

# Knights

Company No: 11591645

## THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES  
ARTICLES OF ASSOCIATION

## ENDCLIFFE HOLDINGS LIMITED

(Adopted by special resolution passed on *18 May* 2022)

DS  
*MW*

Knights plc  
Commercial House  
14 Commercial Street  
Sheffield  
S1 2AT

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**THE COMPANIES ACT 2006**

**PRIVATE COMPANY LIMITED BY SHARES**

**ARTICLES OF ASSOCIATION**

**OF**

**ENDCLIFFE HOLDINGS LIMITED**

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**INTRODUCTION**

**1. INTERPRETATION**

1.1 In these Articles, the following words have the following meanings:

**Acceptance Period:** has the meaning given in Article 13.5;

**Act:** means the Companies Act 2006 (as amended);

**Active Period:** means in respect of a specified notice period, the period from the time of its service or deemed service until the time when none of the shareholders, the directors or the Company has any further rights or duties, directly or indirectly pursuant to that notice;

**Applicable Shares:** has the meaning given in Article 20.5;

**Appointor:** has the meaning given in Article 11.1;

**Approved Matter:** has the meaning given in Article 9.3;

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

**A Share:** means an A ordinary share of £0.00001 in the capital of the Company designated as an A Share;

<b>A Share Entitlement:</b>	means a percentage equal to the higher of:  (a) 24.875%; and  (b) $A \div S$  Where:  “A” is the number in nominal value of A Shares in issue at the relevant time; and  “S” is the number in nominal value of shares in the capital of the Company in issue at the relevant time;
<b>A Share Majority:</b>	shall mean the holder(s) of a majority in nominal value of the A Shares;
<b>A Share Surplus Entitlement:</b>	means a percentage equal to the higher of:  (a) 5.976%; and  (b) $A \div S$  Where:  “A” is the number in nominal value of A Shares in issue at the relevant time; and  “S” is the number in nominal value of shares in the capital of the Company in issue at the relevant time;
<b>A Shareholders:</b>	means the holder(s) of the A Shares from time to time;
<b>Associate:</b>	has the meaning given in section 435 of the Insolvency Act 1986;
<b>B Share:</b>	means a B ordinary share of £0.00001 in the capital of the Company designated as a B Share;
<b>B Shareholders:</b>	means the holder(s) of the B Shares from time to time;
<b>B Share Majority:</b>	shall mean the holder(s) of a majority in nominal value of the B Shares;
<b>Bad Leaver:</b>	means a B Shareholder, C Shareholder or F Shareholder who ceases to be an Employee or director of any Group Company and who is not a Good Leaver or a Very Bad Leaver;

<b>Bankruptcy Event:</b>	means an order being presented for the bankruptcy of a shareholder, or an arrangement or composition being proposed with any of his creditors, or where he otherwise takes the benefit of any statutory provision for the time being in force for the relief of insolvent debtors.
<b>Board:</b>	means the Board of directors of the Company;
<b>Business Day:</b>	means a day other than a Saturday, Sunday or public holiday in England when banks in the City of London are open for business;
<b>Buy Back Agreement:</b>	has the meaning given in Article 19.10;
<b>C Share:</b>	means a C ordinary share of £0.00001 in the capital of the Company designated as a C Share;
<b>C Shareholders:</b>	means the holder(s) of the C Shares from time to time;
<b>Call Notice:</b>	has the meaning given in Article 22.3;
<b>Calling Shareholder:</b>	has the meaning given to it in Article 22.2;
<b>Civil Partner:</b>	means in relation to an Original A Shareholder, a civil partner as defined in the Civil Partnership Act 2004;
<b>Chairman:</b>	means the chairman of the Board from time to time appointed pursuant to Article 5;
<b>Compulsory Events:</b>	has the meaning given to it in Article 20.2;
<b>Compulsory Notice:</b>	has the meaning given in Article 20.2;
<b>Compulsory Seller:</b>	shall have the meaning given in Article 20.1;
<b>Conflict:</b>	means a situation in which a director has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company;
<b>Date of Adoption:</b>	means the date on which these Articles were adopted;
<b>Default:</b>	means an Event of Default (as defined in the Vendor Loan Note Instrument) under clauses 7.2(a), 7.2(b) or 7.2(d) to 7.2(f) (inclusive) of such loan note instrument which is continuing and remains unremedied or has not been waived under the terms of the Vendor Loan Note Instrument;

<b>Defaulter:</b>	has the meaning given in Article 22.7;
<b>Deemed Transfer Notice:</b>	means a Transfer Notice that is deemed to have been served under any provision of these Articles;
<b>director:</b>	means a director or directors of the Company from time to time;
<b>E Share:</b>	means an E ordinary share of £0.00001 in the capital of the Company designated as an E Share;
<b>E Share Entitlement:</b>	<p>means a percentage equal to the higher of:</p> <p>(a) 0.097%; and</p> <p>(b) E divided by S</p> <p>Where:</p> <p>“E” is the number in nominal value of E Shares in issue at the relevant time; and</p> <p>“S” is the number in nominal value of shares in the capital of the Company in issue at the relevant time;</p>
<b>E Share Surplus Entitlement:</b>	<p>means a percentage equal to the higher of:</p> <p>(a) 74.1%; and</p> <p>(b) E divided by S</p> <p>Where:</p> <p>“E” is the number in nominal value of E Shares in issue at the relevant time; and</p> <p>“S” is the number in nominal value of shares in the capital of the Company in issue at the relevant time;</p>
<b>E Shareholders:</b>	means the holder(s) of the E Shares from time to time;
<b>Eligible Director:</b>	means a director who would be entitled to vote on the matter at a meeting of directors (but excluding any director whose vote is not to be counted in respect of the particular matter);
<b>Employee:</b>	means an individual who is employed by or is a director of the Company or any member of the Group;

**F Share:** means a F ordinary share of £0.00001 in the capital of the Company designated as a F Share;

**F Share Entitlement:** means a percentage equal to the higher of:

(a) 0.002%; and

(b) F divided by S

Where:

“F” is the number in nominal value of F Shares in issue at the relevant time; and

“S” is the number in nominal value of shares in the capital of the Company in issue at the relevant time;

**F Share Surplus Entitlement:** means a percentage equal to the higher of:

(a) 1.9%; and

(b) F divided by S

Where:

“F” is the number in nominal value of F Shares in issue at the relevant time; and

“S” is the number in nominal value of shares in the capital of the Company in issue at the relevant time;

**F Shareholders:** means the holder(s) of the F Shares from time to time;

**Fair Value:** means in relation to shares, as determined in accordance with Article 21;

**Family Trust:** means, in relation to a shareholder, a trust set up for the benefit of that shareholder and/or that shareholder's Privileged Relations;

**Financial Year:** means any financial accounting period of the Company;

**FJ:** means Fredrick Jonsson;

**Good Leaver:** means a B Shareholder, C Shareholder or F Shareholder who ceases to be an Employee or director of any Group Company by reason of:

- a) death;
- b) permanent disability or permanent incapacity through ill-health (not caused by alcohol or substance abuse);
- c) being an Employee, the dismissal by the Company (or other Group Company) which is determined, by an employment tribunal or at a court of competent jurisdiction from which there is no right of appeal, to be wrongful or unfair;
- d) being a director who is not an Employee, the termination by the Company (or other Group Company) of the contract for services with such person which is determined by a court of competent jurisdiction from which there is no right to appeal, to have been terminated in breach of such contract for services;
- e) redundancy;
- f) retirement at the age of 65 or over; or
- g) if the Board resolve that the B Shareholder, C Shareholder or F Shareholder is a Good Leaver;

**Group:** means the Company and any subsidiary or subsidiaries (if any) of the Company from time to time (each a **Group Company**);

**holding company:** shall have the meaning given in Article 1.10;

**KJ:** means Karen Elizabeth Jonsson;

**KP:** means Kayne Poole;

**LJ:** means Sven Olof Lennart Jonsson;

**Model Articles:** means the model Articles for private companies limited by shares contained in Schedule 1 of the Companies (Model Articles) Regulations 2008 (*SI 2008/3229*) as amended prior to the Date of Adoption and reference to a numbered "Model Article" is a reference to that Article of the Model Articles;

**MW:** means Mark Vincenzo Wadsworth;

<b>Nominated Period:</b>	has the meaning given in Article 19.9;
<b>Nominated Person:</b>	has the meaning given in Article 19.11;
<b>Offer Period:</b>	has the meaning given in Article 19.7;
<b>Original A Shareholder:</b>	means each A Shareholder except for any A Shareholder who only holds A Shares as a result of a Permitted Transfer;
<b>Original E Shareholder:</b>	means each E Shareholder except for any E Shareholder who only holds E Shares as a result of a Permitted Transfer;
<b>Permitted Transfer:</b>	means a transfer of A Shares or the E Shares in accordance with Article 18;
<b>Permitted Transferees:</b>	means in relation to an Original A Shareholder, any of such Original A Shareholder's or Original E Shareholder's Privileged Relations or the trustees of such Original A Shareholder's or Original E Shareholders' Family Trusts;
<b>Privileged Relation:</b>	means the spouse or Civil Partner of a shareholder and that shareholder's children and grandchildren (including step and adopted children and grandchildren);
<b>Proceeds of Sale:</b>	means the consideration payable (including any deferred consideration) whether in cash or otherwise to those shareholders selling shares under a Sale;
<b>Proposed Sale Price:</b>	has the meaning given in Article 19.1.2;
<b>Proposing Transferor:</b>	has the meaning given in Article 23.2;
<b>Purchaser:</b>	has the meaning given in Article 22.3;
<b>Purchasing Shareholder:</b>	has the meaning given in Article 19.8;
<b>Recipient Shareholders:</b>	has the meaning given in Article 22.3;
<b>Relevant Interest:</b>	means an interest (within the meaning of Part 22 of the Act) in any shares in the Company conferring in aggregate of 50% or more of the total voting rights conferred by all shares in the capital of the Company from time to time in issue and conferring the right to vote at all general meetings of the Company;

<b>ROC Proceeds:</b>	has the meaning given in Article 15.1;
<b>Sale:</b>	means the sale of: <ul style="list-style-type: none"><li>a) all of the issued shares to a single purchaser or to one or more purchasers as part of a single transaction; or</li><li>b) less than all of the issued shares in circumstances where the purchaser or purchasers is or are (or will upon the agreement or agreements for such sale or any offer to a purchaser becoming unconditional be) entitled to acquire the issued shares not agreed to be acquired pursuant to such agreement or agreements or offer in accordance with the provisions of Chapter 3 of Part 28 of the Act;</li></ul>
<b>Sale Shares:</b>	has the meaning given in Article 19.1;
<b>Seller:</b>	has the meaning given in Article 19.1;
<b>share:</b>	means a share in the capital of the Company;
<b>shareholder:</b>	means a registered holder of shares in the Company (and includes joint holders);
<b>Shareholder Consent:</b>	means the unanimous written consent in writing of the shareholders;
<b>Shareholder Relevant Majority:</b>	means the holder or holders of such number of shares as give the right to 70% or more of votes at general meetings of the Company;
<b>Shareholders' Agreement:</b>	means the shareholder's agreement entered into between the shareholders and the Company on or around 19 October 2018, as amended and/or restated pursuant to its terms or adhered to, from time to time;
<b>subsidiary:</b>	shall have the meaning given in Article 1.10;
<b>Tag Along Offer:</b>	shall have the meaning given in Article 23.2;
<b>Transfer Notice:</b>	has the meaning given in Article 19.1;
<b>Transfer Price:</b>	has the meaning given in Article 19.4;

<b>Transmittee:</b>	means a person entitled to a share by reason of the death or bankruptcy of a shareholder or otherwise by operation of law;
<b>Valuers:</b>	means an independent firm of accountants jointly appointed by the Company and the Seller or, in the absence of agreement between the Company and the Seller on the identity of the expert within five Business Days of the expiry of the 10 Business Day period referred to in Article 19.4, an independent firm of accountants appointed by the President, for the time being, of the Institute of Chartered Accountants in England and Wales (in each case acting as an expert and not as an arbitrator);
<b>VBL Commencement Date:</b>	means the date upon which the relevant C Shareholder is first issued with C Shares or such other date as may be agreed in writing by the relevant C Shareholder and the Company;
<b>Vendor Loan Notes:</b>	means the secured fixed rate series A loan notes 2028 issued by the Company and constituted by the Vendor Loan Note Instrument;
<b>Vendor Loan Note Instrument:</b>	means the secured fixed rate series A loan note instrument 2028 constituted by the Company on or about 19 October 2018 (as amended and restated from time to time);
<b>Vendor Director:</b>	shall mean a director appointed pursuant to Article 10.1;
<b>Very Bad Leaver:</b>	means: <ul style="list-style-type: none"><li>a) any person other than an A Shareholder or E Shareholder who ceases to be an Employee or director of any Group Company by reason of being dismissed due to fraud, criminal conduct or gross misconduct;</li><li>b) a C Shareholder who ceases to be an Employee or director of any Group Company for any reason within 12 months of the VBL Commencement Date; or</li><li>c) a B Shareholder, C Shareholder or F Shareholder who breaches the restrictive covenants contained in clause 9 of the Shareholders' Agreement; and</li></ul>

**Writing or written:** means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise, save that, for the purposes of Article 19, and Article 20 **writing** or **written** shall not include the sending or supply of notices, documents or information in electronic form

- 1.2 Save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Act shall have those meanings in these Articles.
- 1.3 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles.
- 1.4 A reference in these Articles to an **Article** is a reference to the relevant Article of these Articles unless expressly provided otherwise.
- 1.5 Unless expressly provided otherwise, a reference to a statute, statutory provision or subordinate legislation is a reference to it as amended, extended or re-enacted from time to time.
- 1.6 Any words following the terms **including**, **include**, **in particular** or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms.
- 1.7 Where the context permits, **other** and **otherwise** are illustrative and shall not limit the sense of the words preceding them.
- 1.8 A reference to the issue of a share includes the allotment of a share;
- 1.9 Use of the singular is deemed to include the plural, use of any gender is deemed to include every gender and any reference to a person is deemed to include a corporation, a partnership and other body or entity; and (in each case) vice versa;
- 1.10 A reference to a **holding company** or a **subsidiary** means a holding company or a subsidiary (as the case may be) as defined in section 1159 of the Act and for the purposes only of the membership requirement contained in sections 1159(1)(b) and (c) of the Act, a company shall be treated as a member of another company even if its shares in that other company are registered in the name of:
- 1.10.1 another person (or its nominee), by way of security or in connection with the taking of security; or
- 1.10.2 its nominee.

In the case of a limited liability partnership which is a subsidiary of a company or another limited liability partnership, section 1159 of the Act shall be amended so that: (a) references in sections 1159(1)(a) and (c) of the Act to voting rights are to the members' rights to vote on all or substantially all matters which are decided by a vote of the members of the limited liability partnership; and (b) the reference in section 1159(1)(b) to the right to appoint or remove a majority of its board of directors is to the right to appoint or remove members holding a majority of the voting rights.

## **2. ADOPTION OF THE MODEL ARTICLES**

The Model Articles shall apply to the Company, except in so far as they are modified or excluded by these Articles or are inconsistent with these Articles, and, subject to any such modifications, exclusions or inconsistencies, shall together with these Articles constitute the Articles of association of the Company to the exclusion of any other Articles or regulations set out in any statute or in any statutory instrument or other subordinate legislation.

## **3. DIRECTORS' MEETINGS**

- 3.1 Any decision of the directors must be taken at a meeting of directors in accordance with these Articles or must be a decision taken in accordance with Article 4.
- 3.2 Subject as provided in these Articles, the directors may participate in directors' meetings for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. Meetings of the directors shall take place at least 6 times in each year.
- 3.3 All decisions made at any meeting of the directors (or any committee of the directors) shall be made only by resolution, and no such resolution shall be passed unless more votes are cast for it than against it; and, each director has one vote at a meeting of directors (or any committee of the directors) provided that for so long as there is a Default, no resolution of the directors shall be passed unless the Vendor Director has voted in favour of such resolution.
- 3.4 If at any time before, or at, any meeting of the directors, or of any committee of the directors all the directors present should request that the meeting be adjourned or reconvened to another time or date (whether to enable further consideration to be given to any matter or for other directors to participate or for any other reason, which need not be stated) then such meeting shall be adjourned or reconvened accordingly, and no business shall be conducted at that meeting after such a request has been made. No meeting of directors may be adjourned pursuant to this Article more than once.

## **4. UNANIMOUS DECISIONS OF DIRECTORS**

- 4.1 A decision of the directors is taken in accordance with this Article when all Eligible Directors indicate to each other by any means that they share a common view on a matter.
- 4.2 Such a decision may take the form of a resolution in writing, where each Eligible Director has signed one or more copies of it, or to which each Eligible Director has otherwise indicated agreement in writing.

- 4.3 A decision may not be taken in accordance with this Article if the Eligible Directors would not have formed a quorum at a directors' meeting to vote on the matter.

**5. CHAIRMAN**

- 5.1 The directors may appoint a director to chair any meeting of the directors and the person so appointed shall be known as the chairman of that meeting.
- 5.2 If the chairman is unable to attend any meeting of the board of directors or is otherwise not participating in a directors' meeting within ten minutes of the time at which it was to start, the participating directors must appoint one of the directors in attendance at the meeting to chair the meeting.
- 5.3 If the number of votes for and against a proposal at a meeting of directors are equal, the chairman, or other director chairing the meeting shall not have a casting vote.

**6. NUMBER OF DIRECTORS**

The number of directors shall not be less than three and, subject to the provisions of any Shareholders' Agreement in place from time to time, there shall be no maximum number of directors. No shareholding qualification for directors shall be required.

**7. CALLING A DIRECTORS' MEETING**

- 7.1 Except in the case of emergency and/or unless agreed in writing by all of the directors of the Company, not less than five Business Days' notice of any meeting shall be given to each director. Any director may call a meeting of directors by giving the notice required by this Article 7.1 or by authorising the Company secretary (if any) to give such notice.
- 7.2 The Vendor Director, if appointed, may notify the directors in advance of the meeting of his unavailability and no such meeting may be convened for such date(s) without his written consent provided that such notification may only relate to a maximum of 20 Business Days in any calendar year.
- 7.3 Notice of any directors' meeting must be accompanied by:
- 7.3.1 an agenda specifying in reasonable detail the matters to be raised at the meeting;  
and
- 7.3.2 copies of any papers to be discussed at the meeting.
- 7.4 Matters not on the agenda, or business conducted in relation to those matters, may not be raised at a meeting of directors unless all the directors present at the meeting agree.

**8. QUORUM FOR DIRECTORS' MEETINGS**

- 8.1 The quorum at any meeting of the directors convened by at least five Business Days' prior notice in writing (such notice to include an agenda of the matters to be discussed at such

meeting) shall be three directors (of which one must be MW if he remains a director at the time of such meeting unless, in respect of such a meeting (or part of a meeting), MW has otherwise consented to the meeting taking place in his absence).

- 8.2 No business shall be conducted at any meeting of directors unless a quorum is present at the beginning of the meeting and also when that business is voted on.
- 8.3 If a quorum is not present within 30 minutes of the time specified for the relevant meeting in the notice of the meeting then the meeting shall be adjourned for ten Business Days at the same time and place and the quorum at such adjourned meeting shall be those directors who attend the meeting provided that proper notice of the adjourned meeting has been given pursuant to Article 7.

## 9. DIRECTORS' INTERESTS

- 9.1 The directors may authorise, to the fullest extent permitted by law, any matter which would otherwise result in a director infringing his duty to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company and which may reasonably be regarded as likely to give rise to a conflict of interest (including a conflict of interest and duty or conflict of duties). The directors may do so subject to such terms and conditions, if any, as they may think fit from time to time to impose and subject always to their right to vary or terminate such authorisation.
- 9.2 However, the authorisation referred to in Article 9.1 is only effective if:
- 9.2.1 any requirement as to the quorum at the meeting at which the matter is considered is met without counting the director in question or any other interested director; and
- 9.2.2 the matter was agreed to without their voting or would have been agreed to if their votes had not been counted.
- 9.3 If a matter has been authorised by the directors in accordance with Article 9.1 (an **Approved Matter**) then (subject to such terms and conditions, if any, as the directors may think fit from time to time to impose, and subject always to their right to vary or terminate such authorisation or the provisions set out below), the relevant director:
- 9.3.1 shall not be required to disclose any confidential information relating to the Approved Matter to the Company if to make such a disclosure would result in a breach of a duty or obligation of confidence owed by him in relation to or in connection with that Approved Matter;
- 9.3.2 may be required by the Company to maintain in the strictest confidence any confidential information relating to the Approved Matter which also relates to the Company;
- 9.3.3 may be required by the Company not to attend any part of a meeting of the directors at which anything relevant to the Approved Matter is to be discussed and any related

board papers may be withheld from that director;

9.3.4 may absent himself from discussions, whether in meetings of the directors or otherwise, and exclude himself from information, which may be relevant to the Approved Matter;

9.3.5 shall not, by reason of his office as a director, be accountable to the Company for any benefit which he derives from the Approved Matter.

9.4 A director may, notwithstanding his office or the existence of an actual or potential conflict between the interests of the Company and those of another member of the Group which would be caught by section 175(1) of the Act, be a director or other officer of, or employed by or otherwise interested in, whether directly or indirectly, any other company in the Group (**group company interest**) and the director in question:

9.4.1 shall be entitled to be counted in the quorum and to attend any meeting or part of a meeting of the directors or a committee of the board of directors at which any matter which is or may be relevant to the group company interest may be discussed, and to vote on any resolution of the directors or a committee of the board of directors relating to such matter or to take any unanimous decision of the directors, and any board or committee papers relating to such matter shall be provided to the director in question at the same time as the other directors;

9.4.2 shall not be obliged to account to the Company for any benefit which he derives from a group company interest;

9.4.3 shall 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 group company interest and otherwise than by virtue of his position as a director, if to do so would result in a breach of a duty or obligation of confidence owed by him to any other company in the Group or third party.

9.5 The Vendor Director shall be entitled from time to time to disclose to the holders of the shares appointing him such information concerning the business and affairs of the Company as he shall at his discretion see fit.

9.6 A director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director), to account to the Company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the directors in accordance with these Articles (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.

9.7 Subject to sections 177(5) and 177(6) of the Act, a director who is in any way, whether directly or indirectly, interested in a proposed transaction or arrangement with the Company shall declare the nature and extent of his interest to the other directors before the Company enters into the transaction or arrangement in accordance with the Act.

- 9.8 Subject to sections 182(5) and 182(6) of the Act, a director who is in any way, whether directly or indirectly, interested in a transaction or arrangement that has been entered into by the Company shall declare the nature and extent of his interest to the other directors as soon as is reasonably practicable in accordance with the Act, unless the interest has already been declared under Article 9.7.
- 9.9 Subject, where applicable, to any terms, limits or conditions imposed in accordance with Article 9.1, and provided a director has declared the nature and extent of his interest in accordance with the requirements of the Act, a director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company:
- 9.9.1 may be a party to, or otherwise interested in, any such transaction or arrangement with the Company, or in which the Company is otherwise (directly or indirectly) interested;
- 9.9.2 shall be an Eligible Director for the purposes of any proposed decision of the directors in respect of such transaction or arrangement or proposed transaction or arrangement in which he is interested;
- 9.9.3 shall be entitled to vote at a meeting of directors or participate in any unanimous decision in respect of such transaction or arrangement or proposed transaction or arrangement in which he is interested;
- 9.9.4 may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a director;
- 9.9.5 may be a director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, anybody corporate in which the Company is otherwise (directly or indirectly) interested; and
- 9.9.6 shall not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or a person connected with him (as defined in section 252 of the Act)) derives from any such contract, transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such contract, transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act.
- Article 14 of the Model Articles shall not apply.
- 9.10 Where decisions of the directors are taken by electronic means, such decisions shall be recorded by the directors in a form that enables the Company to retain a copy of such decisions.
- 9.11 If at any meeting of directors there is only one director entitled to vote on the business of the meeting, or any item of business at the meeting, because of a conflict of interest of the other

directors, then the quorum for that meeting or that item of business shall be one.

## 10. **APPOINTMENT AND REMOVAL OF DIRECTORS**

- 10.1 The A Share Majority shall have the right exercisable from time to time and on more than one occasion to appoint, subject to this Article 10.1, a person to be a director of the Company (**Vendor Director**) and from time to time and on more than one occasion to remove any such person so appointed by service of notice on the Company. Subject to article 10.2, the Vendor Director appointed pursuant to this Article 10.1 must be either:

10.1.1 LJ; or

10.1.2 if LJ is unable to hold the position of Vendor Director as a result of his death, disability or incapacity or is otherwise prohibited from holding the position of a director of the Company by law, KJ; or

10.1.3 if LJ and KJ are each unable to hold the position of Vendor Director as a result of his or her death, disability or incapacity or is otherwise prohibited from holding the position of a director of the Company by law, FJ or KP.

- 10.2 Upon repayment of the Vendor Loan Notes in full by the Company, the Vendor Director appointed pursuant to Article 10.1 must be LJ only and any other person appointed as the Vendor Director at such time as the Vendor Loan Notes are repaid in full will automatically be considered to have resigned from his/her office as a director of the Company with effect from the close of the board meeting approving the repayment in full of the Vendor Loan Notes.

- 10.3 Any appointment or removal of a director pursuant to Article 10.1 shall be served on the Company at its registered office. Any such appointment or removal shall take effect when received by the Company or at such time as shall be specified in such notice.

- 10.4 The Vendor Director shall not be appointed or removed otherwise than pursuant to these Articles, save as provided by law.

- 10.5 The directors will not be required to retire by rotation. All references in the Model Articles to retirement by rotation shall be disregarded.

- 10.6 Notwithstanding Article 28 and without prejudice to Article 10.9 in relation to any resolution to remove the Vendor Director proposed at a general meeting or by a written resolution of shareholders, the shareholder or shareholders who appointed him pursuant to any entitlement conferred by Article 10.1 and who are eligible to vote and vote against such resolution shall be deemed to have had, and to have exercised on that resolution, such number of votes as will result in such resolution being defeated.

- 10.7 The Shareholder Relevant Majority may, by giving notice on the Company, remove any director from office and/or appoint any person to be a director. The notice must be signed by or on behalf of such holder or holders (and may consist of several documents in similar form each signed by or on behalf of one of more holders) and must be left at or sent to the

registered office or such other place designated by the directors for the purpose. Such removal or appointment will take effect when the notice is received by the Company or on such later date (if any) as may be specified in the notice. This Article 10.7 will not apply to the appointment or removal of the Vendor Director.

10.8 No director shall be appointed or removed otherwise than pursuant to these Articles save as provided by law.

10.9 The office of a director shall be vacated if:

10.9.1 he ceases to be a director by virtue of the Act or he becomes prohibited by law from being a director; or

10.9.2 he becomes bankrupt or makes any arrangements or composition with his creditors generally; or

10.9.3 he resigns his office by notice in writing sent to the Company; or

10.9.4 (other than the Vendor Director) he is removed from office under the Act; or

10.9.5 (other than the Vendor Director) he is absent from meetings of the directors for six successive months without permission of the directors and his alternate director (if any) shall not have attended in his place and the directors resolve that his office be vacated.

10.10 No person shall be disqualified from being or becoming a director of the Company by reason of his attaining or having attained the age of 70 years or any other age.

## 11. **ALTERNATE DIRECTORS**

11.1 Any director (other than an alternate director) (**Appointor**) may appoint any person (whether or not a director) to be an alternate director to exercise the Appointor's powers, and carry out the Appointor's responsibilities, in relation to the taking of decisions by the directors, in the absence of the Appointor. In these Articles, where the context so permits, the term "director" shall include an alternate director appointed by a director. A person may be appointed an alternate director by more than one director. In these Articles, where the context so permits, the term Vendor Director shall include an alternate director appointed by the Vendor Director.

11.2 Any appointment or removal of an alternate director must be effected by notice in writing to the Company (and to the alternate, on removal) signed by the Appointor, or in any other manner approved by the directors.

11.3 The notice must:

11.3.1 identify the proposed alternate; and

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

- 11.4 An alternate director has the same rights, in relation to any decision of the directors, as the alternate's Appointor.
- 11.5 Except as the Articles specify otherwise, alternate directors:
- 11.5.1 are deemed for all purposes to be directors;
  - 11.5.2 are liable for their own acts and omissions;
  - 11.5.3 are subject to the same restrictions as their Appointors; and
  - 11.5.4 are not deemed to be agents of or for their Appointors,
- and, in particular (without limitation), each alternate director shall be entitled to receive notice of all meetings of directors.
- 11.6 A person who is an alternate director but not a director may, subject to him being an Eligible Director:
- 11.6.1 be counted as participating for the purposes of determining whether a quorum is present at a meeting of directors (but only if that person's Appointor is an Eligible Director and is not participating); and
  - 11.6.2 participate in a unanimous decision of the directors (but only if his Appointor is an Eligible Director in relation to that decision, and does not himself participate).
- 11.7 A director who is also an alternate director is entitled, in the absence of his Appointor(s), to a separate vote on behalf of each Appointor (provided that an Appointor is an Eligible Director in relation to that decision), in addition to his own vote on any decision of the directors.
- 11.8 An alternate director may be paid expenses and may be indemnified by the Company to the same extent as if he were a director but shall not be entitled to receive from the Company any remuneration in his capacity as an alternate director except such part (if any) of the remuneration otherwise payable to the alternate's Appointor as the Appointor may by notice in writing to the Company from time to time direct.
- 11.9 An alternate director's appointment as an alternate (in respect of a particular Appointor) terminates:
- 11.9.1 when the alternate's Appointor revokes the appointment by notice to the Company and the alternate in writing specifying when it is to terminate; or
  - 11.9.2 on the occurrence, in relation to the alternate, of any event which, if it occurred in relation to the alternate's Appointor, would result in the termination of the Appointor's appointment as a director; or
  - 11.9.3 on the death of the alternate's Appointor; or

11.9.4 when the alternate director's Appointor ceases to be a director for whatever reason.

**12. SHARE CAPITAL**

12.1 The Company has five classes of shares, namely the A Shares, the B Shares, the C Shares, the E Shares and the F Shares.

12.2 Sections 561 and 562 of the Act shall not apply to an issue of equity securities (as defined in section 560(1) of the Act) made by the directors. The pre-emption rights set out in Article 13 shall apply instead.

12.3 The Company shall have a first and paramount lien on every share, whether or not a fully paid share, for all moneys whether presently payable or not, payable or otherwise owing by the holder of such share, or any Associate of such holder, to the Company or any other member of the Group. The directors may at any time declare any share to be wholly or in part exempt from the provisions of this Article 12.3. The Company's lien on a share shall extend generally as described above as well as to any amount payable in respect of it.

12.4 A shareholder may surrender any shares in lieu of forfeiture where the share is nil paid or partly paid and has not yet been called but which the shareholder notifies the directors he does not wish to pay up. Such share may be offered for surrender by the shareholder on terms that the Company waives all money payable in respect of such share and all interest on such moneys and the directors may accept the surrender on those terms but will not be obliged to do so.

12.5 Subject to the Act and without prejudice to this Article 12.5 the Company may:

12.5.1 purchase its own shares (including any redeemable shares) or enter into such agreement (contingent or otherwise) in relation to the purchase of its own shares on such terms and in such manner as may be approved by such resolution as is required by the Acts; and

12.5.2 to the extent permitted by the Act, make a payment in respect of the redemption or purchase of any of its shares (including any redeemable shares) otherwise than out of distributable profits of the Company or the proceeds of a fresh issue of shares.

**13. PRE-EMPTION RIGHTS IN RESPECT OF NEW ISSUES OF SHARES**

13.1 For the avoidance of doubt, the pre-emption provisions in this Article 13 shall not apply to the issue, or grant of rights to subscribe for, C Shares under an employee share scheme in accordance with in Article 13.2.

13.2 The directors may (with the prior written consent of MW) issue or grant rights to subscribe for 799 C Shares.

13.3 Subject to Articles 13.1 and 13.2, no new shares in the Company shall be issued without being approved by way of a special resolution of the shareholders.

- 13.4 Subject to article 13.4 and except as otherwise permitted by Articles 13.1 and 13.2, if the directors wish to issue any new shares in the Company after the Date of Adoption they must first offer them to the shareholders in accordance with this Article 13 unless the Company with Shareholder Consent otherwise directs. However, the offer shall not be made to any shareholder who has served, or is deemed to have served, a Transfer Notice which is then in its Active Period
- 13.5 The offer must be made to each shareholder by notice in writing specifying the price per share, the number of shares to be issued and the proportionate entitlement of the shareholder (without involving fractions). The notice must also set a period of between 21 and 28 days within which the offer must be accepted (**Acceptance Period**). The offer must be at the same price and on the same terms for each shareholder. A shareholder may accept all or part of his proportionate entitlement. The notice must also invite each shareholder to state in writing within the Acceptance Period whether he is willing to subscribe for any, and, if so, what maximum number of the shares proposed to be issued by the Company.
- 13.6 If, at the end of the Acceptance Period, the number of shares applied for is equal to or exceeds the number of shares proposed to be issued, the shares shall be issued (subject to payment of the subscription price) to the shareholders who have applied for the shares on a pro rata basis, as nearly as practicable, to the nominal amount of their existing shareholding. If this would result in allocating to one or more shareholders a number of shares exceeding the maximum number applied for, then the surplus shares, shall be distributed amongst such shareholders who have expressed a willingness to subscribe for additional shares pro rata, as nearly as practicable, to the nominal amount of their shareholdings prior to such allocation but only up to the amount which they have applied for. This shall be repeated until all shares proposed to be issued have been allocated (without involving fractions).
- 13.7 If, at the end of the Acceptance Period, the number of shares applied for is less than the number of shares proposed to be issued, the shares shall be issued (subject to the payment of the subscription price) to the shareholders in the numbers applied for and any remaining shares (including shares which cannot be offered without fractions resulting and shares removed from the provisions of this Article 13 by resolution with Shareholder Consent) shall be under the control of the directors and shall be offered to any person as the directors may determine, provided that in relation to the shares previously offered to the existing shareholders pursuant to this Article 13 such shares shall not be issued to any person on terms more favourable than the terms on which they were offered to the existing shareholders.
- 13.8 No new shares shall be issued on terms that the right to take up the shares can be assigned to or renounced in favour of another person. No person entitled to the issue of any shares may direct that such shares be issued to any other person.
- 13.9 A reference to the issue of shares in the above provision of this Article 13 includes the grant by the directors of a right to subscribe for, or convert any securities into, shares in the Company. However, such a reference does not include the subsequent issue of any shares pursuant to such a right. This Article 13 will apply accordingly.

13.10 If under the terms of any right to subscribe for, or convert security into, shares in the Company a person is entitled to receive any offer made pursuant to this Article 13 as if that person had exercised his right in full prior to the making of the offer then the offer shall be extended to that person accordingly. This will only apply to a right which was granted lawfully and not made in contravention of any agreement binding on the Company.

13.11 The provisions of this Article 13 will apply to any share which the directors decide to forfeit (or accept a surrender of) and re-allot under any of the powers contained in the Model Articles.

#### 14. **DIVIDEND RIGHTS**

14.1 If and to the extent that the directors shall resolve, in relation to any Financial Year, all or part of the profits of the Company available for distribution shall be distributed and/or paid to the shareholders then such distribution shall be declared and paid to the shareholders in accordance with 14.2 to 14.5 (inclusive).

14.2 The A Shares will be entitled to receive the A Share Entitlement of the profits of the Company available for distribution in relation to any Financial Year that the directors have resolved to pay to the shareholders in accordance with Article 14.1, which shall be distributed to the A Shareholders pro rata in accordance with their holdings of A Shares.

14.3 The E Shares will be entitled to receive the E Share Entitlement of the profits of the Company available for distribution in relation to any Financial Year that the directors have resolved to pay to the shareholders in accordance with Article 14.1, which shall be distributed to the E Shareholders pro rata in accordance with their holdings of E Shares.

14.4 The F Shares will be entitled to receive the F Share Entitlement of the profits of the Company available for distribution in relation to any Financial Year that the directors have resolved to pay to the shareholders in accordance with Article 14.1, which shall be distributed to the F Shareholders pro rata in accordance with their holdings of F Shares.

14.5 The remaining profits of the Company available for distribution in relation to any Financial Year that the directors have resolved to pay to the shareholders in accordance with Article 14.1 will be distributed amongst the holders of the B Shares and the C Shares pro rata in accordance with their holdings of B Shares and C Shares as if the B Shares and the C Shares constituted one class of share.

#### 15. **RETURN OF CAPITAL**

15.1 Subject to Articles 15.1 and 15.2, on a return of capital, whether on liquidation, capital reduction or otherwise (but excluding a purchase of own shares made in accordance with the provisions of these Articles) any surplus assets of the Company remaining after the payment of its liabilities (including, without limitation the payment of all amounts (including all principal and interest) outstanding to be paid on the Vendor Loan Notes (unless the A Share Majority consents otherwise) and the Management Loan Notes (unless the B Share Majority consents otherwise) (**ROC Proceeds**) shall be applied (to the extent that the Company is lawfully able to do so) to the shareholders in accordance with Articles 15.2 to 15.4 (inclusive).

- 15.2 The ROC Proceeds up to and including £35,000,000 (**First Hurdle ROC Proceeds**) shall be applied as follows:
- 15.2.1 The A Shares will be entitled to the A Share Entitlement of the First Hurdle ROC Proceeds payable to the shareholders in accordance with Article 15.1 which shall be paid to the holders of the A Shares pro rata in accordance with their holdings of A Shares.
- 15.2.2 The E Shares will be entitled to the E Share Entitlement of the First Hurdle ROC Proceeds payable to the shareholders in accordance with Article 15.1 which shall be paid to the holders of the E Shares pro rata in accordance with their holdings of E Shares.
- 15.2.3 The F Shares will be entitled to the F Share Entitlement of the First Hurdle ROC Proceeds payable to the shareholders in accordance with Article 15.1 which shall be paid to the holders of the F Shares pro rata in accordance with their holdings of F Shares.
- 15.2.4 The remaining First Hurdle ROC Proceeds will be paid amongst the holders of the B Shares and C Shares pro rata in accordance with their holdings of B Shares and C Shares as if the B Shares and the C Shares constituted one class of share.
- 15.3 Any ROC Proceeds in excess of £35,000,000 up to and including £50,000,000 (**Second Hurdle ROC Proceeds**) shall be applied as follows:
- 15.3.1 The A Shares will be entitled to the A Share Surplus Entitlement of the Second Hurdle ROC Proceeds payable to the shareholders in accordance with Article 15.1 which shall be paid to the holders of the A Shares pro rata in accordance with their holdings of A Shares.
- 15.3.2 The E Shares will be entitled to the E Share Surplus Entitlement of the Second Hurdle ROC Proceeds payable to the shareholders in accordance with Article 15.1 which shall be paid to the holders of the E Shares pro rata in accordance with their holdings of E Shares.
- 15.3.3 The F Shares will be entitled to the F Share Surplus Entitlement of the Second Hurdle ROC Proceeds payable to the shareholders in accordance with Article 15.1 which shall be paid to the holders of the F Shares pro rata in accordance with their holdings of F Shares.
- 15.3.4 The remaining Second Hurdle ROC Proceeds will be paid amongst the holders of the B Shares and C Shares pro rata in accordance with their holdings of B Shares and C Shares as if the B Shares and the C Shares constituted one class of share.
- 15.4 Any ROC Proceeds in excess of £50,000,000 (**Third Hurdle ROC Proceeds**) shall be applied as follows:

- 15.4.1 The A Shares will be entitled to the A Share Entitlement of the Third Hurdle ROC Proceeds payable to the shareholders in accordance with Article 15.1 which shall be paid to the holders of the A Shares pro rata in accordance with their holdings of A Shares.
- 15.4.2 The E Shares will be entitled to the E Share Entitlement of the Third Hurdle ROC Proceeds payable to the shareholders in accordance with Article 15.1 which shall be paid to the holders of the E Shares pro rata in accordance with their holdings of E Shares.
- 15.4.3 The F Shares will be entitled to the F Share Entitlement of the Third Hurdle ROC Proceeds payable to the shareholders in accordance with Article 15.1 which shall be paid to the holders of the F Shares pro rata in accordance with their holdings of F Shares.
- 15.4.4 The remaining Third Hurdle ROC Proceeds will be paid amongst the holders of the B Shares and C Shares pro rata in accordance with their holdings of B Shares and C Shares as if the B Shares and the C Shares constituted one class of share.

## 16. SALE

- 16.1 Subject to Article 16.2, unless agreed otherwise by the shareholders with Shareholder Consent, on a Sale:

- 16.1.1 the Proceeds of Sale up to and including £35,000,000 (**First Hurdle Proceeds of Sale**) shall be distributed to the shareholders in the following priority:

- 16.1.1.1 the A Shares will be entitled to the A Share Entitlement of the First Hurdle Proceeds of Sale payable to the shareholders which shall be paid to the holders of the A Shares pro rata in accordance with their holdings of A Shares.
- 16.1.1.2 the E Shares will be entitled to the E Share Entitlement of the First Hurdle Proceeds of Sale payable to the shareholders which shall be paid to the holders of the E Shares pro rata in accordance with their holdings of E Shares.
- 16.1.1.3 the F Shares will be entitled to the F Share Entitlement of the First Hurdle Proceeds of Sale payable to the shareholders which shall be paid to the holders of the F Shares pro rata in accordance with their holdings of F Shares.
- 16.1.1.4 the remaining First Hurdle Proceeds of Sale will be paid amongst the holders of the B Shares and C Shares pro rata in accordance with their holdings of B Shares and C Shares as if the B Shares and the C Shares constituted one class of share.

16.1.2 the Proceeds of Sale in excess of £35,000,000 up to and including £50,000,000 (**Second Hurdle Proceeds of Sale**) shall be distributed to the shareholders in the following priority:

- 16.1.2.1 the A Shares will be entitled to the A Share Surplus Entitlement of the Second Hurdle Proceeds of Sale payable to the shareholders which shall be paid to the holders of the A Shares pro rata in accordance with their holdings of A Shares.
- 16.1.2.2 the E Shares will be entitled to the E Share Surplus Entitlement of the Second Hurdle Proceeds of Sale payable to the shareholders which shall be paid to the holders of the E Shares pro rata in accordance with their holdings of E Shares.
- 16.1.2.3 the F Shares will be entitled to the F Share Surplus Entitlement of the Second Hurdle Proceeds of Sale payable to the shareholders which shall be paid to the holders of the F Shares pro rata in accordance with their holdings of F Shares.
- 16.1.2.4 the remaining Second Hurdle Proceeds of Sale will be paid amongst the holders of the B Shares and C Shares pro rata in accordance with their holdings of B Shares and C Shares as if the B Shares and the C Shares constituted one class of share.

16.1.3 any Proceeds of Sale in excess of £50,000,000 (**Third Hurdle Proceeds of Sale**) shall be distributed the shareholders in the following priority:

- 16.1.3.1 the A Shares will be entitled to the A Share Entitlement of the Third Hurdle Proceeds of Sale payable to the shareholders which shall be paid to the holders of the A Shares pro rata in accordance with their holdings of A Shares.
- 16.1.3.2 the E Shares will be entitled to the E Share Entitlement of the Third Hurdle Proceeds of Sale payable to the shareholders which shall be paid to the holders of the E Shares pro rata in accordance with their holdings of E Shares.
- 16.1.3.3 the F Shares will be entitled to the F Share Entitlement of the Third Hurdle Proceeds of Sale payable to the shareholders which shall be paid to the holders of the F Shares pro rata in accordance with their holdings of F Shares.
- 16.1.3.4 the remaining Third Hurdle Proceeds of Sale will be paid amongst the holders of the B Shares and C Shares pro rata in accordance with their holdings of B Shares and C Shares as if the B Shares and the C Shares constituted one class of share.

16.2 The directors shall not register any transfer of shares if the Proceeds of Sale are not distributed in accordance Article 16.1 provided that:

16.2.1 except where the prior written consent of the A Share Majority to the contrary is given, the terms and conditions applying to the Sale must include the redemption in full (including the repayment of all principal and accrued interest thereon), on completion of such sale of the shares, of the outstanding amount payable under the Vendor Loan Notes; and

16.2.2 if the Proceeds of Sale are not settled in their entirety upon completion of the sale:

16.2.2.1 the directors shall not be prohibited from registering the transfer of the relevant shares so long as the Proceeds of Sale that are settled have been distributed in the order of priority set out in Article 16.1; and

16.2.2.2 the shareholders shall take any action required by any of the holders of the A Shares, B Shares, C Shares, E Shares and F Shares to ensure that the Proceeds of Sale in their entirety are distributed in the order of priority set out in Article 16.1.

## 17. **SHARE TRANSFERS: GENERAL**

17.1 In these Articles, reference to the transfer of a share includes the transfer, assignment or other disposal of a beneficial or other interest in that share, or the creation of a trust or encumbrance over that share, and reference to a share includes a beneficial or other interest in a share.

17.2 Subject to Articles 17.3 and 17.12 no shareholder shall transfer any share except:

17.2.1 in accordance with the Article 18 (*Permitted Transfers – A Shares and E Shares*);

17.2.2 in accordance with Article 19 (*Pre-emption Rights on Transfer of Shares*);

17.2.3 in accordance with Article 20 (*Compulsory Transfers*);

17.2.4 in accordance with Article 22 (*Drag Along*);

17.2.5 in accordance with Article 23 (*Tag Along*);

17.2.6 in accordance with Article 24 (*Permitted Transfers*); or

17.2.7 by way of a sale of shares to the Company itself pursuant to, and in accordance with, Article 19.10 and Section 690 to 723 (inclusive) of the Act.

17.3 An A Shareholder may transfer all or any A Shares which such A Shareholder holds in accordance with the provisions of Article 18.

17.4 An E Shareholder may transfer all or any E Shares which such E Shareholder holds in

accordance with the provisions of Article 18.

- 17.5 Subject to Article 17.9 or as required by law, the directors must register any duly stamped or certified exempt transfer made in accordance with these Articles and shall not have any discretion to register any transfer of shares which has not been made in compliance with these Articles.
- 17.6 To enable the directors to determine whether or not there has been a transfer of shares in the Company in breach of these Articles, the directors may from time to time require any shareholder to provide the Company with such information and evidence as they may reasonably require relevant to that purpose. If a shareholder fails to provide information or evidence in respect of any shares registered in his name to the reasonable satisfaction of such directors within 14 days of their request or, as a result of the information and evidence provided such directors are reasonably satisfied that a breach has occurred, then such directors may serve a notice on the shareholder stating that the shareholder shall not in relation to all shares held by that shareholder be entitled to be present or to vote in person or by proxy at any general meeting of the Company or to vote on a written resolution of the shareholders or to receive dividends on the shares. Such directors may reinstate these rights at any time.
- 17.7 Any transfer of shares by way of a sale that is required to be made under Article 20 shall be deemed to include a warranty that the transferor sells the shares with full title guarantee.
- 17.8 An obligation to transfer any share pursuant to any provision of these Articles is an obligation to transfer the whole of the legal and beneficial title to such share free from all charges, liens and encumbrances and other third party rights and together with all rights, title and interest in such share in existence at the date of transfer and which may arise afterwards. A shareholder must not do anything which would be inconsistent with or which would prevent the shareholder from complying with this obligation.
- 17.9 Subject to Article 17.13, the directors may refuse to register the transfer of any share:
- 17.9.1 in accordance with the discretions vested in them pursuant to Article 26(5) of the Model Articles;
- 17.9.2 to a person who is, or whom the directors reasonably believe to be, under 18 years of age or who does not have, or whom the directors reasonably believe does not have, the legal capacity freely to dispose of any share without restriction or court approval;
- 17.9.3 if they have reasonable grounds for believing that such share will or may be transferred to or become beneficially owned by a person, or an Associate of a person, carrying on business in competition with any business at the relevant time being carried on by a member of the Group;
- 17.9.4 if the transferee fails to execute a deed of adherence in connection with that transfer as required by Article 33.1;

17.9.5 if the transferor fails to comply with any information request under Article 17.6 in connection with the transfer;

and any right to transfer a share under these Articles shall be subject to this Article 17.

17.10 Any Transfer Notice served in respect of the transfer of any shares which has not completed before the date of service of a Deemed Transfer Notice shall automatically be revoked by the service of the Deemed Transfer Notice.

17.11 Shares registered in the name of a shareholder who commits a breach of this Article 17 will immediately cease to carry any rights (whether as to voting, dividend or otherwise) and cease for such time to be treated as issued shares until the breach is remedied or the shares are transferred without a breach of Article 17.

17.12 Shares subject to a Deemed Transfer Notice shall cease to carry any rights whatever (whether as to voting, dividend or otherwise) while that Deemed Transfer Notice is in its Active Period.

17.13 Notwithstanding anything contained in these Articles, whether expressly or impliedly contradictory to the provisions of this Article 17.13 (to the effect that any provision contained in this Article 17.13 shall override any other provision of these articles):

17.13.1 the directors shall not decline to register any transfer of shares, nor may they suspend registration thereof, where such transfer:

17.13.1.1 is to any bank, institution or other person which has been granted a security interest in respect of such shares, or to any nominee of such a bank, institution or other person (or a person acting as agent or security trustee for such person) (**Secured Institution**) (and a certificate by any such person or an employee of any such person that a security interest over the shares was so granted and the transfer was so executed shall be conclusive evidence of such facts); or

17.13.1.2 is delivered to the Company for registration by a Secured Institution or its nominee in order to perfect its security over the shares; or

17.13.1.3 is executed by a Secured Institution or its nominee pursuant to a power of sale or other power existing under such security

and the directors shall forthwith register any such transfer of shares upon receipt and furthermore notwithstanding anything to the contrary contained in these articles no transferor of any shares in the Company or proposed transferor of such shares to a Secured Institution or its nominee and no Secured Institution or its nominee shall (in either such case) be required to offer the shares which are or are to be the subject of any transfer as aforesaid to the shareholders for the time being of the Company or any of them and no such shareholder shall have any right under the articles or otherwise howsoever to require such shares to be transferred to them whether for any

valuable consideration or otherwise

- 17.14 The directors shall not issue any share certificates (whether by way of replacement or otherwise) without the prior written consent of (or on behalf of) all (if any) Secured Institutions (as defined in Article 17.13 above).
- 17.15 Any lien set out in these Articles, shall not apply to shares held by a Secured Institution (as defined in Article 17.13 above).
- 17.16 Any variation of Articles 17.13 to 17.15 (inclusive) shall be deemed to be a variation of the rights of each class of share in the capital of the Company.

**18. PERMITTED TRANSFERS – A SHARES AND E SHARES**

- 18.1 An Original A Shareholder may transfer any A Shares to any of his Permitted Transferees without restriction as to price or otherwise but subject to Articles 18.3 and 18.4.
- 18.2 An Original E Shareholder may transfer any E Shares to any of his Permitted Transferees without restriction as to price or otherwise but subject to Articles 18.3 and 18.4.
- 18.3 An A Shareholder or E Shareholder holding shares as a result of:

- 18.3.1 a transfer by an Original A Shareholder or Original E Shareholder under Article 18.1 or Article 18.2 (as the case may be); or

- 18.3.2 a transfer by a Permitted Transferee of an Original A Shareholder or Original E Shareholder in accordance with Article 18.4 to Article 18.6 (inclusive),

- may, transfer any or all such A Shares or E Shares back to that Original A Shareholder or Original E Shareholder (or to one or more other Permitted Transferees of that Original A Shareholder or Original E Shareholder (as the case may be)) without restriction as to price or otherwise.

- 18.4 If a Permitted Transfer has been made to a Privileged Relation of an Original A Shareholder or Original E Shareholder, that Privileged Relation shall within 20 Business Days of ceasing to be a Privileged Relation of that Original A Shareholder or Original E Shareholder as the case may be (whether by reason of divorce, dissolution of a civil partnership or otherwise, but not by reason of death) execute and deliver to the Company a transfer of those A Shares or E Shares held by him pursuant to a Permitted Transfer in favour of that Original A Shareholder or Original E Shareholder as the case may be (or, in favour of one or more other Permitted Transferees of that Original A Shareholder or Original E Shareholder) for such consideration as may be agreed between them.
- 18.5 In relation to a Privileged Relation (other than a joint holder) holding shares pursuant to a Permitted Transfer from an Original A Shareholder or Original E Shareholder, on the occurrence of:

- 18.5.1 the Privileged Relation's death;

18.5.2 the Privileged Relation suffering a Bankruptcy Event; or

18.5.3 the Privileged Relation lacking capacity (under section 2 of the Mental Capacity Act 2005) to make decisions in relation to the Company or his shareholding,

that Privileged Relation, his personal representatives, his trustee(s) in bankruptcy, his attorney(s) or otherwise (as the case may be) shall, within 20 Business Days after the grant of probate, the making of the bankruptcy order or the determination of lack of capacity (as the case may be), execute and deliver to the Company a transfer of those A Shares or E Shares in favour of that Original A Shareholder or Original E Shareholder as the case may be (or, if so directed by the Original A Shareholder or Original E Shareholder, in favour of one or more other Permitted Transferees of that Original A Shareholder or Original E Shareholder) for such consideration as may be agreed between them.

18.6 If a Permitted Transfer has been made to the trustees of a Family Trust, the trustees of that Family Trust shall within 20 Business Days of that Family Trust ceasing to be for the benefit of the Original A Shareholder or Original E Shareholder and/or the settlor's Privileged Relations execute and deliver to the Company a transfer of those A Shares or E Shares, as the case may be, held by them or the Family Trust pursuant to a Permitted Transfer in favour of the Original A Shareholder or Original E Shareholder (or, if so directed by the Original A Shareholder or Original E Shareholder, in favour of one of more other Permitted Transferees of the Original A Shareholder or Original E Shareholder), for such consideration as may be agreed between them.

18.7 The provisions of Article 20 (Compulsory Transfers) shall be amended in so far as they apply to the A Shares and the E Shares in that Article 20.2.12 shall not apply to any person who holds A Shares or E Shares.

## 19. PRE-EMPTION RIGHTS ON THE TRANSFER OF SHARES

19.1 Except where proposed transfers or sale of shares are of a type described in Article 17.2.1 to 17.2.7 (inclusive) or made pursuant to Article 17.3, a shareholder (**Seller**) wishing to transfer his shares (**Sale Shares**) must give notice in writing (**Transfer Notice**) to the Company giving details of the proposed transfer including:

19.1.1 if he wishes to sell or transfer the Sale Shares to a third party, the name of the proposed buyer and the price at which the buyer is willing to acquire or obtain the Sale Shares; and

19.1.2 the price (which must be in cash) at which he wishes to sell the Sale Shares (**Proposed Sale Price**).

19.2 A Transfer Notice (or Deemed Transfer Notice) constitutes the Company the agent of the Seller for the sale of the Sale Shares in accordance with the provisions of these Articles.

19.3 Once given, a Transfer Notice may only be withdrawn by the Seller where the Transfer Price of the Sale Shares comprised within a Transfer Notice is to be the Fair Value and such Fair

Value is less than the Proposed Sale Price. In such case, the Seller may, within five Business Days of receipt of notification of the Fair Value, withdraw the Transfer Notice. Except as provided in this Article, a Deemed Transfer Notice may not be withdrawn.

- 19.4 The Transfer Price for each Sale Share the subject of a Transfer Notice shall, save where expressly provided otherwise in these Articles, be the price per Sale Share (in cash) agreed between the Seller and the Board or, in default of agreement within 10 Business Days of the date of service of the Transfer Notice, the Fair Value of each Sale Share determined in accordance with Article 21.
- 19.5 As soon as practicable following the determination of the Transfer Price, the directors shall (unless the Transfer Notice is withdrawn in accordance with Article 19.3) offer the Sale Shares for sale in the manner set out in the remaining provisions of this Article 19 at the Transfer Price. Each offer shall be in writing and give details of the number and Transfer Price of the Sale Shares offered.
- 19.6 The directors shall offer the Sale Shares to the remaining shareholders in proportion (as nearly as may be) to the numbers of shares held by them in each case excluding the Seller, any Associate of the Seller and excluding any shareholder who has served a Transfer Notice which is then in its Active Period and any shareholder whose shares are, at the date of the Transfer Notice, the subject of a Deemed Transfer Notice and in each case any Associate of that shareholder. The offer must be in writing specifying the total number of shares offered. It must be accompanied by a form of application for use by the remaining shareholder in applying for Sale Shares which he is willing to purchase.
- 19.7 The directors shall invite them to apply in writing within the period from the date of the offer to the date 10 Business Days after the offer (both dates inclusive) (**Offer Period**) for the maximum number of Sale Shares they wish to buy.
- 19.8 At the end of the Offer Period, the directors will allocate the Sale Shares to accepting shareholders (each shareholder allocated shares being referred to below as a **Purchasing Shareholder**) either (i) in accordance with the acceptances received if there is no competition between accepting shareholders for any shares or class of shares offered or (ii) if there is any such competition, to accepting shareholders in proportion to the shares held by them (by nominal value).
- 19.9 If all the Sale Shares are not accepted by a Purchasing Shareholder or Purchasing Shareholders, the Board may within 14 days after the expiry of the Offer Period (**Nomination Period**), nominate any person or persons, which may include the Company, to purchase some or all of the Sale Shares which have not been allocated to a Purchasing Shareholder. However, no such person will be entitled to be nominated unless:
- 19.9.1 he shall be obliged to purchase the Sale Shares in respect of which he is so nominated no later than if he had been a Purchasing Shareholder and at the Transfer Price.

19.9.2 in the case of the Company being nominated, the conditions set out in Article 19.10 have been satisfied.

19.10 The conditions referred to in Article 19.9.2 are that:

19.10.1 a special resolution must have been passed, or a shareholders' written resolution must have been signed pursuant to Chapter 2 of Part 13 of the Act, in either case approving in accordance with the Act the terms of a proposed share purchase agreement for the purchase by the Company of the Sale Shares in respect of which it is so nominated from the Seller;

19.10.2 under the terms of the proposed share purchase agreement, the Company would be obliged to purchase the Sale Shares in respect of which it is so nominated no later than if it had been a Purchasing Shareholder and at the Transfer Price;

19.10.3 the proposed share purchase agreement when executed would impose no obligations on the Seller other than to sell the relevant Sale Shares to the Company and to the effect that they will be so sold with full title guarantee and free from any encumbrances and third party rights and with all rights attaching to them at the time the agreement is executed;

19.10.4 the proposed share purchase agreement complies with and its terms are consistent with the requirements of sections 690 to 723 (inclusive) of the Act; and

19.10.5 the directors must have resolved that the share purchase agreement be executed by the Company.

Subject to, and immediately following, the Company being nominated and satisfaction of all the conditions set out in this Article 19.10, the Company and the Seller must execute the proposed share purchase agreement (**Buy Back Agreement**).

19.11 Within seven days after the expiry of the Offer Period or, if all the Sale Shares are not accepted by a Purchasing Shareholder or Purchasing Shareholders, upon the expiry of the Nomination Period, the directors will notify the Seller and all Purchasing Shareholders of the details of the applications which have been made, of the allocations made as between Purchasing Shareholders and of the person or persons nominated under Article 19.9 (if any) (each a **Nominated Person**) and those Sale Shares which each such person is obliged to purchase.

19.12 Any sale of shares made pursuant to this Article 19 to a Purchasing Shareholder or a Nominated Person shall be at the Transfer Price.

19.13 The Seller must, upon payment of the Transfer Price, transfer to each Purchasing Shareholder and to each Nominated Person those Sale Shares which such person is obliged to purchase and to deliver, if he has not already done so, the relative share certificates (or an indemnity in respect of any lost certificates in standard form). Such payment shall be deemed to be made validly if it is made to the Company to be held in trust for the Seller against

delivery of such transfers and share certificates (or indemnity). In the case of Sale Shares the subject of a Buy Back Agreement, completion of the sale and purchase of such Sale Shares will take place in accordance with the terms of the Buy Back Agreement.

19.14 If all the Sale Shares are not accepted by a Purchasing Shareholder or Purchasing Shareholders or by a Nominated Person or Nominated Persons, the Seller may not transfer all or some of the Sale Shares which have not been accepted to any other persons except with the consent of the Shareholder Relevant Majority.

19.15 If the Seller fails to comply with his obligations to complete the transfer of any Sale Shares:

19.15.1 any director may, as agent on behalf of the Seller:

19.15.1.1 complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares to the applicants;

19.15.1.2 receive the Transfer Price and give a good discharge for it (and no applicant shall be obliged to see to the distribution of the Transfer Price); and

19.15.1.3 (subject to the transfers being duly stamped) enter the applicants in the register of shareholders as the holders of the Sale Shares purchased by them; and

19.15.2 the Company shall pay the Transfer Price into a separate bank account in the Company's name on trust (but without interest) for the Seller until he has delivered his certificate(s) for the relevant Sale Shares or an indemnity, in a form reasonably satisfactory to the directors, in respect of any lost certificate, together, in either case, with such other evidence (if any) as the board may reasonably require to prove good title to those Sale Shares, to the Company.

19.15.3 the receipt of the Company for the purchase money will be a good discharge to the transferee who will not be obliged to see to the application of the purchase money and, after the name of the transferee has been entered in the register of members in exercise of the above power, the validity of the procedure will not be capable of challenge.

19.16 The following shall apply if the Seller, having become obliged to execute or complete a Buy Back Agreement, fails to do so:

19.16.1 the directors may authorise some person (**attorney**) to execute or complete the Buy Back Agreement and receive the purchase money due in respect of it on the Seller's behalf;

19.16.2 the attorney is, as security for the performance of the Seller's obligations, irrevocably and unconditionally appointed as the Attorney of the Seller for the purpose,

19.16.3 the receipt of the attorney for the purchase money shall be a good discharge to the Company and the Company shall be entitled to treat the Buy Back Agreement as completed against such receipt;

19.16.4 the attorney will hold the purchase money in trust for the Seller;

19.16.5 the attorney will not be bound to earn or pay interest on the purchase money and shall not pay the purchase money to the Seller until the Seller delivers to the Company his share certificates (or a customary indemnity in respect of any lost certificates) relating to the Sale Shares the subject of the Buy Back Agreement.

19.17 The provisions of this Article 19 may be waived, dis-applied, modified, suspended or relaxed in whole or in part in any particular case with Shareholder Consent.

## 20. **COMPULSORY TRANSFERS**

20.1 This Article 20 applies when:

20.1.1 an Employee or director is a B Shareholder, C Shareholder or F Shareholder;

20.1.2 an Employee or director has established a Family Trust which is a B Shareholder, C Shareholder or F Shareholder; or

20.1.3 a shareholder holds B Shares, C Shares or F Shares as nominee of an Employee or director; or

20.1.4 B Shares, C Shares or F Shares are held by a Privileged Relation or other person to whom the Employee or director has transferred shares; or

20.1.5 B Shares, C Shares or F Shares are held by a company, any part of the issued share capital of which is beneficially owned by the Employee or a Privileged Relation, Family Trust or nominee of the Employee,

and the Employee or director ceases for any reason (including death or bankruptcy) to be an Employee or director or the events set out in Articles 20.2.1 to 20.2.12 apply (each person being a **Compulsory Seller**).

20.2 A Compulsory Seller (including without limitation any joint shareholder) is deemed to have served a Transfer Notice (**Compulsory Notice**) under Article 19 immediately before any of the following events (**Compulsory Events**) in respect of his Applicable Shares:

20.2.1 a petition being presented, or an order being made, for the Employee or relevant Compulsory Seller's bankruptcy; or

20.2.2 an application to the court being made under section 253 of the Insolvency Act 1986 where the Compulsory Seller intends to make a proposal to his creditors for a voluntary arrangement; or

- 20.2.3 the Employee or director or relevant Compulsory Seller making an individual voluntary arrangement with his creditors on agreed terms under section 263A of the Insolvency Act 1986; or
- 20.2.4 the Compulsory Seller convening a meeting of his creditors or taking any other steps with a view to making an arrangement or composition in satisfaction of his creditors generally; or
- 20.2.5 the Compulsory Seller being unable to pay his debts as they fall due within the meaning of section 268 of the Insolvency Act 1986; or
- 20.2.6 any encumbrancer taking possession of, or a receiver being appointed over or in relation to, all or any material part of the Compulsory Seller's assets; or
- 20.2.7 the happening in relation to a Compulsory Seller of any event analogous to any of the above in any jurisdiction in which he is resident, carries on business or has assets;
- 20.2.8 being a body corporate, the Compulsory Seller has a receiver, manager, administrative receiver or administrator appointed of it or over all or any part of its assets;
- 20.2.9 being a body corporate, the Compulsory Seller enters into liquidation (other than a voluntary liquidation for the purpose of a bona fide scheme of solvent amalgamation or reconstruction);
- 20.2.10 being a body corporate, the Compulsory Seller suffers a change in control (as defined for the purposes of section 1124 of the Corporation Tax Act 2010);
- 20.2.11 being a body corporate and a subsidiary of another body corporate, and that other body corporate suffer a change in control (as defined for the purposes of section 1124 of the Corporation Tax Act 2010); and
- 20.2.12 the relevant Employee or director ceases to be an Employee or director of any company in the Group and does not continue as an Employee or director of any company in the Group.
- 20.3 Any shareholder who becomes aware of the occurrence of a Compulsory Event in respect of himself or another shareholder must promptly notify the directors of that Compulsory Event.
- 20.4 Immediately upon the Compulsory Notice being served, the Compulsory Seller shall be deemed to have served a Transfer Notice under Article 19 in respect of all the Applicable Shares registered in his name and Article 19 shall take effect accordingly.
- 20.5 For the purposes of this Article 20, **Applicable Shares** means all the shares registered in the name of the Compulsory Seller at the date the Compulsory Notice is served.
- 20.6 Any Compulsory Notice served during the Active Period of a previous Transfer Notice relating

to all or any of the same shares shall prevail and upon such service such previous Transfer Notice shall immediately cease to have effect.

- 20.7 A reference to a shareholder in the definition of Compulsory Event includes a joint holder of shares. If a Compulsory Seller holds shares jointly then the provisions of this Article 20 shall extend to all the jointly held shares and to all the joint holders of such shares.
- 20.8 A Compulsory Seller is a Very Bad Leaver if the relevant Compulsory Event occurs of the type described in Article 20.2.12 and the Compulsory Event occurs in circumstances set out in the definition of a Very Bad Leaver.
- 20.9 A Compulsory Seller is a Bad Leaver if the relevant Compulsory Event occurs of the type described in Article 20.2.12 and the Compulsory Event occurs in the circumstances set out in the definition of Bad Leaver.
- 20.10 A Compulsory Seller is a Good Leaver if the relevant Compulsory Event occurs of the type described in Article 20.2.12 and the Compulsory Event occurs in the circumstances set out in the definition of a Good Leaver.
- 20.11 The Deemed Transfer Notice has the same effect as a Transfer Notice, except that the Deemed Transfer Notice takes effect on the basis that it does not identify a proposed buyer or state a price for the Sale Shares and, subject to Article 19.4 and Article 20.12, the Transfer Price for the Sale Shares shall be the aggregate Fair Value of those shares, determined by the Valuers in accordance with Article 21.
- 20.12 Where a Deemed Transfer Notice has been served following a Compulsory Event of the type described in Article 20.2.12 the Transfer Price for the Sale Shares shall be as follows:
- 20.12.1 where the relevant Employee is a Bad Leaver or a Very Bad Leaver, the lower of the aggregate Fair Value of those shares and the original subscription price paid for those shares;
- 20.12.2 where the relevant employee is a Good Leaver, the higher of aggregate Fair Value of those shares and the original subscription price paid for those shares.
- 20.13 Where a Deemed Transfer Notice has been served following a Compulsory Event of the type described in Articles 20.2.1 to 20.2.11 (inclusive) and the Transfer Price for the Sale Shares shall be the lower of the aggregate Fair Price of those shares and the original subscription price paid for the shares.
- 20.14 The provisions of this Article 20 shall apply to all the jointly held shares and to all the joint holders of such shares.
- 20.15 The provisions of this Article 20 may be waived, dis-applied, modified, suspended or relaxed in whole or in part, in any particular case with Shareholder Consent.

## 21. VALUATION

- 21.1 The Valuers shall be requested to determine the Fair Value within 20 Business Days of their appointment and to notify the Company and the Seller in writing of their determination.
- 21.2 The Fair Value for any Sale Share shall be the price per share determined in writing by the Valuers on the following bases and assumptions:
- 21.2.1 valuing each of the Sale Shares as a proportion of the total value of all the issued shares in the capital of the Company without any premium or discount being attributable to the percentage of the issued share capital of the Company which they represent or for the rights or restrictions applying to the Sale Shares;
- 21.2.2 if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;
- 21.2.3 the sale is to be on arms' length terms between a willing seller and a willing buyer;
- 21.2.4 the Sale Shares are sold free of all encumbrances; and
- 21.2.5 the sale is taking place on the date the Valuers were requested to determine the Fair Value.
- 21.3 The shareholders are entitled to make submissions to the Valuers including oral submissions and shall provide (or procure that the Company provides) the Valuers with such assistance and documents as the Valuers reasonably require for the purpose of reaching a decision, subject to the Valuers agreeing to give such confidentiality undertakings as the shareholders may reasonably require.
- 21.4 To the extent not provided for by this Article 21, the Valuers may, in their reasonable discretion, determine such other procedures to assist with the valuation as they consider just or appropriate, including (to the extent they consider necessary), instructing professional advisers to assist them in reaching their valuation.
- 21.5 The Valuers' written determination shall be final and binding on the shareholders in the absence of manifest error or fraud.
- 21.6 The cost of obtaining the Valuers' valuation shall be borne by the Company or in such other proportions as the Valuers direct unless the Seller withdraws the relevant Transfer Notice in accordance with Article 19.3, in which case the Seller shall bear the cost.

## 22. DRAG ALONG RIGHT

- 22.1 The following rights to require minority shareholders to join in a sale of the entire issued share capital of the Company to a third party will apply.
- 22.2 Any shareholder or shareholders alone or together holding at least 70 per cent or more in nominal value of the issued share capital of the Company (**Calling Shareholders**) will have

the rights set out in Article 22.3.

- 22.3 The Calling Shareholders will be entitled at any time to require all the other holders of shares in the Company (**Recipient Shareholders**) by notice in writing to them (**Call Notice**) to sell all of the shares held by the Recipient Shareholders. This is subject to the conditions set out in Article 22.4 being met. The sale will be to any person (**Purchaser**) to whom the Calling Shareholders propose to sell all of their shares. The proposed sale will be deemed to be permitted for the purposes of Article 17. At the request of the Calling Shareholders, the Company will send a Call Notice to the Recipient Shareholders on behalf of the Calling Shareholders.
- 22.4 The conditions referred to in Article 22.3 are that:
- 22.4.1 the terms and conditions applying to the sale of the shares of the Calling Shareholders and the Recipient Shareholders are set out in reasonable detail in, or in one or more attachments to, the Call Notice;
- 22.4.2 subject to Article 22.4.5 the terms and conditions applying to the sale of the shares held by each of the Recipient Shareholders shall be no less favourable to the Recipient Shareholders than the terms and conditions applying to the sale of the shares held by the Calling Shareholders (and shareholders shall be deemed to be treated as favourably as each other in respect of a liability or obligation which they assume if they assume it in proportion to their shareholdings in the Company);
- 22.4.3 the Purchaser is a bona fide arm's length purchaser who is not a Calling Shareholder or an Associate of a Calling Shareholder;
- 22.4.4 except where Shareholder Consent to the contrary is given, the terms of sale must not contain any requirement for any shareholder to give any representations, warranties or undertakings other than as to their capacity and capability to sell the relevant shares and all rights to them free from any charge, lien, encumbrance or other third party right; and
- 22.4.5 except where Shareholder Consent to the contrary is given, the terms and conditions applying to the sale of the shares include the redemption in full (including the repayment of all principal and accrued interest thereon) on completion of such sale of the shares of the outstanding amount payable under the Vendor Loan Notes.
- 22.5 If a Call Notice is served and the conditions in Article 22.4 are met, all the shareholders must proceed with the sale of all their shares on the terms and conditions notified in the Call Notice.
- 22.6 A shareholder must not complete any sale of shares to the Purchaser unless the Purchaser completes the purchase of all the shares required to be sold at the same time.
- 22.7 The following will apply if any shareholder (**Defaulter**) fails to agree to sell, or to complete the sale of, or to make any required election in respect of any sale of, any shares as he is obliged to do in accordance with this Article 22:

- 22.7.1 the Calling Shareholders or the directors may authorise some person (**Attorney**) to execute all necessary agreements, deeds and other documents necessary to give effect to the sale on the terms and conditions notified in the Call Notice;
  - 22.7.2 the Attorney is, as security for the performance of the Defaulter's obligations, irrevocably and unconditionally appointed as the Attorney of the Defaulter for that purpose;
  - 22.7.3 the Attorney may make any such election on the Defaulter's behalf (in such manner as the Attorney in his absolute discretion shall think fit) and execute the necessary instrument of transfer of the Defaulter's shares and may deliver such transfer on the Defaulter's behalf;
  - 22.7.4 the Company will receive the purchase consideration and will hold it in trust for the Defaulter;
  - 22.7.5 upon receipt of the purchase consideration the Company will ensure that the Purchaser is registered as the holder of the Defaulter's shares, subject to the instrument of transfer of the shares being stamped with any required stamp duty;
  - 22.7.6 the Company will not be obliged to earn or pay interest on the purchase consideration and will not deliver the purchase consideration to the Defaulter until the Defaulter has delivered his share certificates (or a customary indemnity in respect of any lost certificates) to the Company; and
  - 22.7.7 the receipt of the Company for the purchase consideration will be a good discharge to the Purchaser who will not be bound to see to the application of the purchase consideration and, after the name of the transferee has been entered in the register of members in exercise of the above power, the validity of the procedure will not be capable of challenge.
- 22.8 At the same time as any Calling Shareholders give a Call Notice to Recipient Shareholders they will also be entitled to give the Call Notice to any person who has the right to subscribe for, or convert securities or indebtedness into, shares in the Company which is capable of being exercised on or prior to or within 24 months after completion of the sale of shares pursuant to this Article 22. The effect of serving a Call Notice on such person will be that if he exercises such right and becomes a registered holder of shares in the capital of the Company on or prior to or within 24 months after such completion then that person will, for all the purposes of this Article 22, be treated as a Recipient Shareholder in respect of all such shares and shall be obliged to sell such shares in accordance with this Article 22. If the registration of such shares occurs after such completion then the sale of such after-acquired shares must be completed within seven days of such registration.
- 22.9 For the purposes of this Article 22, a 'sale' includes a disposal of shares where the consideration is to be provided wholly or partly in securities or any other non-cash consideration and the expressions 'sell', 'purchase' and 'purchaser' will be construed

accordingly.

**23. TAG ALONG RIGHT**

23.1 A Seller must not transfer any shares pursuant to Article 19 if it is prohibited by Article 23.2.

23.2 Except as permitted by Article 24 or required by Articles 20 or Article 22 no sale or transfer of any interest in any shares by a shareholder (**Proposing Transferor**) may be made or validly registered if, as a result of such sale or transfer and registration, a Relevant Interest in the Company would be obtained or increased directly or indirectly by a person or persons acting in concert (within the meaning of the City Code on Takeovers and Mergers in force from time to time) and not being persons who were shareholders of the Company, or entitled to become such, on the Date of Adoption unless such persons are bona fide arm's length purchasers (not connected to the Proposing Transferor) (**Purchaser**) and before the transfer is completed have made a bona fide offer in writing served on all shareholders (including the Proposing Transferor), offering to purchase all of the shares held by such shareholders (including any shares which may be allotted pursuant to the exercise or conversion of options, rights to subscribe for or securities convertible into shares in existence at the date of such offer) (**Tag Along Offer**) which:

23.2.1 is stipulated to be open for acceptance for at least 21 days;

23.2.2 subject to Article 23.2.3, is on the terms and conditions for each Recipient Shareholder no less favourable than for the Proposing Transferor including, without limitation, as to consideration for each share;

23.2.3 except where Shareholder Consent to the contrary is given, incorporate terms and conditions for the redemption in full (including the repayment of all principal and accrued interest thereon) on completion of such sale of the shares of the outstanding amount payable under the Vendor Loan Notes; and

23.2.4 is on terms that the sale and purchase of shares in respect of which the offer is accepted will be completed at the same time.

23.3 Any transfer of shares pursuant to Article 23.2 shall not be subject to the restrictions on transfer contained in these Articles.

23.4 At the request of the Purchaser, the Company will send the offer to the shareholders on behalf of the Purchaser.

**24. PERMITTED TRANSFERS OF SHARES**

A shareholder will be permitted to transfer the legal title to and/or the beneficial ownership of a share to any person with Shareholder Consent.

**25. DEATH AND BANKRUPTCY**

These Articles shall be binding upon and shall apply for the benefit of each person entitled to a share by reason of the death or bankruptcy of a shareholder or otherwise by operation of law.

**26. QUORUM FOR GENERAL MEETINGS**

26.1 The quorum at any general meeting of the Company or adjourned general meeting, shall be three persons present in person or by proxy (unless the provisions of Articles 28.2.3, Article 28.3.3 and Article 28.5.3 are effective during which period, such quorum shall be one).

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

26.3 If a quorum is not present within 30 minutes of the time specified for the relevant meeting in the notice of the meeting then the meeting shall be adjourned for 10 Business Days at the same time and place.

**27. CHAIRING GENERAL MEETINGS**

The chairman of the board of directors shall chair general meetings. If the chairman is unable to attend any general meeting, the Board shall be entitled to appoint another of the directors present at the meeting to act as chairman at the meeting and the appointment of the chairman of the meeting must be the first business of the meeting.

**28. VOTING**

**28.1 A Shares:**

28.1.1 The holders of the A Shares shall have the right to receive notice of and attend and vote and speak at any general meeting of the Company and shall be entitled to vote on any written resolution of the Company. The holders of the A Shares shall be entitled to the A Share Entitlement of votes on a poll.

**28.2 B Shares:**

28.2.1 Subject to Article 28.2.3, at a general meeting, on a show of hands every holder of B Shares who is present in person or by proxy shall have one vote, unless the proxy is himself a shareholder entitled to vote; on a poll every shareholder present in person or by proxy shall have one vote for each share of which he is the holder; and on a vote on a written resolution every shareholder has one vote for each share of which he is the holder.

28.2.2 Each holder of B Shares is entitled to receive notice of and to attend (either in person or by proxy) at any general meeting of the Company.

28.2.3 For so long as there is a Default, the B Shares shall cease to entitle each holder of B

Shares to attend and vote (whether any show of hands or on a poll) at any general meeting of the Company and/or to vote on any written resolution of the Company.

**28.3 C Shares:**

28.3.1 Subject to Article 28.3.3 at a general meeting, on a show of hands every holder of C Shares who is present in person or by proxy shall have one vote, unless the proxy is himself a shareholder entitled to vote; on a poll every shareholder present in person or by proxy shall have one vote for each share of which he is the holder; and on a vote on a written resolution every shareholder has one vote for each share of which he is the holder.

28.3.2 Each holder of C Shares is entitled to receive notice of and to attend (either in person or by proxy) at any general meeting of the Company.

28.3.3 For so long as there is a Default, the C Shares shall cease to entitle each holder of C Shares to attend and vote (whether any show of hands or on a poll) at any general meeting of the Company and/or to vote on any written resolution of the Company.

**28.4 E Shares:**

28.4.1 The holders of the E Shares shall have the right to receive notice of and attend and vote and speak at any general meeting of the Company and shall be entitled to vote on any written resolution of the Company. The holders of the E Shares shall be entitled to the E Share Entitlement of votes on a poll.

**28.5 F Shares:**

28.5.1 Subject to Article 28.5.3, at a general meeting, on a show of hands every holder of F Shares who is present in person or by proxy shall have one vote, unless the proxy is himself a shareholder entitled to vote; on a poll every shareholder present in person or by proxy shall have one vote for each share of which he is the holder; and on a vote on a written resolution every shareholder has one vote for each share of which he is the holder.

28.5.2 Each holder of F Shares is entitled to receive notice of and to attend (either in person or by proxy) at any general meeting of the Company.

28.5.3 For so long as there is a Default, the F Shares shall cease to entitle each holder of F Shares to attend and vote (whether any show of hands or on a poll) at any general meeting of the Company and/or to vote on any written resolution of the Company.

**29. POLL VOTES**

29.1 A poll may be demanded at any general meeting by a qualifying person (as defined in section 318 of the Act) present and entitled to vote at the meeting.

- 29.2 Model Article 44(2) shall be amended by the insertion of the words “A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made” as a new paragraph at the end of that Article.

30. **PROXIES**

- 30.1 Model Article 45(1)(d) shall be deleted and replaced with the words “is delivered to the Company in accordance with the Articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of general meeting (or adjourned meeting) to which they relate”.

- 30.2 Model Article 45(1) shall be amended by the insertion of the words “and a proxy notice which is not delivered in such manner shall be invalid” as a new paragraph at the end of that Article.

31. **MEANS OF COMMUNICATION TO BE USED**

- 31.1 Subject to Article 31.3, any notice, document or other information shall be deemed served on, or delivered to, the intended recipient:

31.1.1 if delivered by hand, at the time of delivery; or

31.1.2 if sent by pre-paid United Kingdom first class post, recorded delivery or special delivery to an address in the United Kingdom, two Business Days after posting; or

31.1.3 if deemed receipt under the previous paragraphs of this Article 31.1 is not within business hours (meaning 9.30 am to 5.30 pm Monday to Friday on a day that is not a public holiday in the place of receipt), when business next starts in the place of deemed receipt. For the purposes of this Article, all references to time are to local time in the place of deemed receipt.

- 31.2 To prove service, it is sufficient to prove that:

31.2.1 if delivered by hand, the notice was delivered to the correct address; or

31.2.2 if sent by post, the envelope containing the notice was properly addressed, paid for and posted.

- 31.3 Any notice, document or other information served on, or delivered to, an intended recipient under Article 18, Article 20 or Article 22 (as the case may be) may not be served or delivered in electronic form, or by means of a website.

32. **INDEMNITY AND INSURANCE**

- 32.1 Subject to Article 32.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:

32.1.1 each relevant officer of the Company shall be indemnified out of the Company's

assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer in the actual or purported execution and/or discharge of his duties, or in relation to the including (in each case) any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which the court grants him, in his capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company's affairs; and

32.1.2 the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in Article 32.1.1 and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

32.2 This Article does not authorise any indemnity to the extent that such indemnity would be prohibited or rendered void by any provision of the Act or by any other provision of law and any such indemnity is limited accordingly.

32.3 The directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant officer in respect of any relevant loss.

32.4 In this Article:

32.4.1 a **relevant officer** means any director or other officer of the company but excluding in each case any person engaged by the Company as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor; and

32.4.2 a **relevant loss** means any loss or liability which has been or may be incurred by a relevant officer in connection with that relevant officer's duties or powers in relation to the Company or any pension fund of the Company.

### 33. DEED OF ADHERENCE TO SHAREHOLDERS' AGREEMENT

33.1 At the same time as any person who is not already a shareholder is registered as the holder of any share in the Company such person will, and the Company will procure that such person will, execute a deed of adherence in the form required by any shareholders' agreement in force from time to time. Any right to transfer or issue shares or to receive a transfer or issue of shares under these Articles will take effect subject to this obligation.

33.2 If any person fails to comply with Article 33.1, the directors may authorise some other person, who is (as security for the performance of the defaulter's obligations) irrevocably and unconditionally appointed as the Attorney of the defaulter for the purpose, to execute the necessary deed of adherence on the defaulter's behalf.