

THE COMPANIES ACT 2006

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

BRIDGES CARE AND EDUCATION LIMITED

(Company number 12428739)

(Adopted by a special resolution passed on7 FEBRUARY.....2020)



Contents

1	Introduction	1
2	Definitions	1
3	Share capital	6
4	Dividends	7
5	Liquidation preference	8
6	Exit provisions	8
7	Voting rights	10
8	Variation of rights	10
9	Allotment of new shares or other securities – pre-emption	11
10	Transfers of Shares – general	12
11	Permitted Transfers	15
12	Transfers of Shares subject to pre-emption rights	15
13	Valuation of Shares	18
14	Compulsory transfer – B Shareholders	20
15	Tag along	21
16	Drag along	22
17	General meetings	24
18	Proxies	25
19	Directors' borrowing powers	26
20	Alternate Directors	26
21	Number of Directors	27
22	Appointment of Directors	27
23	Disqualification of Directors	28
24	Proceedings of Directors	28
25	Directors' interests	29
26	Notices	33

27	Indemnities and insurance.....	35
28	Data Protection	36
29	Secretary.....	36
30	Lien	36
31	Call Notices	38
32	Forfeiture of Shares.....	39
33	Surrender of Shares	41

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1 Introduction

- 1.1 The model articles for private companies limited by shares contained or incorporated in schedule 1 to the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the date of adoption of these Articles (the “**Model Articles**”) shall apply to the Company, save insofar as they are varied or excluded by, or are inconsistent with, the following Articles.
- 1.2 In these Articles and the Model Articles any reference to any statutory provision shall be deemed to include a reference to each and every statutory amendment, modification, re-enactment and extension thereof for the time being in force.
- 1.3 In these Articles:
- 1.3.1 article headings are used for convenience only and shall not affect the construction or interpretation of these Articles;
- 1.3.2 words denoting the singular include the plural and vice versa and reference to one gender includes the other gender and neuter and vice versa; and
- 1.3.3 articles 8(2), 9(4), 10(3), 11(2), 13, 14, 17(2), 17(3), 19, 21, 26(5), 27, 28, 29, 30(5) to (7) (inclusive), 44(4), 51, 52 and 53 of the Model Articles shall not apply to the Company.
- 1.4 In respect of any actions or matters requiring or seeking the acceptance, approval, agreement, consent or words having similar effect of an Investor Director under this Agreement, if at any time such Investor Director has not been appointed or such Investor Director declares in writing to the Company that he considers that providing such consent gives rise or may give rise to a conflict of interest in respect of his duties as a director, such action or matter shall require the consent of the Investor entitled to appoint such Investor Director.

2 Definitions

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

“**A Shares**” means the A ordinary shares of £0.10 each in the capital of the Company;

"A Shareholders" means the holders from time to time of the A Shares;

"Act" means the Companies Act 2006 (as amended from time to time);

"Acting in Concert" has the meaning given to it in The City Code on Takeovers and Mergers published by the Panel on Takeovers and Mergers (as amended from time to time);

"Asset Sale" means the disposal by the Company of all or substantially all of its undertaking and assets (where disposal may include, without limitation, the grant by the Company of an exclusive licence of intellectual property not entered into in the ordinary course of business);

"Associate" in relation to any person means:

- (a) any person who is an associate of that person and the question of whether a person is an associate of another is to be determined in accordance with section 435 of the Insolvency Act 1986; and (whether or not an associate as so determined);
- (b) any Member of the same Group;
- (c) any Investment Fund;

"Auditors" means the auditors of the Company from time to time or, if the Company has lawfully not appointed auditors, its accountants from time to time;

"Available Profits" means profits available for distribution within the meaning of part 23 of the Act;

"B Shareholders" means the holders from time to time of the B Shares;

"B Shares" means the B ordinary shares of £0.10 each in the capital of the Company;

"Bad Leaver" means a person who:

- (a) has been disqualified from acting as a director of any company; or
- (b) has been convicted of a criminal offence (other than a road traffic offence which is not punishable by a custodial sentence); or
- (c) has violated of any securities laws or insider trading laws; or
- (d) being an Employee, has been lawfully dismissed with immediate effect without notice by the relevant Group Company (or lawful termination with immediate effect without notice of the arrangement pursuant to which his services are made available to such Group Company) pursuant to clause 16.1 of his Service Agreement (as defined in the Subscription and Shareholders' Agreement) (or any provision allowing for such termination with immediate effect and without notice in any other such service agreement or arrangement from time to time); or
- (e) voluntarily resigns from any office or employment with any Group Company prior to the date falling 5 years from the Date of Adoption (except where such resignation has been found by a tribunal or court or competent jurisdiction to

be constructive dismissal or unfair dismissal (other than as a consequence of some procedural irregularity));

"Bad Leaver Price" means the aggregate Issue Price paid by the relevant B Shareholder for each of the B Shares less any amount received as a distribution from the Company (by way of dividend, capital return or otherwise) since the Date of Adoption (or if this calculation results in a negative price, the Bad Leaver Price shall be nil);

"Board" means the board of Directors and any committee of the board of Directors constituted for the purpose of taking any action or decision contemplated by these Articles;

"Business Day" means a day on which English clearing banks are ordinarily open for the transaction of normal banking business in the City of London (other than a Saturday or Sunday);

"Civil Partner" means in relation to a Shareholder, a civil partner (as defined in the Civil Partnership Act 2004) of the Shareholder;

"Commencement Date" means the later of (i) the Date of Adoption and (ii) the date on which the relevant Employee first commences his employment, directorship or consultancy with a Group Company;

"Company" means Bridges Care and Education Limited with registered company number 12428739;

"Company's Lien" has the meaning given in Article 30.1;

"Controlling Interest" means an interest in shares giving to the holder or holders control of the Company within the meaning of section 1124 of CTA 2010;

"CTA 2010" means the Corporation Tax Act 2010;

"Date of Adoption" means the date on which these Articles were adopted;

"Director(s)" means a director or directors of the Company from time to time;

"Downing" means Downing LLP with registered company number OC341575;

"Drag Documents" has the meaning given in Article 16.6;

"Effective Termination Date" means the date on which a person ceases to be an employee or director of all and any Group Companies;

"electronic address" has the same meaning as in section 333 of the Act;

"electronic form" and **"electronic means"** have the same meaning as in section 1168 of the Act;

"Eligible Director" means a Director who would be entitled to vote on a matter had it been proposed as a resolution at a meeting of the Directors;

"Employee" means an individual who is employed by or a director of, or who provides consultancy services to, any Group Company;

"Encumbrance" means any mortgage, charge, security, interest, lien, pledge, assignment by way of security, equity, claim, right of pre-emption, option, covenant, restriction, reservation, lease, trust, order, decree, judgment, title defect (including without limitation any retention of title claim), conflicting claim of ownership or any other encumbrance of any nature whatsoever (whether or not perfected other than liens arising by operation of law);

"Exit" means a Share Sale, an Asset Sale or an IPO;

"Expert Valuers" is as determined in accordance with Article 13.2;

"Fair Value" is as determined in accordance with Article 13.3;

"Financial Year" means an accounting reference period (as defined by the Act) of the Company;

"Good Leaver" means a B Shareholder who ceases to be employed by or a director of any Group Company at any time and is not a Bad Leaver and for the avoidance of doubt, includes death;

"Group" means the Company and its Subsidiary Undertaking(s) (if any) from time to time and **"Group Company"** shall be construed accordingly;

"hard copy form" has the same meaning as in section 1168 of the Act;

"Holding Company" means a newly formed holding company (as defined in section 1159 of the Act), pursuant to which the membership, pro rata shareholdings and classes of shares comprised in such holding company matches that of the Company immediately prior to the transfer of the issued share capital of the Company to such holding company;

"Interested Director" has the meaning given in Article 25.5;

"Investment Fund" means any fund, partnership, company, syndicate or other entity whose business is managed by Downing;

"Investor" has the meaning given in the Subscription and Shareholders' Agreement;

"Investor Director Consent" means the prior written consent of a majority in number of the Investor Directors from time to time;

"Investor Directors" means such Directors nominated by the Investor Majority under Article 22.1;

"Investor Hurdle" means, on any date, a sum equal to the aggregate of the Issue Price of all A Shares in issue on that date less any amount received as a distribution from the Company (by way of dividend, capital return or otherwise) since the Adoption Date (or if this calculation results in a negative price, the Investor Hurdle shall be nil);

"Investor Majority" means the holders of in excess of 50% of the A Shares held by the Investor and/or their Permitted Transferees from time to time;

"Investor Majority Consent" means the prior written consent of the Investor Majority;

"IPO" means the admission of all or any of the Shares or securities representing those shares (including without limitation depositary interests and/or other instruments) to or

the grant of permission by any like authority for the same to be admitted to or traded or quoted on the Official List of the United Kingdom Listing Authority or the AIM Market operated by the London Stock Exchange Plc or any other recognised investment exchange (as defined in section 285 of the Financial Services and Markets Act 2000);

"ITEPA" means Income Tax (Earnings and Pensions) Act 2003;

"Issue Price" means the price at which the relevant Share is issued, including any premium;

"Lien Enforcement Notice" has the meaning given in Article 30.3;

"Manager Hurdle" means, on any date, a sum equal to the aggregate of the Issue Price of all B Shares in issue on that date less any amount received as a distribution from the Company (by way of dividend, capital return or otherwise) since the Adoption Date (or if this calculation results in a negative price, the Manager Hurdle shall be nil);

"Managers" means Kirsty Thomas, Stephen Wallace Bradshaw and Daniel Alipaz and any other person who adheres to or agrees to be bound by the Subscription and Shareholders' Agreement as a Manager;

a **"Member of the same Group"** means as regards any company, a company which is from time to time a Parent Undertaking or a Subsidiary Undertaking of that company or a Subsidiary Undertaking of any such Parent Undertaking;

"New Securities" means any shares or other securities convertible into, or carrying the right to subscribe for, those shares issued by the Company after the Date of Adoption (other than shares or securities issued as a result of the events set out in Article 9.6);

"Offer" has the meaning set out in Article 15.2;

"Offer Period" has the meaning set out in Article 15.3;

"Permitted Transfer" means a transfer of Shares in accordance with Article 11;

"Permitted Transferee" means, in relation to the A Shareholder:

- (a) any Member of the same Group as the A Shareholder; and
- (b) any Investment Fund;

"Priority Rights" means the rights of Shareholders to purchase Shares contained in a Transfer Notice in the priority stipulated in Article 12.6.1 or 14.4.1 (as the case may be);

"Proceeds of Sale" means the consideration payable (including any deferred and/or contingent consideration) whether in cash or otherwise to those Shareholders selling Shares under a Share Sale less any fees, costs and expenses payable in respect of such Share Sale as approved by an Investor Majority and for the avoidance of doubt, after all sums borrowed or owing to any Investor have been paid by any Group Company in full;

"Proposed Purchaser" means a proposed purchaser who at the relevant time has made an offer on arm's length terms;

"Proposed Sale Date" has the meaning given in Article 15.3;

"Proposed Sale Notice" has the meaning given in Article 15.3;

"Proposed Sale Shares" has the meaning given in Article 15.3;

"Proposed Seller" means any person proposing to transfer any shares in the capital of the Company;

"Proposed Transfer" has the meaning given in Article 15.1;

"Qualifying Person" has the meaning given in section 318(3) of the Act;

"Relevant Interest" has the meaning set out in Article 25.5;

"Restricted Member" has the meaning set out in Article 14.5;

"Restricted Shares" has the meaning set out in Article 14.6;

"Sale Shares" has the meaning set out in Article 12.2.1;

"Seller" has the meaning set out in Article 12.2;

"Shareholder" means any holder of any Shares;

"Shares" means the A Shares and the B Shares from time to time;

"Share Sale" means the sale of (or the grant of a right to acquire or to dispose of) any of the shares in the capital of the Company (in one transaction or as a series of transactions) which will result in the purchaser of those shares (or grantee of that right) and persons Acting in Concert with him together acquiring a Controlling Interest in the Company, except where following completion of the sale the shareholders and the proportion of shares held by each of them are the same as the shareholders and their shareholdings in the Company immediately prior to the sale;

"Subscription and Shareholders' Agreement" means the subscription and shareholders' agreement dated on or around the Date of Adoption between, amongst others, the Company, the Managers and the Investor (as amended, supplemented and/or adhered to from time to time);

"Subsidiary", "Subsidiary Undertaking" and "Parent Undertaking" have the respective meanings set out in sections 1159 and 1162 of the Act;

"Transfer Notice" shall have the meaning given in Article 12.2;

"Transfer Price" shall have the meaning given in Article 12.2; and

3 Share capital

- 3.1 In these Articles, unless the context requires otherwise, references to shares of a particular class shall include shares allotted and/or issued from time to time and ranking pari passu in all respects (or in all respects except only as to the date from which those shares rank for dividend) with the shares of the relevant class then in issue.

- 3.2 Except as otherwise provided in these Articles the A Shares and the B Shares shall rank *pari passu* in all respects but shall constitute separate classes of shares.
- 3.3 The words 'and the directors may determine the terms, conditions and manner of redemption of any such shares' shall be deleted from article 22(2) of the Model Articles.
- 3.4 Paragraph (c) of article 24(2) of the Model Articles shall be amended by the replacement of the words 'that the shares are fully paid; and' with the words 'the amount paid up on them; and'.
- 3.5 In article 25(2) of the Model Articles, the words 'payment of a reasonable fee as the directors decide' in paragraph (c) shall be deleted and replaced by the words 'payment of the expenses reasonably incurred by the Company in investigating evidence as the directors may determine'.
- 3.6 Subject to the Act and with Investor Majority Consent, the Company may purchase its own Shares in accordance with the Act, including (without limitation) to the extent permitted by section 692 (1ZA) of the Act. The Company shall immediately cancel any Shares acquired pursuant to this Article 3.6.

4 Dividends

- 4.1 In respect of any Financial Year, the Company's Available Profits will be applied as set out in this Article 4.
- 4.2 The Company will not distribute any Available Profits in respect of any Financial Year without Investor Majority Consent and other than in accordance with these Articles and the Subscription and Shareholders' Agreement.
- 4.3 Subject to any other provisions of these Articles or the Subscription and Shareholders' Agreement, every dividend shall be distributed *pro rata* to the number of Shares held as if they constituted one and the same class.
- 4.4 All dividends shall accrue on a daily basis assuming a 365 day year. All dividends are expressed net and paid cash.
- 4.5 Subject to the Act and these Articles, the Board may, provided Investor Majority Consent is given, pay interim dividends if justified by the Available Profits in respect of the relevant period.
- 4.6 If there are nil paid or partly paid share(s), any holder of such share(s) shall only be entitled, in case of any dividend, to be paid an amount equal to the amount of the dividend multiplied by the percentage of the amount that is paid up (if any) on such share(s) during any portion or portions of the period in respect of which a dividend is paid.
- 4.7 A capitalised sum which was appropriated from profits available for distribution may be applied in or towards paying up any sums unpaid on existing Shares held by the persons entitled to such capitalised sum.
- 4.8 If:
- 4.8.1 a Share is subject to the Company's Lien; and

4.8.2 the Directors are entitled to issue a Lien Enforcement Notice in respect of it,

they may, instead of issuing a Lien Enforcement Notice, deduct from any dividend or other sum payable in respect of the Share any sum of money which is payable to the Company in respect of that Share to the extent that they are entitled to require payment under a Lien Enforcement Notice. Money so deducted shall be used to pay any of the sums payable in respect of that Share. The Company shall notify the distribution recipient in writing of:

- (i) the fact and sum of any such deduction;
- (ii) any non-payment of a dividend or other sum payable in respect of a Share resulting from any such deduction; and
- (iii) how the money deducted has been applied.

5 Liquidation preference

5.1 On a distribution of assets on a liquidation or return of capital (other than a conversion, redemption or purchase of shares) the surplus assets of the Company remaining after payment of its liabilities (including but not limited to all amounts owed to the Investor in any form) (the "**Capital Proceeds**") (if any) shall be applied (to the extent that the Company is lawfully permitted to do so) in the following order of priority:

- 5.1.1 first, in paying an amount of Capital Proceeds up to and including the Investor Hurdle to the A Shareholders (pro rata to the number of A Shares held);
- 5.1.2 secondly, in paying an amount of Capital Proceeds up to and including the Manager Hurdle to the B Shareholders (pro rata to the number of B Shares held);
- 5.1.3 thirdly, after payment of all payments referred to in Articles 5.1.1 and 5.1.2 above, in paying any surplus Capital Proceeds to the A Shareholders and the B Shareholders (other than any Bad Leaver) in the proportions set out in Article 6.1.3.

6 Exit provisions

6.1 On a Share Sale the Proceeds of Sale shall be applied (to the extent that the Company is lawfully permitted to do so) in the following order of priority:

- 6.1.1 first, in paying an amount of Proceeds of Sale up to and including the Investor Hurdle to the sellers of the A Shares the subject of the Share Sale (pro rata to the number of A Shares being sold);
- 6.1.2 secondly, in paying an amount of Proceeds of Sale up to and including the Manager Hurdle to the sellers of the B Shares the subject of the Share Sale (pro rata to the number of B Shares being sold); and
- 6.1.3 thirdly, after payment of all payments referred to in Article 6.1.1 and 6.1.2 above, in paying any surplus Proceeds of Sale 85% to the A Shareholders (plus any Proceeds of Sale that a Bad Leaver would otherwise have received) and 15% to the B Shareholders (excluding any Bad Leaver and

minus any Proceeds of Sale that any such Bad Leaver would otherwise have received).

- 6.2 For the avoidance of doubt, all sums owed to any Investor from time to time by any Group Company shall be repaid in full prior to any Share Sale taking place.
- 6.3 The Directors shall not register any transfer of Shares on a Share Sale if the Proceeds of Sale are not distributed as set out in Article 6.1 save in respect of any Shares not sold in connection with that Share Sale provided that if the Proceeds of Sale are not settled in their entirety upon completion of the Share Sale:
- 6.3.1 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 as set out in Article 6.1; and
- 6.3.2 the Shareholders shall take any action required by the Investor (acting by Investor Majority) to ensure that the Proceeds of Sale in their entirety are distributed as set out in Article 6.1.

In the event that the Proceeds of Sale are distributed on more than one occasion (for any deferred or contingent consideration or otherwise), the consideration so distributed on any further occasion shall be paid by continuing the distribution from the previous distribution of consideration in the order of priority set out in Article 6.

- 6.4 On an Asset Sale the surplus assets of the Company remaining after payment of its liabilities (including but not limited to all amounts owed to the Investor in any form) shall not be distributed unless Investor Majority Consent to such distribution is given. If Investor Majority Consent to a distribution (in part or in whole) is given (and then only to the extent that the Company is lawfully permitted to do so), such distribution shall be distributed as set out in Article 5.1 provided always that if it is not lawful for the Company to distribute its surplus assets in accordance with the provisions of these Articles, the Shareholders shall take any action required by the Investor (acting by Investor Majority) (including, but without prejudice to the generality of this Article 6.4, such actions as the Board may consider appropriate, with Investor Majority Consent, to make changes to these Articles and/or to put the Company into voluntary liquidation), so that the proceeds of such Asset Sale shall be applied in accordance with Article 5.1.
- 6.5 In the event of an Exit approved by the Board and an Investor Majority in accordance with the terms of these Articles (the "**Proposed Exit**"), all Shareholders shall consent to, vote for, raise no objections to and waive any applicable rights in connection with the Proposed Exit ("**Actions**"). The Shareholders shall be required to take all Actions with respect to the Proposed Exit as are required by the Board (with Investor Director Consent) to facilitate the Proposed Exit. If any Shareholder fails to comply with the provisions of this Article, the Company shall be constituted the agent of each defaulting Shareholder for taking such actions as are necessary to effect the Proposed Exit and the Directors may authorise any officer or member to execute and deliver on behalf of such defaulting Shareholder the necessary documents and the Company may receive any purchase money due to the defaulting Shareholder in trust for each of the defaulting Shareholders.

7 Voting rights

- 7.1 The A Shares shall confer on each holder of A Shares the right to receive notice of and to attend, speak and vote at all general meetings of the Company and to receive and vote on proposed written resolutions of the Company.
- 7.2 Subject to the provisions of Article 14.6, the B Shares shall confer on each holder of B Shares the right to receive notice of and to attend, speak and vote at all general meetings of the Company and to receive and vote on proposed written resolutions of the Company.
- 7.3 Where Shares confer a right to vote, on a show of hands each holder of such Shares who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or by proxy shall have one vote and on a poll each such holder so present shall have one vote for each such Share held by him.
- 7.4 No voting rights attached to a share which is nil paid or partly paid may be exercised:
- 7.4.1 at any general meeting or separate meeting of the holders of such class of shares, at any adjournment of any such meeting or at any poll called at or in relation to any such meeting; or
- 7.4.2 on any proposed written resolution or written consent of the holders of such class of shares,

unless all of the amounts payable to the Company in respect of that share have been paid.

8 Variation of rights

- 8.1 Whenever the share capital of the Company is divided into different classes of shares, the special rights attached to any such class may only be varied or abrogated (either whilst the Company is a going concern or during or in contemplation of a winding up) with the consent in writing of the holders of more than 75% in nominal value of the issued shares of that class save that the special rights attaching to the A Shares may only be varied or abrogated with Investor Majority Consent.
- 8.2 Without prejudice to the generality of Article 8.1 the special rights attaching to the A Shares shall be deemed to be varied by the occurrence of the following events:
- 8.2.1 the amendment or repeal of any provisions of, or addition of any provision to, the Articles;
- 8.2.2 the alteration of the issued share capital of the Company or creation of any securities other than as referred to in Article 9.6;
- 8.2.3 the reduction of the amount standing to the credit of the share premium account or capital redemption reserve other than as expressly provided for in these Articles;
- 8.2.4 the approval of any merger, liquidation, dissolution or acquisition of the Company or sale of all or a substantial part of the business, undertaking or assets of the Company;
- 8.2.5 the purchase by the Company of any Shares;

- 8.2.6 the acquisition by the Company of any shares or other securities;
- 8.2.7 the making of any bonus issue of shares or debenture stock;
- 8.2.8 the entering into of a voluntary winding up;
- 8.2.9 the transferring of any profits to reserves or otherwise (save in the ordinary course of business) and the taking of any action (excluding payments of dividends) which will raise or may reduce the amount of the profits of the Company available for distribution;
- 8.2.10 any Group Company doing any of the events described in Articles 8.2.1 to 8.2.9 above; or
- 8.2.11 any Group Company incurring any legally binding obligation to do any of the events described in Articles 8.2.1 to 8.2.9 above.

9 Allotment of new shares or other securities – pre-emption

- 9.1 In accordance with sections 567(1) and/or 570 of the Act, sections 561(1) and 562(1) to (5) (inclusive) of the Act do not apply to an allotment of equity securities made by the Company.
- 9.2 Subject to Article 9.6, if the Company proposes to allot any New Securities those New Securities shall not be allotted to any person without Investor Majority Consent and unless the Company has offered them to all Shareholders (other than a Restricted Member) on a pari passu and pro rata basis to the number of Shares held (as nearly as may be without involving fractions), in each case on the same terms and at the same price as those New Securities are being offered to other persons.
- 9.3 The offers made to Shareholders pursuant to Article 9.2:
 - 9.3.1 shall be in writing, be open for acceptance from the date of the offer to the date 10 Business Days after the date of the offer (inclusive) and give details of the number and subscription price of the New Securities; and
 - 9.3.2 may stipulate that any Shareholder who wishes to subscribe for a number of New Securities in excess of the proportion to which each is entitled shall in their acceptance state the number of excess New Securities ("**Excess Securities**") for which they wish to subscribe.
- 9.4 Any New Securities not accepted by the Shareholders pursuant to the offer made to them in accordance with Article 9.2 shall be used for satisfying any requests for Excess Securities made pursuant to Article 9.3 and in the event that there are insufficient Excess Securities to satisfy such requests, the Excess Securities shall be allotted to the applicants on a pro rata basis to the number of A Shares or B Shares (as applicable) held by the applicants immediately prior to the offers made to the relevant Shareholders in accordance with Article 9.2 (as nearly as may be without involving fractions or increasing the number of New Securities allotted to any Shareholder beyond that applied for by him).
- 9.5 Subject to Articles 9.2, 9.3 and 9.4 and to the provisions of section 551 of the Act, any New Securities shall be at the disposal of the Board who may allot, grant options over or otherwise dispose of them to any persons at those times and generally on the terms

and conditions they think proper, provided that the allotment or grant to that person must be approved in writing by an Investor Majority.

9.6 The provisions of Articles 9.2 and 9.5 shall not apply to:

9.6.1 New Securities issued or granted in order for the Company to comply with its obligations under these Articles;

9.6.2 New Securities issued in consideration of the acquisition by the Company of any company or business which has been approved in writing by an Investor Majority;

9.6.3 New Securities issued as a result of a bonus issue of shares which has been approved in writing by an Investor Majority issued pro rata to all holders of Shares;

9.6.4 New Securities issued to as a result of any Group Company requiring urgent funds to enable it to continue to trade (in the reasonable opinion of the Investor Majority); and

9.6.5 Shares issued in accordance with the terms of the Subscription and Shareholders' Agreement.

9.7 Any New Securities offered under this Article 9 to an Investor may be accepted in full or part by any Investment Fund in accordance with the terms of this Article 9.

9.8 No Shares shall be allotted to any Employee, Director, prospective Employee or prospective director of any Group Company unless such person has entered into a joint section 431 ITEPA election with the relevant Group Company.

9.9 Any Shares allotted pursuant to Articles 9.2, 9.3 and 9.4 to any holder of A Shares or B Shares shall upon such allotment become A Shares or B Shares respectively (as the case may be) to rank pari passu with the existing A Shares or B Shares.

10 Transfers of Shares – general

10.1 In Articles 10 to 15.8 inclusive, reference to the transfer of a Share includes the transfer or assignment 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.

10.2 No Share may be transferred by a B Shareholder without Investor Majority Consent and unless the transfer (once such Investor Majority Consent is given) is made in accordance with these Articles.

10.3 If a Shareholder transfers or purports to transfer a Share otherwise than in accordance with these Articles he will be deemed immediately to have served a Transfer Notice in respect of all Shares held by him.

10.4 Any transfer of a Share by way of sale which is required to be made under Articles 10 to 15.8 (inclusive) will be deemed to include a warranty that the transferor sells with full title guarantee.

10.5 The Directors may refuse to register a transfer if:

- 10.5.1 it is a transfer of a Share to a bankrupt, a minor or a person of unsound mind;
- 10.5.2 the transfer is to an Employee, Director or prospective Employee or prospective director of any Group Company and such person has not entered into a joint section 431 ITEPA election with the relevant Group Company;
- 10.5.3 it is a transfer of a Share which is not fully paid:
- (i) to a person of whom the Directors do not approve; or
 - (ii) on which Share the Company has a lien;
- 10.5.4 the transfer is not lodged at the registered office or at such other place as the Directors may appoint;
- 10.5.5 the transfer is not accompanied by the certificate for the Shares to which it relates (or an indemnity in a form reasonably satisfactory to the Board in respect of any lost certificate(s)) and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer;
- 10.5.6 the transfer is in respect of more than one class of Shares; or
- 10.5.7 the transfer is in favour of more than four transferees.
- 10.6 If the Directors refuse to register a transfer, the instrument of transfer must be returned to the transferee with the notice of refusal unless they suspect that the proposed transfer may be fraudulent.
- 10.7 The Directors may, as a condition to the registration of any transfer of Shares (whether pursuant to a Permitted Transfer or otherwise), require the transferee to execute and deliver to the Company a deed agreeing to be bound by the terms of the Subscription and Shareholders' Agreement or any other shareholders' agreement or similar document in force between some or all of the Shareholders and the Company in any form as the Directors may reasonably require (but not so as to oblige the transferee to have any obligations or liabilities greater than those of the proposed transferor under any such agreement or other document) and if any condition is imposed in accordance with this Article 10.7 the transfer may not be registered unless that deed has been executed and delivered to the Company's registered office by the transferee.
- 10.8 To enable the Directors to determine whether or not there has been any disposal of shares in the capital of the Company (or any interest in shares in the capital of the Company) in breach of these Articles the Directors may, with Investor Director Consent require any holder or the legal personal representatives of any deceased holder or any person named as transferee in any transfer lodged for registration or any other person who the Investor Directors may reasonably believe to have information relevant to that purpose, to furnish to the Company that information and evidence the Directors may request regarding any matter which they deem relevant to that purpose, including (but not limited to) the names, addresses and interests of all persons respectively having interests in the shares in the capital of the Company from time to time registered in the holder's name. If the information or evidence is not provided within a reasonable time (as determined by the Directors) to enable the Directors to determine to their reasonable satisfaction that no breach has occurred, or where as a result of the

information and evidence the Directors are reasonably satisfied that a breach has occurred, the Directors shall immediately notify the holder of such shares in the capital of the Company in writing of that fact and the following shall occur:

10.8.1 the relevant shares shall cease to confer upon the holder of them (including any proxy appointed by the holder) any rights:

- (i) to vote (whether on a show of hands or on a poll and whether exercisable at a general meeting or on a written resolution of the Company or at any separate meeting or written resolution of the class in question) provided that such rights shall not cease if as a result of such cessation the Company shall become a Subsidiary of an Investor; or
- (ii) to receive dividends or other distributions otherwise attaching to those shares or to any further shares issued in respect of those shares; and

10.8.2 the holder may be required at any time following receipt of the notice to transfer some or all of its Shares to any person(s) at the price that the Directors may require by notice in writing to that holder.

The rights referred to in Article 10.8.1 may be reinstated by the Board (with Investor Director Consent) and shall in any event be reinstated upon the completion of any transfer referred to in Article 10.8.2.

10.9 In any case where the Board requires a Transfer Notice to be given in respect of any Shares, if a Transfer Notice is not duly given within a period of 10 Business Days of demand being made, a Transfer Notice shall be deemed to have been given at the expiration of that period.

10.10 If a Transfer Notice is required to be given or is deemed to have been given under these Articles, the Transfer Notice will be treated as having specified that:

10.10.1 save as set out at Articles 14.1 and 14.2, the Transfer Price for the Sale Shares will be as agreed between the Board (any Director with whom the Seller is connected (within the meaning of section 252 of the Act) not voting) with Investor Director Consent and the Seller, or, failing agreement within five Business Days after the date on which the Board becomes aware that a Transfer Notice has been deemed to have been given, the Transfer Price for the Sale Shares will be the Fair Value of the Sale Shares;

10.10.2 it does not include a Minimum Transfer Condition (as defined in Article 12.2.4); and

10.10.3 save as set out at Article 14.2, the Seller wishes to transfer all of the Shares held by him.

10.11 Shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the Directors, which is executed by or on behalf of:

10.11.1 the transferor; and

10.11.2 (if any of the shares is partly or nil paid) the transferee.

11 Permitted Transfers

- 11.1 An A Shareholder (who is not a Permitted Transferee) (the "**Original Shareholder**") may transfer all or any of his or its Shares to a Permitted Transferee without restriction as to price or otherwise.
- 11.2 Shares previously transferred as permitted by Article 11.1 may be transferred by the transferee to the Original Shareholder or to any other Permitted Transferee of the Original Shareholder without restriction as to price or otherwise.
- 11.3 A transfer of any Shares approved by the Investor Majority may be made without restriction as to price or otherwise and with such conditions as may be imposed by the Investor Majority and each such transfer shall be registered by the Directors.
- 11.4 Any Shares may at any time be transferred where there is a sale of the entire issued share capital of the Company to a Holding Company, which has been approved by a majority of the Board (with Investor Director Consent).

12 Transfers of Shares subject to pre-emption rights

- 12.1 Subject always to Article 10.2 and save where the provisions of Articles 11, 15.6 and 15.8 apply, any transfer of Shares by a Shareholder shall be subject to the pre-emption rights contained in this Article 12.
- 12.2 A Shareholder who wishes to transfer Shares (a "**Seller**") shall, except as otherwise provided in these Articles, before transferring or agreeing to transfer any Shares give notice in writing (a "**Transfer Notice**") to the Company specifying:
 - 12.2.1 the number of Shares which he wishes to transfer (the "**Sale Shares**");
 - 12.2.2 if he wishes to sell the Sale Shares to a third party, the name of the proposed transferee;
 - 12.2.3 the price (in cash) at which he wishes to transfer the Sale Shares; and
 - 12.2.4 whether the Transfer Notice is conditional on all or a specific number of the Sale Shares being sold to Shareholders (a "**Minimum Transfer Condition**").

If no cash price is specified by the Seller, the price at which the Sale Shares are to be transferred (the "**Transfer Price**") must be agreed between the Board (any Director with whom the Seller is connected (within the meaning of section 252 of the Act) not voting), with Investor Director Consent or, if there are no Investor Directors, with Investor Majority Consent and the Seller. If no cash price is agreed within 5 Business Days of the Company receiving the Transfer Notice, the Transfer Price will be deemed to be Fair Value of the Sale Shares.

- 12.3 Except with Investor Director Consent or as set out at Article 13.8, no Transfer Notice once given or deemed to have been given under these Articles may be withdrawn.
- 12.4 A Transfer Notice constitutes the Company the agent of the Seller for the sale of some or all of the Sale Shares at the Transfer Price.
- 12.5 As soon as practicable following the later of:

- 12.5.1 receipt or deemed service of a Transfer Notice;
- 12.5.2 agreement of the Transfer Price (if applicable); and
- 12.5.3 determination of the Transfer Price under Article 13 (if applicable),

the Board shall offer the Sale Shares for sale to the Company and the Shareholders in the manner set out in Article 12.6. Each offer must be in writing and give details of the number and Transfer Price of the Sale Shares offered.

12.6 Transfers - Offer round

- 12.6.1 The Board shall offer the Sale Shares to the Shareholders (other than the Seller and any Restricted Members) as follows:
 - (i) the Sale Shares shall first be offered to the Company (by way of a purchase of own shares) who may only accept such offer with Investor Majority Consent; and
 - (ii) any Sale Shares not accepted by the Company pursuant to Article 12.6.1(i) (if any) shall be offered to the A Shareholders (other than the Seller and any Restricted Members) on a pari passu and pro rata basis to the number of Shares held (as nearly as may be without involving fractions); and
 - (iii) any Sale Shares not accepted by the A Shareholders pursuant to Article 12.6.1(ii) (if any) shall be offered to the B Shareholders (other than the Seller and any Restricted Members) on a pari passu and pro rata basis to the number of Shares held (as nearly as may be without involving fractions); and
 - (iv) any Sale Shares not accepted by the Shareholders pursuant to Article 12.6.1(ii) and 12.6.1(iii) (if any) shall be offered to all those Shareholders who took up their full proportionate entitlement of the offer made pursuant to Articles 12.6.1(ii) and/or 12.6.1(iii) (and in the event of competition such remaining Sale Shares shall be allocated among such Shareholders on a pari passu and pro rata basis to the number of Shares held by them (as nearly as may be without involving fractions)).
- 12.6.2 If the Sale Shares are subject to a Minimum Transfer Condition then any allocation made under Article 12.6.1 will be conditional on the fulfilment of the Minimum Transfer Condition.
- 12.6.3 Any Sale Shares offered under this Article 12 to an Investor may be accepted in full or part by any Investment Fund in accordance with the terms of this Article 12.

12.7 Completion of transfer of Sale Shares

12.7.1 If the Transfer Notice includes a Minimum Transfer Condition and the total number of Shares applied for does not meet the Minimum Transfer Condition, the Board shall notify the Seller and all those to whom Sale Shares have been conditionally allocated under Article 12.6 stating the condition has not been met and that the relevant Transfer Notice has lapsed with immediate effect.

12.7.2 If:

- (i) the Transfer Notice does not include a Minimum Transfer Condition; or
- (ii) the Transfer Notice does include a Minimum Transfer Condition and allocations have been made in respect of all or the minimum required number of the Sale Shares,

the Board shall, when no further offers are required to be made under Article 12.6.1 and once the requirements of Article 15 have been fulfilled to the extent required, give written notice of allocation (an "**Allocation Notice**") to the Seller and each Shareholder to whom Sale Shares have been allocated (an "**Applicant**") specifying the number of Sale Shares allocated to each Applicant and the place and time (being not less than 10 Business Days nor more than 20 Business Days after the date of the Allocation Notice) for completion of the transfer of the Sale Shares.

12.7.3 Upon service of an Allocation Notice, the Seller must, against payment of the Transfer Price to the Company on behalf of the Seller, transfer the Sale Shares in accordance with the requirements specified in it.

12.7.4 If the Seller fails to comply with the provisions of Article 12.7.3:

- (i) the chairman of the Company or, failing him, one of the Directors, or some other person nominated by a resolution of the Board, may on behalf of the Seller:
 - (A) complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Applicants;
 - (B) receive the Transfer Price and give a good discharge for it; and
 - (C) (subject to the transfer being duly stamped) enter the Applicants in the register of Shareholders as the holders of the Shares purchased by them; and
- (ii) the Company shall pay the Transfer Price into a separate bank account in the Company's name on trust (but without interest) or otherwise hold the Transfer Price on trust for the Seller until he has delivered to the Company his certificate or certificates for the relevant Shares (or an indemnity, in a form reasonably satisfactory to the Board, in respect of any lost certificate).

12.7.5 If an Allocation Notice does not relate to all the Sale Shares then, subject to Article 12.7.6, the Seller may, within eight weeks after service of the Allocation Notice, transfer all (but not some only) of the unallocated Sale Shares to any person at a price at least equal to the Transfer Price.

12.7.6 The right of the Seller to transfer Shares under Article 12.7.5 does not apply if:

(i) the Seller is a Good Leaver or a Bad Leaver; or

(ii) the Board is of the opinion on reasonable grounds that:

(A) the transferee is a person (or a nominee for a person) who the Board (with Investor Director Consent) determine in their absolute discretion is a competitor with (or an Associate of a competitor with) the business of the Company or with a Subsidiary Undertaking of the Company;

(B) the sale of the Sale Shares is not bona fide or the price is subject to a deduction, rebate or allowance to the transferee; or

(C) the Seller has failed or refused to promptly provide information available to it or him and reasonably requested by the Board for the purpose of enabling it to form the opinion mentioned above.

12.8 Any Shares transferred pursuant to this Article 12 to any holder of A Shares or B Shares shall upon such transfer become A Shares or B Shares respectively (as the case may be) to rank pari passu with the existing A Shares or B Shares.

12.9 Waiver of provisions

12.9.1 Any of the provisions this Article 12 may be waived in relation to any proposed transfer of Shares with Investor Majority Consent.

13 Valuation of Shares

13.1 If no Transfer Price can be agreed in accordance with the provisions of Articles 10.10 or 12.2, then on the date of failing agreement the Board shall either:

13.1.1 appoint expert valuers in accordance with Article 13.2 (the "**Expert Valuers**") to certify the Fair Value of the Sale Shares; or

13.1.2 (if the Fair Value has been certified by Expert Valuers within the preceding 12 weeks) specify that the Fair Value of the Sale Shares will be calculated by dividing any Fair Value so certified by the number of Sale Shares to which it related and multiplying such Fair Value by the number of Sale Shares the subject of the Transfer Notice.

13.2 The Expert Valuers will be either:

13.2.1 the Auditors; or

- 13.2.2 (if so specified in the relevant Transfer Notice) an independent firm of Chartered Accountants to be agreed between the Board and the Seller or failing agreement not later than the date 10 Business Days after the date of service of the Transfer Notice to be nominated by the then President of the Institute of Chartered Accountants in England and Wales on the application of either party and approved by the Company.
- 13.3 The "**Fair Value**" of the Sale Shares shall be determined by the Expert Valuer on the following assumptions and bases:
- 13.3.1 valuing the Sale Shares as on an arm's length sale between a willing seller and a willing buyer;
- 13.3.2 if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;
- 13.3.3 that the Sale Shares are capable of being transferred without restriction;
- 13.3.4 valuing the Sale Shares as a rateable proportion of the total value of all the issued Shares and with attributing a premium or discount to the percentage of the issued share capital of the Company which they represent; and
- 13.3.5 reflect any other factors which the Expert Valuers reasonably believe should be taken into account.
- 13.4 If any difficulty arises in applying any of these assumptions or bases then the Expert Valuers shall resolve that difficulty in whatever manner they shall in their absolute discretion think fit.
- 13.5 The Expert Valuers shall be requested to determine the Fair Value within 20 Business Days of their appointment and to notify the Board of their determination.
- 13.6 The Expert Valuers shall act as experts and not as arbitrators and their determination shall be final and binding on the parties (in the absence of fraud or manifest error).
- 13.7 The Board will give the Expert Valuers access to all accounting records or other relevant documents of the Company subject to them agreeing to such confidentiality provisions as the Board may reasonably impose.
- 13.8 The Expert Valuers shall deliver their certificate to the Company. As soon as the Company receives the certificate it shall deliver a copy of it to the Seller. Unless the Sale Shares are to be sold under a Transfer Notice which is required to be served or is deemed to have been served under these Articles, the Seller may by notice in writing to the Company, within five Business Days of the service on him of the copy certificate, cancel the Company's authority to sell the Sale Shares.
- 13.9 The cost of obtaining the certificate shall be paid by the Company unless:
- 13.9.1 the Seller cancels the Company's authority to sell; or
- 13.9.2 the sale is pursuant to a Transfer Notice which is required to be served or is deemed to have been served, and the Sale Price certified by the Expert Valuers is less than the price (if any) offered by the Directors to the Seller for the Sale Share before Expert Valuer was instructed,

in which case the Seller shall bear the cost.

14 Compulsory transfer – B Shareholders

- 14.1 If a B Shareholder is a Bad Leaver, he shall have the right to retain his B Shares until the Investor Majority serves a notice on the relevant B Shareholder requesting him to serve a Transfer Notice, at which time, the B Shareholder shall be deemed to have given a Transfer Notice (a **Compulsory Transfer Notice**) in respect of all of his B Shares on that date. If a Compulsory Transfer Notice is deemed to have been served, the Transfer Price shall be the Bad Leaver Price.
- 14.2 If a B Shareholder is a Good Leaver he shall be entitled to retain his B Shares and all economic rights to such B Shares.
- 14.3 A person entitled to a B Share in consequence of the bankruptcy of a B Shareholder shall have the right to retain such B Shares and all economic rights to such B Shares.
- 14.4 For the purposes of this Article:
- 14.4.1 the Priority Rights shall be such that some or all of the relevant B Shares are offered to such of the following persons (other than the relevant B Shareholder) in such order of priority as is determined by the Directors (with Investor Director Consent):
- (i) the A Shareholders;
 - (ii) the Company (subject always to the provisions of the Act);
 - (iii) the B Shareholders; and/or
 - (iv) any other person or persons approved by the Board (other than the relevant B Shareholder if he is a Director) with Investor Director Consent or, if there are no Investor Directors, Investor Majority Consent.
- 14.5 All voting rights attached to all of the relevant Good Leaver or Bad Leaver's B Shares, if any, shall at the time he becomes a Good Leaver or Bad Leaver (or on a B Shareholder's bankruptcy) be suspended (unless the Board and the Investor Majority notify the holders of such B Shares otherwise). Any individual who has voting rights attaching to B Shares held by them suspended pursuant to this Article 14.5 shall be a **"Restricted Member"**.
- 14.6 Any B Shares whose voting rights are suspended pursuant to Article 14.5 (**"Restricted Shares"**) shall not confer on the holders of Restricted Shares the right to receive a notice of, attend, vote either in person or by proxy at any general meetings or to vote on any proposed written resolution or written consent of a class of shareholders. Voting rights suspended pursuant to Article 14.5 shall be automatically restored immediately prior to an IPO. A Restricted Member shall not be entitled to transfer any Restricted Shares without Investor Majority Consent. If a Restricted Member transfers any Restricted Shares in accordance with these Articles (and with Investor Majority Consent) all voting rights attached to the Restricted Shares so transferred shall upon completion of the transfer (as evidenced by the transferee's name being entered in the Company's register of members) automatically be restored.

15 Tag along

- 15.1 Except in the case of Permitted Transfers and transfers pursuant to Article 14, after going through the pre-emption procedure in Article 12, the provisions of Article 15.2 will apply if one or more Proposed Sellers propose to transfer in one or a series of related transactions any Shares (the "**Proposed Transfer**") which would, if put into effect, result in any Proposed Purchaser (or persons Acting in Concert with him) acquiring a Controlling Interest in the Company.
- 15.2 A Proposed Seller must, before making a Proposed Transfer, procure the making by the Proposed Purchaser of an offer (the "**Offer**") to the other Shareholders to acquire all of the Shares for:
- 15.2.1 in respect of the other Shareholders (other than any Bad Leaver) a consideration per share the value of which is at least equal to the Specified Price (as defined in Article 15.7); or
 - 15.2.2 in respect of a Bad Leaver, the lower of (a) the Bad Leaver Price and (b) a consideration per share the value of which is at least equal to the Specified Price (as defined in Article 15.7).
- 15.3 The Offer must be given by written notice (a "**Proposed Sale Notice**") at least 10 Business Days (the "**Offer Period**") prior to the proposed sale date ("**Proposed Sale Date**"). The Proposed Sale Notice must set out, to the extent not described in any accompanying documents, the identity of the Proposed Purchaser, the purchase price and other terms and conditions of payment, the Proposed Sale Date and the number of Shares proposed to be purchased by the Proposed Purchaser (the "**Proposed Sale Shares**").
- 15.4 If any other holder of Shares is not given the rights accorded him by this Article, the Proposed Sellers will not be entitled to complete their sale and the Company will not register any transfer intended to carry that sale into effect.
- 15.5 If the Offer is accepted by any Shareholder (an "**Accepting Shareholder**") within the Offer Period, the completion of the Proposed Transfer will be conditional upon the completion of the purchase of all the Shares held by Accepting Shareholders.
- 15.6 The Proposed Transfer is subject to the pre-emption provisions of Article 12 but the purchase of the Accepting Shareholders' shares shall not be subject to Article 12.
- 15.7 For the purpose of this Article:
- 15.7.1 the expression "**Transfer**" and "**Purchaser**" shall include the renunciation of a renounceable letter of allotment and the renouncee under any such letter of allotment respectively;
 - 15.7.2 the expression "**Specified Price**" shall mean in respect of each Share a sum in cash equal to the highest price per Share offered or paid by the Proposed Purchaser:
 - (i) in the Proposed Transfer; or
 - (ii) in any related or previous transaction by the Proposed Purchaser or any person Acting in Concert with the Proposed Purchaser in the 12 months preceding the date of the Proposed Transfer,

plus an amount equal to the Relevant Sum, as defined in Article 15.7.3, of any other consideration (in cash or otherwise) paid or payable by the Proposed Purchaser or any other person Acting in Concert with the Proposed Purchaser, which having regard to the substance of the transaction as a whole can reasonably be regarded as an addition to the price paid or payable for the Shares (the "**Supplemental Consideration**"), provided that the total consideration paid by the Proposed Purchaser in respect of the Proposed Transfer is distributed to the Proposed Seller and the Accepting Shareholders in accordance with the provisions of Article 6; and

15.7.3 Relevant Sum = $C \div A$

where:

A = number of Shares being sold in connection with the relevant Proposed Transfer; and

C = the Supplemental Consideration.

15.8 Any distribution of sale proceeds pursuant to a transfer of Shares in accordance with this Article 15 shall be distributed as set out in Article 6.

16 **Drag along**

16.1 If the holders of more than 50% of the A Shares in issue (the "**Selling Shareholders**") wish to transfer all their interest in Shares (the "**Sellers' Shares**") to a Proposed Purchaser, the Selling Shareholders shall have the option (the "**Drag Along Option**") to require all the other holders of Shares (the "**Called Shareholders**") to sell and transfer all their Shares to the Proposed Purchaser or as the Proposed Purchaser shall direct in accordance with the provisions of this Article.

16.2 The Selling Shareholders may exercise the Drag Along Option by giving a written notice to that effect (a "**Drag Along Notice**") to the Company which the Company shall forthwith copy to the Called Shareholders at any time before the transfer of the Sellers' Shares to the Proposed Purchaser. A Drag Along Notice shall specify that:

16.2.1 the Called Shareholders are required to transfer all their Shares (the "**Called Shares**") under this Article;

16.2.2 the person to whom they are to be transferred

16.2.3 the consideration (whether in cash or otherwise) for which the Called Shares are to be transferred (calculated in accordance with this Article);

16.2.4 the proposed date of transfer; and

16.2.5 the form of any sale agreement or form of acceptance or any other document of similar effect that the Called Shareholders are required to sign in connection with such sale (the "**Sale Agreement**"),

(and, in the case of Articles 16.2.2 to 16.2.4 above, whether actually specified or to be determined in accordance with a mechanism described in the Drag Along Notice). No Drag Along Notice or Sale Agreement may require a Called Shareholder to agree to any terms except those specifically provided for in this Article.

- 16.3 Drag Along Notices shall be irrevocable but will lapse if for any reason there is not a sale of the Sellers' Shares by the Selling Shareholders to the Proposed Purchaser within 40 Business Days after the date of service of the Drag Along Notice. The Selling Shareholders shall be entitled to serve further Drag Along Notices following the lapse of any particular Drag Along Notice.
- 16.4 The consideration (in cash or otherwise) for which the Called Shareholders shall be obliged to sell each of the Called Shares shall be that to which they would be entitled if the total consideration proposed to be paid, allotted or transferred by the Proposed Purchaser were distributed to the holders of the Called Shares and the Sellers' Shares in accordance with the provisions of Article 6.
- 16.5 In respect of a transaction that is the subject of a Drag Along Notice and with respect to any Drag Document, a Called Shareholder shall only be obliged to undertake to transfer his Shares with full title guarantee (and provide an indemnity for lost certificate in a form acceptable to the Board if so necessary) in receipt of the consideration when due.
- 16.6 Within five Business Days of the Company copying the Drag Along Notice to the Called Shareholders, the Called Shareholders shall deliver to the Company:
- 16.6.1 duly executed stock transfer form(s) for their Shares in favour of the Proposed Purchaser or as the Proposed Purchaser shall direct;
 - 16.6.2 the relevant share certificate(s) (or a suitable indemnity in a form acceptable to the Board in lieu thereof); and
 - 16.6.3 the duly executed Sale Agreement, if applicable, in the form specified in the Drag Along Notice or as otherwise specified by the Company,
- (together the "**Drag Documents**"). On the expiration of that five Business Day period the Company shall pay or transfer to each of the Called Shareholders, on behalf of the Proposed Purchaser, the consideration they are due pursuant to Article 16.4 to the extent the Proposed Purchaser has paid, allotted or transferred such consideration to the Company. The Company's receipt of the consideration due pursuant to Article 16.4 shall be a good discharge to the Proposed Purchaser. Following the Company's receipt of such consideration, but pending its payment or transfer to the Called Shareholder, the Company shall hold the consideration due to the Called Shareholders pursuant to Article 16.4 on trust for the Called Shareholders without any obligation to pay interest.
- 16.7 To the extent that the Proposed Purchaser has not, on the expiration of such five Business Day period, paid, allotted or transferred to the Company the consideration due pursuant to Article 16.4, the Called Shareholders shall be entitled to the return of the Drag Documents for the relevant Shares and the Called Shareholders shall have no further rights or obligations under this Article 15.8 in respect of their Shares.
- 16.8 If a Called Shareholder fails to deliver the Drag Documents for its Shares to the Company upon the expiration of that five Business Day period, the Company and each Director shall be constituted the agent of such defaulting Called Shareholder to take such actions and enter into any Drag Document or such other agreements or documents as are necessary to effect the transfer of the Called Shareholder's Shares pursuant to this Article 15.8 and the Directors shall, if requested by the Proposed Purchaser, authorise any Director to transfer the Called Shareholder's Shares on the Called Shareholder's behalf to the Proposed Purchaser (or its nominee(s)) to the

extent the Proposed Purchaser has, at the expiration of that five Business Day period, paid, allotted or transferred to the Company the consideration due pursuant to Article 16.4 for the Called Shareholder's Shares offered to him. The Board shall then authorise registration of the transfer once appropriate stamp duty (if any is required) has been paid. The defaulting Called Shareholder shall surrender his share certificate for his Shares (or provide a suitable indemnity) to the Company. On surrender, he shall be entitled to the consideration due to him pursuant to Article 16.4.

- 16.9 Any transfer of Shares to a Proposed Purchaser (or as they may direct) pursuant to a sale in respect of which a Drag Along Notice has been duly served shall not be subject to the provisions of Article 12.
- 16.10 On any person, following the issue of a Drag Along Notice, becoming a Shareholder pursuant to the exercise of a pre-existing option or warrant to acquire shares in the Company or pursuant to the conversion of any convertible security of the Company (a "**New Shareholder**"), a Drag Along Notice shall be deemed to have been served on the New Shareholder on the same terms as the previous Drag Along Notice who shall then be bound to sell and transfer all Shares so acquired to the Proposed Purchaser or as the Proposed Purchaser may direct and the provisions of this Article shall apply with the necessary changes to the New Shareholder except that completion of the sale of the Shares shall take place immediately on the Drag Along Notice being deemed served on the New Shareholder.
- 16.11 Any distribution of sale proceeds pursuant to a transfer of Shares in accordance with Article 16.1 to 16.10 shall be distributed as set out in Article 6.

Asset Sale

- 16.12 In the event that an Asset Sale is approved by the Board and the holders of at least 50% of the A Shares in issue, such consenting Shareholders shall have the right, by notice in writing to all other Shareholders, to require such Shareholders to take any and all such actions as it may be necessary for Shareholders to take in order to give effect to or otherwise implement such Asset Sale, subject always to the proceeds from such Asset Sale being distributed to Shareholders in accordance with the provisions of Article 6.4.

17 General meetings

- 17.1 If the Directors are required by the Shareholders under section 303 of the Act to call a general meeting, the Directors shall convene the meeting for a date not later than 28 days after the date on which the Directors became subject to the requirement under section 303 of the Act.
- 17.2 The provisions of section 318 of the Act shall apply to the Company, save that:
- 17.2.1 for the purposes of section 318(2) of the Act, one such Qualifying Person must be a representative of the Investor; and
- 17.2.2 if a quorum is not present at any meeting adjourned for the reason referred to in article 41 of the Model Articles, then, provided that the Qualifying Person present holds or represents the holder of at least 50% in nominal value of the Shares, any resolution agreed to by such Qualifying Person shall be as valid and effectual as if it had been passed unanimously at a general meeting of the Company duly convened and held.

- 17.3 If any two or more Shareholders (or Qualifying Persons representing two or more Shareholders) attend the meeting in different locations, the meeting shall be treated as being held at the location specified in the notice of the meeting, save that if no one is present at that location so specified, the meeting shall be deemed to take place where the largest number of Qualifying Persons is assembled or, if no such group can be identified, at the location of the chairman.
- 17.4 If a demand for a poll is withdrawn under article 44(3) of the Model Articles, the demand shall not be taken to have invalidated the result of a show of hands declared before the demand was made and the meeting shall continue as if the demand had not been made.
- 17.5 Polls must be taken in such manner as the chairman directs. A poll demanded on the election of a chairman or on a question of adjournment must be held immediately. A poll demanded on any other question must be held either immediately or at such time and place as the chairman directs not being more than 14 days after the poll is demanded. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded.
- 17.6 No notice need be given of a poll not held immediately if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken.
- 17.7 If the poll is to be held more than 48 hours after it was demanded the Shareholders shall be entitled to deliver Proxy Notices in respect of the poll at any time up to 24 hours before the time appointed for taking that poll. In calculating that period, no account shall be taken of any part of a day that is not a working day.

18 Proxies

- 18.1 Paragraph (c) of article 45(1) of the Model Articles shall be deleted and replaced by the words: 'is signed by or on behalf of the shareholder appointing the proxy and accompanied by any authority under which it is signed (or a certified copy of such authority or a copy of such authority in some other way approved by the Directors)'.
- 18.2 The instrument appointing a proxy and any authority under which it is signed or a certified copy of such authority or a copy in some other way approved by the Directors may:
- 18.2.1 be sent or supplied in hard copy form, or (subject to any conditions and limitations which the Board may specify) in electronic form, to the registered office of the Company or to such other address (including electronic address) as may be specified for this purpose in the notice convening the meeting or in any instrument of proxy or any invitation to appoint a proxy sent or supplied by the Company in relation to the meeting at any time before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote;
 - 18.2.2 be delivered at the meeting or adjourned meeting at which the person named in the instrument proposes to vote to the chairman or to the company secretary or to any Director; or

- 18.2.3 in the case of a poll, be delivered at the meeting at which the poll was demanded to the chairman or to the company secretary or to any Director, or at the time and place at which the poll is held to the Chairman or to the company secretary or to any Director or scrutineer,

and an instrument of proxy which is not deposited or delivered in a manner so permitted shall be invalid.

19 Directors' borrowing powers

- 19.1 The Directors may (with Investor Director Consent) exercise all the powers of the Company to borrow or raise money and to mortgage or charge its undertaking, property and uncalled capital and to issue debentures, debenture stock and other securities as security for any debt, liability of obligation of the Company or of any third party.

20 Alternate Directors

- 20.1 Notwithstanding any provision of these Articles to the contrary, any person appointed as a Director (the "**Appointor**") may appoint any Director or any other person as he thinks fit and as approved with Investor Director Consent to be his alternate Director to:

20.1.1 exercise that Director's powers; and

20.1.2 carry out that Director's responsibilities in relation to the taking of decisions by the Directors in the absence of the alternate's Appointor.

- 20.2 Any appointment or removal of an alternate must be effected by notice in writing to the Company signed by the Appointor, or in any other manner approved by the Directors.

- 20.3 The notice must:

20.3.1 identify the proposed alternate; and

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

- 20.4 An alternate Director may act as an alternate to more than one Director and has the same rights, in relation to any Directors' meeting (including as to notice) or Directors' written resolution, as the alternate's Appointor.

- 20.5 Except as these Articles specify otherwise, alternate Directors:

20.5.1 are deemed for all purposes to be Directors;

20.5.2 are liable for their own acts and omissions;

20.5.3 are subject to the same restrictions as their Appointors; and

20.5.4 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 and of all meetings of committees of Directors of which his Appointor is a member.

- 20.6 A person who is an alternate Director but not a Director:
- 20.6.1 may be counted as participating for the purposes of determining whether a quorum is participating (but only if that person's Appointor is not participating); and
 - 20.6.2 may sign a Directors' written resolution (but only if his Appointor is an Eligible Director in relation to that decision, but does not participate), and
- no alternate may be counted as more than one Director for such purposes.
- 20.7 A Director who is also an alternate Director is entitled, in the absence of his Appointor, to a separate vote on behalf of each Appointor, in addition to his own vote on any decision of the Directors (provided that his Appointor is an Eligible Director in relation to that decision).
- 20.8 An alternate Director is not entitled to receive any remuneration from the Company for serving as an alternate Director, except such part of the alternate's Appointor's remuneration as the Appointor may direct by notice in writing made to the Company.
- 20.9 An alternate Director's appointment as an alternate shall terminate:
- 20.9.1 when the alternate's Appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;
 - 20.9.2 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;
 - 20.9.3 on the death of the alternate's Appointor; or
 - 20.9.4 when the alternate's Appointor's appointment as a Director terminates.

21 Number of Directors

- 21.1 Unless and until the Board shall otherwise determine (with Investor Director Consent), the number of Directors shall be not less than two and shall not be subject to any maximum.

22 Appointment of Directors

- 22.1 In addition to the powers of appointment under article 17(1) of the Model Articles:
- 22.1.1 for so long as the A Shareholders and their respective Permitted Transferees collectively hold any shares in the capital of the Company, they shall have the right (acting jointly) to appoint and maintain in office three such persons as they may from time to time nominate as a Director by notice in writing addressed to the Company; and
 - 22.1.2 for so long as the A Shareholders and their respective Permitted Transferees collectively hold any shares in the capital of the Company, they shall have the right (acting jointly) to appoint and maintain in office one such person as they may from time to time nominate to be an independent non-executive Director by notice in writing addressed to the Company; and

- 22.1.3 for so long as each B Shareholders hold any B Shares (and as long as they are not a Restricted Member), they shall have the right to appoint and maintain in office themselves as a Director by notice in writing addressed to the Company (provided that there shall never be more than three Directors appointed by the B Shareholders at any one time).
- 22.2 The A Shareholder shall be entitled to remove their nominated Investor Director(s) or Independent Director so appointed at any time by notice in writing to the Company served at its registered office and appoint another person to act in their place.
- 22.3 An appointment or removal of a Director under Article 22.1 will take effect at and from the time when the notice is received at the registered office of the Company or produced to a meeting of the Directors.
- 22.4 Each Investor Director, Independent Director and Manager Director shall be entitled at his request to be appointed to any committee of the Board established from time to time and to the board of directors of any Subsidiary Undertaking.
- 22.5 For as long as the A Shareholders and their respective Permitted Transferees collectively hold any shares in the capital of the Company, they shall be entitled (acting jointly) to appoint one person to act as an observer to the Board.
- 22.6 Any observers appointed pursuant to Articles 22.5 shall be entitled to attend and speak at all meetings of the Board and receive copies of all board papers as if he were a Director but shall not be entitled to vote on any resolutions proposed at a board meeting.
- 22.7 An appointment or removal of an observer under Article 22.5 will take effect at and from the time when the notice is received at the registered office of the Company or produced to a meeting of the Directors. Such observer shall be entitled at his request to be an observer to any committee of the Board established from time to time and to the board of directors of any Subsidiary Undertaking.

23 Disqualification of Directors

- 23.1 In addition to that provided in article 18 of the Model Articles, the office of a Director shall also be vacated if:
- 23.1.1 he is convicted of a criminal offence (other than a minor motoring offence) and the Directors resolve that his office be vacated; or
- 23.1.2 in the case of Directors other than an Investor Director, if a majority of his co-Directors (including Investor Director Consent) serve notice on him in writing, removing him from office.

24 Proceedings of Directors

- 24.1 The quorum for Directors' meetings shall be two Directors who must include at least one Investor Director (if appointed) and if an Eligible Director for the purposes of such meeting (save that where a Relevant Interest of an Investor Director is being authorised by other Directors in accordance with section 175(5)(a) of the Act, such Investor Director and any other interested Director shall not be included in the quorum requirement for the purpose of such authorisation but shall otherwise be included for the purpose of forming the quorum at such meeting). If such a quorum is not present within half an hour from the time appointed for the meeting, or if during a meeting such

quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week at the same time and place or at such time and place as determined by all of the Directors present at such meeting.

- 24.2 If all the Directors participating in a meeting of the Directors are not physically in the same place, the meeting shall be deemed to take place where the largest group of participators in number is assembled. In the absence of a majority the location of the chairman shall be deemed to be the place of the meeting.
- 24.3 Notice of a Directors' meeting need not be given to Directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the Company at any time before or after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.
- 24.4 Provided (if these Articles so require) that he has declared to the Directors, in accordance with the provisions of these Articles, the nature and extent of his interest (and subject to any restrictions on voting or counting in a quorum imposed by the Directors in authorising a Relevant Interest), a Director may vote at a meeting of the Directors or of a committee of the Directors on any resolution concerning a matter in which he has an interest, whether a direct or an indirect interest, or in relation to which he has a duty and shall also be counted in reckoning whether a quorum is present at such a meeting.
- 24.5 Questions arising at any meeting of the Directors shall be decided by a majority of votes except that the Investor Directors present at the meeting shall always be deemed to have a majority of votes to enable them pass any decision in their favour.
- 24.6 A decision of the Directors 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 (including confirmation given by electronic means). Reference in article 7(1) of the Model Articles to article 8 of the Model Articles shall be deemed to include a reference to this Article also.

25 Directors' interests

Specific interests of a Director:

- 25.1 Subject to the provisions of the Act and provided (if these Articles so require) that he has declared to the Directors in accordance with the provisions of these Articles, the nature and extent of his interest, a Director may (save as to the extent not permitted by law from time to time), notwithstanding his office, have an interest of the following kind:
- 25.1.1 where a Director (or a person connected with him) is party to or in any way directly or indirectly interested in, or has any duty in respect of, any existing or proposed contract, arrangement or transaction with the Company or any other undertaking in which the Company is in any way interested;
- 25.1.2 where a Director (or a person connected with him) is a director, employee or other officer of, or a party to any contract, arrangement or transaction with, or in any way interested in, any body corporate promoted by the Company or in which the Company is in any way interested;

- 25.1.3 where a Director (or a person connected with him) is a shareholder in the Company or a shareholder in, employee, director, member or other officer of, or consultant to, a Parent Undertaking of, or a Subsidiary Undertaking of a Parent Undertaking of, the Company;
- 25.1.4 where a Director (or a person connected with him) holds and is remunerated in respect of any office or place of profit (other than the office of auditor) in respect of the Company or body corporate in which the Company is in any way interested;
- 25.1.5 where a Director is given a guarantee, or is to be given a guarantee, in respect of an obligation incurred by or on behalf of the Company or any body corporate in which the Company is in any way interested;
- 25.1.6 where a Director (or a person connected with him or of which he is a member or employee) acts (or any body corporate promoted by the Company or in which the Company is in any way interested of which he is a director, employee or other officer may act) in a professional capacity for the Company or any body corporate promoted by the Company or in which the Company is in any way interested (other than as auditor) whether or not he or it is remunerated for this;
- 25.1.7 an interest which cannot reasonably be regarded as likely to give rise to a conflict of interest; or
- 25.1.8 any other interest authorised by ordinary resolution.

Interests of an Investor Director:

25.2 In addition to the provisions of Article 25.1, subject to the provisions of the Act and provided (if these Articles so require) that he has declared to the Directors in accordance with the provisions of these Articles, the nature and extent of his interest, where a Director is an Investor Director he may (save as to the extent not permitted by law from time to time), notwithstanding his office, have an interest arising from any duty he may owe to, or interest he may have as an employee, director, trustee, member, partner, officer or representative of, or a consultant to, or direct or indirect investor (including without limitation by virtue of a carried interest, remuneration or incentive arrangements or the holding of securities) in:

- 25.2.1 Downing;
- 25.2.2 any Investment Fund; or
- 25.2.3 another body corporate or firm in which Downing or any Investment Fund has directly or indirectly invested, including without limitation any portfolio companies.

Interests of which a Director is not aware:

25.3 For the purposes of this Article 25, an interest of which a Director is not aware and of which it is unreasonable to expect him to be aware shall not be treated as an interest of his.

Accountability of any benefit and validity of a contract:

- 25.4 In any situation permitted by this Article 25 (save as otherwise agreed by him) a Director shall not by reason of his office be accountable to the Company for any benefit which he derives from that situation and no such contract, arrangement or transaction shall be avoided on the grounds of any such interest or benefit.

Terms and conditions of Board authorisation:

- 25.5 Subject to Article 25.6, any authority given in accordance with section 175(5)(a) of the Act in respect of a Director ("**Interested Director**") who has proposed that the Directors authorise his interest ("**Relevant Interest**") pursuant to that section may, for the avoidance of doubt:

25.5.1 be given on such terms and subject to such conditions or limitations as may be imposed by the authorising Directors as they see fit from time to time, including, without limitation:

- (i) restricting the Interested Director from voting on any resolution put to a meeting of the Directors or of a committee of the Directors in relation to the Relevant Interest;
- (ii) restricting the Interested Director from being counted in the quorum at a meeting of the Directors or of a committee of the Directors where such Relevant Interest is to be discussed; or
- (iii) restricting the application of the provisions in Articles 25.7 and 25.8, so far as is permitted by law, in respect of such Interested Director;
- (iv) be withdrawn or varied at any time by the Directors entitled to authorise the Relevant Interest as they see fit from time to time; and
- (v) subject to Article 25.6, an Interested Director must act in accordance with any such terms, conditions or limitations imposed by the authorising Directors pursuant to section 175(5)(a) of the Act and this Article 25.

Terms and conditions of Board authorisation for an Investor Director:

- 25.6 Notwithstanding the other provisions of this Article 25, it shall not (save with the consent in writing of an Investor Director) be made a condition of any authorisation of a matter in relation to that Investor Director in accordance with section 175(5)(a) of the Act that he shall be restricted from voting or counting in the quorum at any meeting of, or of any committee of, the Directors or that he shall be required to disclose, use or apply confidential information as contemplated in Article 25.8.

Director's duty of confidentiality to a person other than the Company:

- 25.7 Subject to Article 25.8 (and without prejudice to any equitable principle or rule of law which may excuse or release the Director from disclosing information, in circumstances where disclosure may otherwise be required under this Article 25), if a Director, otherwise than by virtue of his position as director, receives information in respect of which he owes a duty of confidentiality to a person other than the Company, he shall not be required:

25.7.1 to disclose such information to the Company or to any Director, or to any officer or employee of the Company; or

- 25.7.2 otherwise to use or apply such confidential information for the purpose of or in connection with the performance of his duties as a Director.
- 25.8 Where such duty of confidentiality arises out of 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, Article 25.7 shall apply only if the conflict arises out of a matter which falls within Article 25.1 or Article 25.2 or has been authorised under section 175(5)(a) of the Act.

Additional steps to be taken by a Director to manage a conflict of interest:

- 25.9 Where a Director has an interest which can reasonably be regarded as likely to give rise to a conflict of interest, the Director shall take such additional steps as may be necessary or desirable for the purpose of managing such conflict of interest, including compliance with any procedures laid down from time to time by the Directors for the purpose of managing conflicts of interest generally and/or any specific procedures approved by the Directors for the purpose of or in connection with the situation or matter in question, including without limitation:
- 25.9.1 absenting himself from any discussions, whether in meetings of the Directors or otherwise, at which the relevant situation or matter falls to be considered; and
- 25.9.2 excluding himself from documents or information made available to the Directors generally in relation to such situation or matter and/or arranging for such documents or information to be reviewed by a professional adviser to ascertain the extent to which it might be appropriate for him to have access to such documents or information.

Requirement of a Director is to declare an interest:

- 25.10 Subject to section 182 of the Act, a Director shall declare the nature and extent of any interest permitted by Article 25.1 or Article 25.2 at a meeting of the Directors, or by general notice in accordance with section 184 (notice in writing) or section 185 (general notice) of the Act or in such other manner as the Directors may determine, except that no declaration of interest shall be required by a Director in relation to an interest:
- 25.10.1 falling under Article 25.1.7;
- 25.10.2 if, or to the extent that, the other Directors are already aware of such interest (and for this purpose the other Directors are treated as aware of anything of which they ought reasonably to be aware); or
- 25.10.3 if, or to the extent that, it concerns the terms of his service contract (as defined by section 227 of the Act) that have been or are to be considered by a meeting of the Directors, or by a committee of Directors appointed for the purpose under these Articles.

Shareholder approval:

- 25.11 Subject to section 239 of the Act, the Company may by ordinary resolution ratify any contract, transaction or arrangement, or other proposal, not properly authorised by reason of a contravention of any provisions of this Article 25.
- 25.12 For the purposes of this Article 25:

- 25.12.1 a conflict of interest includes a conflict of interest and duty and a conflict of duties;
- 25.12.2 the provisions of section 252 of the Act shall determine whether a person is connected with a Director;
- 25.12.3 a general notice to the Directors that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the Director has an interest in any such transaction of the nature and extent so specified.

26 Notices

- 26.1 Subject to the requirements set out in the Act, any notice given or document sent or supplied to or by any person under these Articles, or otherwise sent by the Company under the Act, may be given, sent or supplied:

26.1.1 in hard copy form; or

26.1.2 in electronic form,

or partly by one of these means and partly by another of these means.

- 26.2 Notices shall be given and documents supplied in accordance with the procedures set out in the Act, except to the extent that a contrary provision is set out in this Article 26.

26.3 Notices in hard copy form

- 26.3.1 Any notice or other document in hard copy form given or supplied under these Articles may be delivered or sent by first class post (airmail if overseas):

- (i) to the Company or any other company at its registered office; or
- (ii) to the address notified to or by the Company for that purpose; or
- (iii) in the case of an intended recipient who is a member or his legal personal representative or trustee in bankruptcy, to such member's address as shown in the Company's register of members; or
- (iv) in the case of an intended recipient who is a Director or alternate, to his address as shown in the register of Directors; or
- (v) to any other address to which any provision of the Companies Acts (as defined in the Act) authorises the document or information to be sent or supplied; or
- (vi) where the Company is the sender, if the Company is unable to obtain an address falling within one of the addresses referred to in (i) to (v) above, to the intended recipient's last address known to the Company.

- 26.3.2 Any notice or other document in hard copy form given or supplied under these Articles shall be deemed to have been served and be effective:

- (i) if delivered, at the time of delivery;
- (ii) if posted, on receipt or 48 hours after the time it was posted, whichever occurs first.

26.4 Notices in electronic form

26.4.1 Subject to the provisions of the Act, any notice or other document in electronic form given or supplied under these Articles may:

- (i) if sent by fax or email (provided that a fax number or an address for email has been notified to or by the Company for that purpose), be sent by the relevant form of communication to that address;
- (ii) if delivered or sent by first class post (airmail if overseas) in an electronic form (such as sending a disk by post), be so delivered or sent as if in hard copy form under Article 26.3.1; or
- (iii) be sent by such other electronic means (as defined in section 1168 of the Act) and to such address(es) as the Company may specify:
 - (A) on its website from time to time; or
 - (B) by notice (in hard copy or electronic form) to all members of the Company from time to time.

26.4.2 Any notice or other document in electronic form given or supplied under these Articles shall be deemed to have been served and be effective:

- (i) if sent by facsimile or email (where a fax number or an address for email has been notified to or by the Company for that purpose), on receipt or 48 hours after the time it was sent, whichever occurs first;
- (ii) if posted in an electronic form, on receipt or 48 hours after the time it was posted, whichever occurs first;
- (iii) if delivered in an electronic form, at the time of delivery; and
- (iv) if sent by any other electronic means as referred to in Article 26.4.1(iii), at the time such delivery is deemed to occur under the Act.

26.4.3 Where the Company is able to show that any notice or other document given or sent under these Articles by electronic means was properly addressed with the electronic address supplied by the intended recipient, the giving or sending of that notice or other document shall be effective notwithstanding any receipt by the Company at any time of notice either that such method of communication has failed or of the intended recipient's non-receipt.

26.5 General

26.5.1 In the case of joint holders of a share all notices shall be given to the joint holder whose name stands first in the register of members of the Company

in respect of the joint holding (the "**Primary Holder**"). Notice so given shall constitute notice to all the joint holders.

- 26.5.2 Anything agreed or specified by the Primary Holder in relation to the service, sending or supply of notices, documents or other information shall be treated as the agreement or specification of all the joint holders in their capacity as such (whether for the purposes of the Act or otherwise).

27 Indemnities and insurance

27.1 Subject to the provisions of and so far as may be permitted by the Act:

27.1.1 every Director or other officer of the Company (excluding the Company's auditors) shall be entitled to be indemnified by the Company (and the Company shall also be able to indemnify directors of any associated company (as defined in section 256 of the Act)) out of the Company's assets against all liabilities incurred by him in the actual or purported execution or discharge of his duties or the exercise or purported exercise of his powers or otherwise in relation to or in connection with his duties, powers or office, provided that no current or former director of the Company or any associated company is indemnified by the Company against:

- (i) any liability incurred by the director to the Company or any associated company; or
- (ii) any liability incurred by the director to pay a fine imposed in criminal proceedings or a sum payable to a regulatory authority by way of a penalty in respect of non-compliance with any requirements of a regulatory nature; or
- (iii) any liability incurred by the director:
 - (A) in defending any criminal proceedings in which he is convicted;
 - (B) in defending civil proceedings brought by the Company or any associated company in which final judgment (within the meaning set out in section 234 of the Act) is given against him; or
 - (C) in connection with any application under sections 661(3) or 661(4) or 1157 of the Act (as the case may be) for which the court refuses to grant him relief,

save that, in respect of a provision indemnifying a director of a company (whether or not the Company) that is a trustee of an occupational pension scheme (as that term is used in section 235 of the Act) against liability incurred in connection with that company's activities as trustee of the scheme, the Company shall also be able to indemnify any such director without the restrictions in Articles 27.1.1(i), 27.1.1(ii) and 27.1.1(iii) applying;

27.1.2 the Directors may exercise all the powers of the Company to purchase and maintain insurance for any such current or former director or other officer against any liability which by virtue of any rule of law would otherwise attach

to him in respect of any negligence, default, breach of duty or breach of trust of which he may be guilty in relation to the Company, or any associated company including (if he is a director of a company which is a trustee of an occupational pension scheme) in connection with that company's activities as trustee of an occupational pension scheme.

- 27.2 The Company shall (at the cost of the Company) effect and maintain for each current or former Director or current or former director of any associated company policies of insurance insuring each such director against risks in relation to his office as each director may reasonably specify including without limitation, any liability which by virtue of any rule of law may attach to him in respect of any negligence, default of duty or breach of trust of which he may be guilty in relation to the Company.

28 Data Protection

- 28.1 Each of the Shareholders and the Directors consent to the processing of their personal data by the Company, the Shareholders and the Directors (each a "**Recipient**") for the purpose of due diligence exercises, compliance with applicable laws, regulations and procedures and the exchange of information among themselves. A Recipient may process the personal data either electronically or manually. The personal data which may be processed under this Article shall include any information which may have a bearing on the prudence or commercial merits of investing or disposing of any shares (or other investment or security) in the Company. Other than as required by law, court order or other regulatory authority, that personal data may not be disclosed by a Recipient or any other person except to a Member of the same Group ("**Recipient Group Companies**") and to employees, directors and professional advisers of that Recipient or the Recipient Group Companies and funds managed by any of the Recipient Group Companies. Each of the Shareholders and the Directors consent to the transfer of relevant personal data to persons acting on behalf of the Recipient and to the offices of any Recipient both within and outside the European Economic Area for the purposes stated above, where it is necessary or desirable to do so.

29 Secretary

- 29.1 Subject to the provisions of the Act, the Directors may appoint a secretary for such term, at such remuneration and upon such conditions as they may think fit; and any secretary so appointed may be removed by them.

30 Lien

- 30.1 The Company shall have a first and paramount lien (the "**Company's Lien**") over every Share not fully paid for all and any indebtedness of any holder of it to the Company (whether a sole holder or one of two or more joint holders), whether or not that indebtedness or liability is in respect of the Shares concerned and whether or not it is presently payable.

- 30.2 The Company's Lien over a Share:

30.2.1 shall take priority over any third party's interest in that Share; and

30.2.2 extends to any dividend or other money payable by the Company in respect of that Share and (if the lien is enforced and the Share is sold by the Company) the proceeds of sale of that Share, and

the Directors may at any time decide that a Share which is, or would otherwise be, subject to the Company's Lien shall not be subject to it, either wholly or in part.

30.3 Subject to the provisions of this Article 30, if:

30.3.1 a notice complying with Article 30.4 (a "**Lien Enforcement Notice**") has been given by the Company in respect of a Share; and

30.3.2 the person to whom the notice was given has failed to comply with it,

the Company shall be entitled to sell that Share in such manner as the Directors decide.

30.4 A Lien Enforcement Notice:

30.4.1 may only be given by the Company in respect of a Share which is subject to the Company's Lien, in respect of which a sum is payable and the due date for payment of that sum has passed;

30.4.2 must specify the Share concerned;

30.4.3 must require payment of the sum payable within 14 days of the notice;

30.4.4 must be addressed either to the holder of the Share or to a person entitled to it by reason of the holder's death, bankruptcy or otherwise; and

30.4.5 must state the Company's intention to sell the Share if the notice is not complied with.

30.5 Where any Share is sold pursuant to this Article 30:

30.5.1 the Directors may authorise any person to execute an instrument of transfer of the Share to the purchaser or a person nominated by the purchaser; and

30.5.2 the transferee shall not be bound to see to the application of the consideration, and the transferee's title shall not be affected by any irregularity in or invalidity of the process leading to the sale.

30.6 The net proceeds of any such sale (after payment of the costs of sale and any other costs of enforcing the lien) must be applied:

30.6.1 first, in payment of so much of the sum for which the lien exists as was payable at the date of the Lien Enforcement Notice;

30.6.2 secondly, to the person entitled to the Share at the date of the sale, but only after the certificate for the Share sold has been surrendered to the Company for cancellation or an indemnity in a form reasonably satisfactory to the Directors has been given for any lost certificate, and subject to a lien equivalent to the Company's Lien for any money payable (whether or not it is presently payable) as existing upon the Share before the sale in respect of all Shares registered in the name of that person (whether as the sole registered holder or as one of several joint holders) after the date of the Lien Enforcement Notice.

30.7 A statutory declaration by a Director or the company secretary that the declarant is a Director or the company secretary and that a Share has been sold to satisfy the Company's Lien on a specified date:

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

30.7.2 subject to compliance with any other formalities of transfer required by these Articles or by law, shall constitute a good title to the Share.

31 Call Notices

31.1 Subject to these Articles and the terms on which Shares are allotted, the Directors may send a notice (a "**Call Notice**") to a Shareholder requiring the Shareholder to pay the Company a specified sum of money (a "**Call**") which is payable to the Company by that Shareholder when the Directors decide to send the Call Notice.

31.2 A Call Notice:

31.2.1 may not require a Shareholder to pay a call which exceeds the total sum unpaid on that Shareholder's Shares (whether as to the Share's nominal value or any sum payable to the Company by way of premium);

31.2.2 shall state when and how any call to which it relates it is to be paid; and

31.2.3 may permit or require the call to be paid by instalments.

31.3 A Shareholder shall comply with the requirements of a Call Notice, but no Shareholder shall be obliged to pay any call before 14 days have passed since the notice was sent.

31.4 Before the Company has received any call due under a Call Notice the Directors may:

31.4.1 revoke it wholly or in part; or

31.4.2 specify a later time for payment than is specified in the Call Notice, by a further notice in writing to the Shareholder in respect of whose Shares the call is made.

31.5 Liability to pay a call shall not be extinguished or transferred by transferring the Shares in respect of which it is required to be paid. Joint holders of a Share shall be jointly and severally liable to pay all calls in respect of that Share.

31.6 Subject to the terms on which Shares are allotted, the Directors may, when issuing Shares, provide that Call Notices sent to the holders of those Shares may require them to:

31.6.1 pay calls which are not the same; or

31.6.2 pay calls at different times.

31.7 A Call Notice need not be issued in respect of sums which are specified, in the terms on which a Share is issued, as being payable to the Company in respect of that Share (whether in respect of nominal value or premium):

31.7.1 on allotment;

- 31.7.2 on the occurrence of a particular event; or
- 31.7.3 on a date fixed by or in accordance with the terms of issue.
- 31.8 If the due date for payment of such a sum as referred to in Article 31.7 has passed and it has not been paid, the holder of the Share concerned shall be treated in all respects as having failed to comply with a Call Notice in respect of that sum, and shall be liable to the same consequences as regards the payment of interest and forfeiture.
- 31.9 If a person is liable to pay a call and fails to do so by the Call Payment Date (as defined below):
- 31.9.1 the Directors may issue a notice of intended forfeiture to that person; and
- 31.9.2 until the call is paid, that person shall be required to pay the Company interest on the call from the Call Payment Date at the Relevant Rate (as defined below).
- 31.10 For the purposes of Article 31.9:
- 31.10.1 the “**Call Payment Date**” shall be the time when the call notice states that a call is payable, unless the Directors give a notice specifying a later date, in which case the “**Call Payment Date**” is that later date;
- 31.10.2 the “**Relevant Rate**” shall be:
- (i) the rate fixed by the terms on which the Share in respect of which the call is due was allotted;
 - (ii) such other rate as was fixed in the Call Notice which required payment of the call, or has otherwise been determined by the Directors; or
 - (iii) if no rate is fixed in either of these ways, five percent a year,
- provided that the Relevant Rate shall not exceed by more than five percentage points the base lending rate most recently set by the Monetary Policy Committee of the Bank of England in connection with its responsibilities under Part 2 of the Bank of England Act 1998(a).
- 31.11 The Directors may waive any obligation to pay interest on a call wholly or in part.
- 31.12 The Directors may accept full payment of any unpaid sum in respect of a Share despite payment not being called under a Call Notice.

32 Forfeiture of Shares

- 32.1 A notice of intended forfeiture:
- 32.1.1 may be sent in respect of any Share in respect of which a call has not been paid as required by a Call Notice;
- 32.1.2 shall be sent to the holder of that Share or to a person entitled to it by reason of the holder's death, bankruptcy or otherwise;

- 32.1.3 shall require payment of the call and any accrued interest and all expenses that may have been incurred by the Company by reason of such non-payment by a date which is not fewer than 14 days after the date of the notice;
- 32.1.4 shall state how the payment is to be made; and
- 32.1.5 shall state that if the notice is not complied with, the Shares in respect of which the call is payable will be liable to be forfeited.
- 32.2 If a notice of intended forfeiture is not complied with before the date by which payment of the call is required in the notice of intended forfeiture, then the Directors may decide that any Share in respect of which it was given is forfeited, and the forfeiture is to include all dividends or other moneys payable in respect of the forfeited Shares and not paid before the forfeiture.
- 32.3 Subject to these Articles, the forfeiture of a Share extinguishes:
 - 32.3.1 all interests in that Share, and all claims and demands against the Company in respect of it; and
 - 32.3.2 all other rights and liabilities incidental to the Share as between the person whose Share it was prior to the forfeiture and the Company.
- 32.4 Any Share which is forfeited in accordance with these Articles:
 - 32.4.1 shall be deemed to have been forfeited when the Directors decide that it is forfeited;
 - 32.4.2 shall be deemed to be the property of the Company; and
 - 32.4.3 may be sold, re-allotted or otherwise disposed of as the Directors think fit.
- 32.5 If a person's Shares have been forfeited then:
 - 32.5.1 the Company shall send that person notice that forfeiture has occurred and record it in the register of members;
 - 32.5.2 that person shall cease to be a Shareholder in respect of those Shares;
 - 32.5.3 that person shall surrender the certificate for the Shares forfeited to the Company for cancellation;
 - 32.5.4 that person shall remain liable to the Company for all sums payable by that person under the Articles at the date of forfeiture in respect of those Shares, including any interest (whether accrued before or after the date of forfeiture); and
 - 32.5.5 the Directors shall be entitled to waive payment of such sums wholly or in part or enforce payment without any allowance for the value of the Shares at the time of forfeiture or for any consideration received on their disposal.
- 32.6 At any time before the Company disposes of a forfeited Share, the Directors shall be entitled to decide to cancel the forfeiture on payment of all calls and interest and expenses due in respect of it and on such other terms as they think fit.

- 32.7 If a forfeited Share is to be disposed of by being transferred, the Company shall be entitled to receive the consideration for the transfer and the Directors shall be entitled to authorise any person to execute the instrument of transfer.
- 32.8 A statutory declaration by a Director or the company secretary that the declarant is a Director or the company secretary and that a Share has been forfeited on a specified date:
- 32.8.1 shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share; and
 - 32.8.2 subject to compliance with any other formalities of transfer required by the Articles or by law, constitutes a good title to the Share.
- 32.9 A person to whom a forfeited Share is transferred shall not be bound to see to the application of the consideration (if any) nor shall that person's title to the Share be affected by any irregularity in or invalidity of the process leading to the forfeiture or transfer of the Share.
- 32.10 If the Company sells a forfeited Share, the person who held it prior to its forfeiture shall be entitled to receive the proceeds of such sale from the Company, net of any commission, and excluding any sum which:
- 32.10.1 was, or would have become, payable; and
 - 32.10.2 had not, when that Share was forfeited, been paid by that person in respect of that Share,
- but no interest shall be payable to such a person in respect of such proceeds and the Company shall not be required to account for any money earned on such proceeds.

33 Surrender of Shares

- 33.1 A Shareholder shall be entitled to surrender any Share:
- 33.1.1 in respect of which the Directors issue a notice of intended forfeiture;
 - 33.1.2 which the Directors forfeit; or
 - 33.1.3 which has been forfeited, and
- the Directors shall be entitled to accept the surrender of any such Share.
- 33.2 The effect of surrender on a Share shall be the same as the effect of forfeiture on that Share.
- 33.3 The Company shall be entitled to deal with a Share which has been surrendered in the same way as a Share which has been forfeited.