the meeting; and
- 17.4.2 subject to Article 17.5, in the case of a proxy notice given in relation to a poll, before the end of the meeting at which the poll was demanded.

In calculating when a proxy notice is to be delivered, no account is to be taken of any part of a day that is not a Business Day. A notice revoking the appointment of a proxy must be given in accordance with the Act.

- 17.5 When a poll has been demanded it shall be taken immediately following the demand.
- 17.6 The provisions of these Articles relating to general meetings of the Company or to the proceedings thereat shall, with the necessary changes being made, apply to every separate meeting of the holders of any class of Share, except that the necessary quorum shall be two persons holding or representing by proxy at least one third in nominal amount of the issued shares of that class (but so that if at any adjourned meeting of such holders a quorum as above defined is not present then the provisions of Article 17.2 shall apply).
- 17.7 Directors may be invited to attend and speak at general meetings, whether or not they are members.

## **DIRECTORS**

### **18. NUMBER OF DIRECTORS**

Other than while a Default Event subsists (for this purpose, no account being taken of any waiver given by any person in respect of any such breach or any standstill agreement or similar arrangement with any person), the number of Directors (including the A Directors but excluding alternate directors) shall not be more than 4 (four).

### **19. ALTERNATE DIRECTORS**

19.1 A Director (other than an alternate director) may appoint any other Director or (in the case of an A Director) any other person whomsoever, to be an alternate director and may remove from office an alternate director so appointed.

19.2 A person who holds office only as an alternate director shall, if his appointor is not present, be counted in the quorum.

19.3 Any Director who is appointed an alternate director shall be entitled to vote at a meeting of the Board on behalf of the Director so appointing him in addition to being entitled to vote in his own capacity as a Director and shall also be considered as two Directors for the purpose of making a quorum of Directors unless he is the only individual present.

### **20. PROCEEDINGS OF DIRECTORS**

#### **General**

20.1 The Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. Subject to Article 20.2 and Article 21.2 any two Directors (of whom at least one shall be an A Director and, other than while a Default Event subsists (for this purpose, no account being taken of any waiver given by any person in respect of any such breach or any standstill agreement or similar arrangement with any person), at least one shall be a Manager, shall constitute a quorum and a quorum of Directors must be present throughout all meetings of the Board, save that if the number of Directors is less than the number fixed as the quorum, subject to Article 20.2 the continuing Director or Directors may act only for the purpose of appointing another Director or Directors in accordance with Article 22.1.2 or of calling a general meeting. If the Chairman (as defined in the Investment Agreement) is not present at a meeting of the Board, the provisions of Model Article 12 shall apply and a chairman appointed pursuant to such Model Article 12 shall be appointed solely for the relevant Board meeting. Model Article 12 shall be amended accordingly. The chairman of the meeting shall not have a second or casting vote, in the case of an equality of votes.

20.2 If, in the case of either a meeting of (or of a committee of) the Board, a quorum is not present within half an hour from the time appointed for the meeting, or if during a meeting such a quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week at the same time and place (or at such later time and other place as the chairman of the relevant meeting may determine). If at the reconvened meeting the requisite quorum is not present or if during the meeting such a quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week at the same time and place (or at such later time and other place as the chairman of the relevant meeting may determine). Any such adjourned meeting, once re-convened, shall be validly convened if at least any two Directors (or their duly appointed alternates) are present.

20.3 Any Director or alternate director may validly participate in a meeting of the Board through the medium of conference telephone or similar form of communication equipment provided that all persons participating in the meeting are able to hear and speak to each other throughout such meeting. A person so participating shall be deemed to be present in person at the meeting and shall accordingly be counted in a quorum and be entitled to vote. Subject to the Act, all business transacted in such manner by the Board or a committee of the Board shall for the purpose of these Articles be deemed to be validly and effectively transacted at a meeting of the Board or a

committee of the Board notwithstanding that a quorum of Directors is not physically present in the same place. Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the Chairman of the meeting then is.

- 20.4 Model Article 5(1) shall be amended by the insertion of the words "with Bidco Consent" after the words "the directors may".

21. **DIRECTORS' INTERESTS**

**Directors' conflicts of interest – Situational Conflicts**

- 21.1 If a situation arises or exists in which a Director has or could have a Situational Conflict, without prejudice to the provisions of Articles 21.3 to 21.7, the Director concerned, or any other Director, may propose to the Board that such Situational Conflict be authorised, such proposal to be made in writing and delivered to the other Directors or made orally at a meeting of the Board, in each case setting out particulars of the Situational Conflict in question. Subject to the Act, the Directors may authorise such Situational Conflict and the continuing performance by the relevant Director of his duties as a Director on such terms as they may think fit.
- 21.2 The relevant Director shall not be counted in the quorum at the relevant meeting of the Directors to authorise such Situational Conflict nor be entitled to vote on the resolution authorising it. If the relevant Director is the sole A Director, for the purposes of any part of the meeting of the Directors at which a resolution authorising the relevant Situational Conflict pursuant to section 175(4)(b) of the Act is to be considered, the quorum requirement for such part of the meeting shall be any two Directors, neither of whom have any interest in the matter and notwithstanding the provisions of Article 21.1 it shall not be necessary for the A Director to be present during such part of the meeting for the quorum requirement to be met. If at a meeting of the Directors to authorise a Situational Conflict there are insufficient directors to form a quorum pursuant to Article 21.1 or this Article 21.2, one director entitled to vote on the matter under consideration shall constitute a quorum for that purpose.
- 21.3 Subject to compliance by him with his duties as a Director under Part X of the Act (other than the duty in section 175(1) of the Act which is the subject of this Article 21.3), a Director (including the chairman of the Company (if any), any A Director and any other non-executive Director) may, at any time:
- 21.3.1 be an officer of, employed by, or hold Shares or any other securities (whether directly or indirectly) in the Company;
  - 21.3.2 be a director or other officer of, employed by or hold shares or other securities (whether directly or indirectly) in, or otherwise be interested, whether directly or indirectly, in any other Group Company, (in each case a "**Director Interest**") and notwithstanding his office or the existence of an actual or potential conflict between any Director Interest and the interests of the Company, which would fall within the ambit of that section 175(1), the relevant Director:
    - (a) shall be entitled to attend any meeting or part of a meeting of the Directors or a committee of the Directors at which any matter which may be relevant to the Director Interest may be discussed, and to vote on any resolution of the Directors or a committee thereof relating to such matter, and any board papers relating to such matter shall be provided to the relevant Director at the same time as the other Directors (save that a Director may not vote on any resolution in respect of matters relating to his employment with the Company or any other Group Company);
    - (b) shall not be obliged to account to the Company for any remuneration or other benefits received by him in consequence of any Director Interest;
    - (c) will not be obliged to disclose to the Company or use for the benefit of the Company any confidential information received by him by virtue of his Director

Interest and otherwise than by virtue of his position as a Director, if to do so would breach any duty of confidentiality to any other Group Company or third party; and

21.3.3 if the relevant Director is an A Director:

- (a) may, on behalf of Bidco, give or withhold any consent or give any direction required of Bidco pursuant to the terms of any subscription, investment or shareholders' agreement relating to the Company, or of any similar agreement or document ancillary to such an agreement;
- (b) shall be entitled to consult freely about the Group and its affairs with, and to disclose any Confidential Information to any investor in Topco or any other person on whose behalf it is investing in the Group, and to Topco's auditors, lenders and proposed lenders (or with and to any of its or their professional advisers); and
- (c) for the purposes of facilitating an Exit, shall be entitled to disclose any Confidential Information to any proposed purchaser, underwriter, sponsor or broker, subject to the relevant A Director using his reasonable endeavours to procure that any such recipient is made aware that it is Confidential Information and agrees to treat it accordingly.

21.4 For the purposes of Article 21.3.3, the expression "**Confidential Information**" shall mean all information (whether oral or recorded in any medium) relating to any Group Company's business, financial or other affairs (including future plans of any Group Company) which is treated by a Group Company as confidential (or is marked or is by its nature confidential).

21.5 Notwithstanding the provisions of Articles 21.1 and 21.3, Bidco from time to time may, at any time, by notice in writing to the Company, authorise, on such terms as it shall think fit and shall specify in the notice any Situational Conflict which has been notified to the Board by any Director under Article 21.1 (whether or not the matter has already been considered under, or deemed to fall within, Article 21.1 or 21.3, as the case may be). For the avoidance of doubt, the holders of the B Ordinary Shares in issue at the relevant time shall not be required to give their consent in order for the authorisation pursuant to this Article 21.5 to be valid.

21.6 No contract entered into shall be liable to be avoided by virtue of:

21.6.1 any Director having an interest of the type referred to in Article 21.1 where the relevant Situational Conflict has been approved as provided by that Article or which is authorised pursuant to Article 21.5; or

21.6.2 any Director having a Director Interest which falls within Article 21.3 or which is authorised pursuant to Article 21.5.

#### **Directors' conflicts of interest – Transactional Conflicts**

21.7 The provisions of Articles 21.1 to 21.6 shall not apply to Transactional Conflicts but the following provisions of this Article 21.7 and Articles 21.8 to 21.9 shall so apply. Any Director may be interested in an existing or proposed transaction or arrangement with the Company provided that he complies with the Act and (if applicable) Articles 21.8 and 21.9.

21.8 Subject to the provisions of the Act, and provided that he has disclosed to the other Directors the nature and extent of any material interest of his, a Director notwithstanding his office:

21.8.1 may be a party to, or otherwise interested in, any existing or proposed transaction or arrangement with the Company or in which the Company is otherwise interested;

21.8.2 may be a director or other officer of, or employed by, or a party to any existing or proposed transaction or arrangement with, or otherwise interested in, any body corporate



promoted by the Company or in which the Company is otherwise interested; and

- 21.8.3 shall not, by reason of his office, be accountable to the Company for any benefit which he derives from any such office or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit,

in each case unless Bidco notifies the Director otherwise by a Bidco Direction.

- 21.9 For the purposes of Article 21.8:

21.9.1 a general notice given to the Directors that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any existing or proposed transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the Director has an interest in any such transaction of the nature and extent so specified; and

21.9.2 an interest of which a Director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his.

- 21.10 Without prejudice to the obligation of each Director to declare an interest in accordance with the Act, a Director may vote at a meeting of the Board or of a committee of the Board on any resolution concerning a matter in which he has an interest, whether direct or indirect, which relates to a *transaction or arrangement with the Company, or in relation to which he has a duty*. Having so declared any such interest or duty he may have, the Director shall be counted in the quorum present when any such resolution is under consideration and if he votes on such resolution his vote shall be counted.

## 22. APPOINTMENT AND REMOVAL OF DIRECTORS

- 22.1 Any person who is willing to act as a director and is permitted by law to do so may be appointed as a director of the Company either:

22.1.1 by ordinary resolution of the members;

22.1.2 by a resolution of the Board (with Bidco Consent); or

22.1.3 in accordance with the Investment Agreement.

## 23. RETIREMENT BY ROTATION

The Directors shall not be liable to retire by rotation.

## MISCELLANEOUS

### 24. THE SEAL

In addition to its powers under section 44 of the Act, the Company may have a seal and the Directors shall provide for the safe custody of any such seal. If there is a seal, the Directors shall determine who may sign any instrument to which the seal is affixed and unless otherwise so determined it shall be signed by at least one authorised person in the presence of a witness who attests his signature. For the purposes of this article, an authorised person is any Director, the Company Secretary (if any) or any person authorised by the Directors for the purpose of signing documents to which the seal is applied.

## 25. INDEMNITY AND INSURANCE

- 25.1 Subject to, and on such terms as may be permitted by the Act, the Company may:

25.1.1 indemnify, out of the assets of the Company, any director of the Company or any

associated company against all losses and liabilities which he may sustain or incur in the performance of the duties of his office or otherwise in relation thereto (including, in respect of any director of either the Company or any associated company, where the Company or such associated company acts as trustee of a Pension Scheme, against liability incurred in connection with the relevant company's activities as trustee of such scheme);

25.1.2 provide a Director with funds to meet expenditure incurred or to be incurred by him:

- (a) at any time in defending any civil or criminal proceedings brought or threatened against him; or
- (b) in defending himself in an investigation by a regulatory authority or against action proposed to be taken by a regulatory authority,

in either case in connection with any alleged negligence, default, breach of duty or breach of trust by him in relation to the Company or an associated company and the Company shall be permitted to take or omit to take any action or enter into any arrangement which would otherwise be prohibited under the Act to enable a Director to avoid incurring such expenditure;

25.1.3 provide a director of any holding company of the Company with funds to meet expenditure incurred or to be incurred by him in:

- (a) defending any civil or criminal proceedings brought or threatened against him; or
- (b) defending himself in an investigation by a regulatory authority or against action proposed to be taken by a regulatory authority,

in either case in connection with any alleged negligence, default, breach of duty or breach of trust by him in relation to the Company or an associated company and the Company shall be permitted to take or omit to take any action or enter into any arrangement which would otherwise be prohibited under the Act to enable such director to avoid incurring such expenditure; and

25.1.4 purchase and maintain insurance for any Director or any director of any associated company against any liability attaching to any such person in connection with any negligence, default, breach of duty or breach of trust by him in relation to the Company or any such associated company.

25.2 For the purpose of Article 25.1 above, a company will be "**associated**" with another if one is a subsidiary of the other or both are subsidiaries of the same body corporate as such terms are defined in the Act.

## 26. **OVERRIDING PROVISIONS**

The Company shall not pay any dividends on its Shares, redeem its Shares or purchase its Shares if to do so would cause the Company to be in breach of any of the provisions of any Financing Document.

## 27. **NOTICES**

27.1 Subject to the specific terms of these Articles, any notice to be given to or by any person pursuant to these Articles (other than a notice calling a meeting of the Board or a committee thereof) shall be in writing.

27.2 Any Shareholder Communication may be served by the Company on, or supplied by the Company to, a Shareholder or other person by hand (which, for the avoidance of doubt shall include delivery by courier) or by sending it by first-class post in a pre-paid envelope, addressed to such

Shareholder or other person at his postal address (as appearing in the Company's register of members in the case of Shareholders) or (except in the case of Excluded Notices and share certificates) by sending or supplying it in electronic form or by website communication in accordance with Articles 27.4 or 27.5. Excluded Notices shall be sent to or served upon the relevant person as required by these Articles in hard copy and delivered by hand or sent by first-class post in a pre-paid envelope and shall not be sent in electronic form.

- 27.3 In the case of a Shareholder Communication (including an Excluded Notice) sent by first-class post, proof that an envelope containing the communication was properly addressed, pre-paid and posted shall be conclusive evidence that it was sent and it shall be deemed to be given or received at the expiration of 48 hours after the envelope containing it was posted. In calculating the period of hours for the purposes of this Article, no account shall be taken of Sundays or Bank Holidays. A Shareholder Communication (including an Excluded Notice) delivered by hand shall be deemed to be given or received on the day that it is left at the relevant postal address if delivered during a Business Day, or at the start of the next Business Day if delivered at any other time.
- 27.4 Subject to the provisions of the Act, any Shareholder Communication (except an Excluded Notice or a share certificate) will be validly sent or supplied by the Company to a person if sent or supplied in electronic form provided that person has agreed (generally or specifically) (or if the person is a company and is deemed by the Act to have agreed) that the communication may be sent or supplied in that form and:
- 27.4.1 the Shareholder Communication is sent in electronic form to such address as may for the time being be notified by the relevant person to the Company (generally or specifically) for that purpose or, if that relevant person is a company, to such address as may be deemed by a provision of the Act to have been so specified; and
- 27.4.2 that person has not revoked the agreement.
- 27.5 Subject to the provisions of the Act, any Shareholder Communication (except an Excluded Notice or a share certificate) will be validly sent or supplied by the Company to a person if it is made available by means of a website communication where that person has agreed, or is deemed by the Act to have agreed (generally or specifically), that the communication may be sent or supplied to him in that manner and:
- 27.5.1 that person has not revoked the agreement;
- 27.5.2 the person is notified in a manner for the time being agreed for the purpose between the person and the Company of:
- (a) the presence of the Shareholder Communication on the Company's Website;
- (b) the address of that website; and
- (c) the place on that website where the Shareholder Communication may be accessed and how it may be accessed; and
- 27.5.3 the Shareholder Communication continues to be published on the Company's Website throughout the period specified in the Act, provided that if it is published on the website for part but not all of such period, the Shareholder Communication will be treated as published throughout that period if the failure to publish it throughout that period is wholly attributable to circumstances which it would not be reasonable to have expected the Company to prevent or avoid.
- 27.6 When any Shareholder Communication is sent by the Company in electronic form, it shall be deemed to have been given on the same day as it was sent to the address supplied by the Shareholder, and in the case of the provision of a Shareholder Communication by website communication, it shall be deemed to have been received when it 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 it was available on the website pursuant to Article 27.5.2.

- 27.7 Where in accordance with these Articles a Shareholder or other person is entitled or required to give or send to the Company a notice in writing (other than an Excluded Notice), the Company may, in its absolute discretion, (or shall, if it is deemed to have so agreed by any provision of the Act) permit such notices (or specified classes thereof) to be sent to the Company in such electronic form and at such address as may from time to time be specified (or be deemed by the Act to be agreed) by the Company (generally or specifically) for the purpose, subject to any conditions or restrictions that the Board may from time to time prescribe (including as to authentication of the identity of the person giving or sending such notice to the Company);
- 27.8 A Shareholder who has not supplied to the Company either a postal or an electronic address for the service of notices shall not be entitled to receive notices from the Company. If, on three consecutive occasions, a notice to a Shareholder has been returned undelivered, such Shareholder shall not thereafter be entitled to receive notices from the Company until he shall have communicated with the Company and supplied in writing to its registered office a new postal or electronic address for the service of notices. For these purposes, a notice shall be treated as returned undelivered if the notice is sent by post and is returned to the Company (or its agents) or, if sent in electronic form, if the Company (or its agents) receive(s) notification that the notice was not delivered to the address to which it was sent.
- 27.9 In the case of joint holders of a Share, all Shareholder Communications shall be sent or supplied to the joint holder who is named first in the register, and a Shareholder Communication so sent or supplied shall be deemed sent or supplied to all joint holders. Any provision of this Article 27 which refers to anything agreed, notified or specified by a member shall be deemed to have been validly agreed, notified or specified, notwithstanding any provisions of the Act, if agreed, notified or specified by only one and not all of the joint holders of any Shares held in joint names.

28. **WINDING UP**

On a Winding-Up, the liquidator may, with Bidco Consent and any other sanction required by the Act, divide among the Shareholders in specie the whole or any part of the assets of the Company and may, for that purpose, value any assets and determine how the division shall be carried out as between the Shareholders or different classes of Shareholders. The liquidator may vest the whole or any part of the assets in trustees upon such trusts for the benefit of the Shareholders as he determines (with Bidco Consent and any other sanction required by the Act), but no Shareholder shall be compelled to accept any assets upon which there is a liability.

29. **VARIATION OF RIGHTS**

Notwithstanding any other provision in these Articles, if at any time a Default Event has occurred and is continuing, the rights attaching to the B Ordinary Shares as a class may be varied by a special resolution of the Company in general meeting or by a written resolution signed by the holders of 75% in number of the Equity Shares in issue at the relevant time (excluding any Equity Shares held by any person who is at that time a Leaver) (and for the avoidance of doubt the voting rights in relation to any such resolution shall be as set out in Article 6) provided that such variation does not adversely affect the economic rights as set out in these Articles attaching to the B Ordinary Shares. For the avoidance of doubt, this Article shall not restrict the ability of the Company to vary the rights attaching to the B Ordinary Shares as a class where such variation adversely affects the economic rights as set out in these Articles attaching to the B Ordinary Shares, provided that the Company has first obtained the prior consent of the holders of 75% in number of the B Ordinary Shares (excluding any B Ordinary Shares held by a person who is at that time a Leaver) in accordance with Article 6.10.