

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

SCN HOLIDAYS LTD (the Company)

(Adopted by Special Resolution passed on 11 / 08 / 2020)

1 Model Articles

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

1.2 The whole of Model Articles 6(2), 7, 8, 11(2), 11(3), 12, 13, 14(1), 14(2), 14(3), 14(4), 14(5), 16, 17, 22, 26(5), 39, 44(2), 50, 51, 52 and 53 shall not apply to the Company.

2 Definitions and Interpretation

2.1 In these Articles, unless the context otherwise requires, the following expressions shall have the following meanings:

Accepting Shareholder shall be as defined in Article 12.1

Allotment Notice shall be as defined in Article 7.2;

Allotment Shares shall be as defined in Article 7.2.1;

Articles means these articles of association of the Company as constituted under Article 1.1 (as amended from time to time);

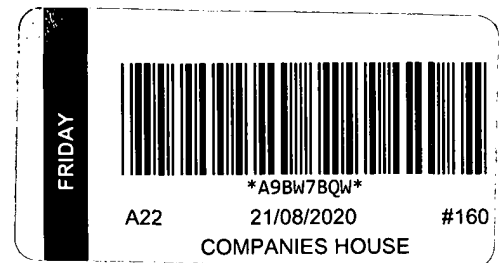
Board means the board of directors of the Company from time to time;

Business Day means a day, other than a Saturday, Sunday or public holiday, on which clearing banks are open for non-automated commercial business in the City of London and

Business Days means more than one of them;

CA 2006 means the Companies Act 2006;

Confidential Information means all data or information (whether technical, commercial, financial or of any other type) in any form used in or relating to the business of any Group Company, including information relating to products (bought, manufactured, produced, distributed or sold), services (bought or supplied), operations, processes, formulae,



methods, plans, strategy, product information, know-how, design rights, trade secrets, market opportunities, customer lists, commercial relationships, marketing, sales materials and general business affairs, and which are for the time being confidential to the Company;

Director means a director of the Company from time to time;

Drag Along Notice shall be as defined in Article 12.1;

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

Fair Value has the meaning given in Article 11.5;

Garden Leave means any period during which the Company, in respect of an employee and pursuant to the service contract between the Company and that employee, ceases or has ceased to provide that employee with work;

Group Company means any subsidiary, holding company or subsidiary of any such holding company as defined in section 1159 of the Companies Act 2006;

Independent Expert means a partner of at least 10 years' standing at a leading UK firm of accountants (acting as an expert and not as an arbitrator) nominated by the parties concerned or, in the event of disagreement as to nomination, appointed by the President from time to time of the Institute of Chartered Accountants in England and Wales;

Issue Price shall be as defined in Article 7.2.2;

Leaver means:

- (a) any Shareholder who ceases, or has ceased, to be a Relevant Employee, provided that, for these purposes, a Shareholder shall be deemed to cease, or have ceased, to be a Relevant Employee upon the commencement of any period during which the relevant individual is placed on Garden Leave pursuant to his service contract with the Company, notwithstanding that the relevant individual remains an employee of the Company;
- (b) any Shareholder who ceases to be a Relevant Employee;
- (c) any Shareholder holding Shares as a result of a transfer made after the date of the adoption of these Articles by a person in relation to whom such Shareholder was a permitted transferee under the provisions of Article 9 (Permitted Share Transfers) who ceases to be a permitted transferee in relation to such person, including, without limitation, any Shareholder who ceases to be the spouse of a Relevant Employee;
- (d) any person who holds or becomes entitled to any Shares:
 - (i) following the death of a Shareholder;

- (ii) following the bankruptcy of a Shareholder (if an individual) or the receivership, administrative receivership, administration, liquidation or other arrangement for the winding-up (whether solvent or insolvent) of a Shareholder (if a company); or
 - (iii) following the exercise of an option after ceasing to be a Relevant Employee; or
- (e) any Shareholder holding Shares as a nominee for any person who ceases, or who has ceased, to be a Relevant Employee in respect of the Shares held on behalf of such person;

Leaver's Shares means all of the Shares held by a Leaver, or to which he is entitled, on the Leaving Date and any Shares acquired by a Leaver after the Leaving Date under an employee share scheme;

Leaving Date means the date on which the relevant person becomes a Leaver;

Model Articles means the model articles for private companies limited by shares contained in Schedule 1 to the Companies (Model Articles) Regulations 2008, SI 2008/3229, as at the date of adoption of these Articles;

Net Asset Value has the meaning given in Article 11.5;

Other Shareholder shall be as defined in Article 12.1;

Permitted Transferee means, in relation to an individual Shareholder, that Shareholder's spouse or child (including any step or adopted child) or the trustees of a trust whose only beneficiaries for the time being comprise that Shareholder, his spouse and all or any of his children and, in relation to the trustees for the time being of such a trust, means their successor trustees or any beneficiaries of the trust;

Proposed Allottee shall be as defined in Article 7.2.3;

Proposed Transferee shall be as defined in Article 10.1;

Proposed Transferor shall be as defined in Article 10.1;

Relevant Employee means:

- (a) an employee of the Company or any Group Company; or
- (b) a Director,

Relevant Shareholder shall be as defined in Article 5.3.1;

Sale means the sale of the whole of the issued equity share capital of the Company to a single buyer or to one or more buyers as part of a single transaction;

Sale Notice shall be as defined in Article 10.5;

Sale Price shall be as defined in Article 10.1.2;

Sale Shares shall be as defined in Article 10.1.1;

Share means share in the capital of the Company, being ordinary shares of £1.00 in the capital of the Company;

Shareholder means any holder of any Share from time to time;

Shareholder Communication means any notice, resolution, document or information which the Company wishes or is required to communicate with Shareholders or other persons;

Shareholder Group means, in relation to a Shareholder which is a company, that Shareholder and its subsidiary undertakings or, as the case may be, that Shareholder, any parent undertaking, whether direct or indirect, of that Shareholder and any other subsidiary undertaking of any such parent undertaking from time to time (excluding in each case the Company) and references to **member** or **members** of the or a **Shareholder Group** shall be construed accordingly;

Shareholder Interest shall be as defined in Article 5.3;

Third Party shall be as defined in Article 12.1;

Third Party Offer shall be as defined in Article 12.1; and

Transfer Notice shall be as defined in Article 10.1.

2.2 In these Articles, unless the context otherwise requires:

- 2.2.1 if used, the words and expressions defined in sections 250 (director), 251 (shadow director), 390 (a company's financial year), 391 (accounting reference periods and accounting reference date), 540 (shares), 738 (debenture), 1159 (subsidiary, wholly-owned subsidiary and holding company), 1161 (undertaking), 1162 (parent undertaking and subsidiary undertaking) and 1173 (minor definitions: general) of the CA 2006 have the same meanings in these Articles;
- 2.2.2 each gender includes the other genders;
- 2.2.3 the singular includes the plural and vice versa;
- 2.2.4 references to persons include individuals, unincorporated bodies and partnerships (whether or not having a separate legal personality), governments, government entities, companies and corporations and any of their successors, or permitted assignees;
- 2.2.5 the words 'include', 'includes' and 'including' are deemed to be followed by the words 'without limitation';

- 2.2.6 the words and phrases 'other', 'including' and 'in particular' or similar words shall not restrict the generality of any preceding words or be construed as being limited to the same class, acts, things or matters as the preceding words where a wider construction is possible;
- 2.2.7 the descriptive headings to provisions in these Articles are inserted for convenience only, have no legal effect and shall be ignored in the interpretation of these Articles;
- 2.2.8 references to legislation include any modification or re-enactment thereof but exclude any re-enactment or modification after the date of these Articles to the extent they make any party's obligations more onerous or otherwise adversely affect the rights of any party;
- 2.2.9 references to 'law' include any legislation, any common or customary law, constitution, decree, judgment, order, ordinance, treaty or other legislative measure in any jurisdiction and any directive, request, requirement, guidance or guideline (in each case, whether or not having the force of law but, if not having the force of law, compliance with which is in accordance with the general practice of persons to whom the directive, request, requirement, guidance or guideline is addressed);
- 2.2.10 references to books, records or other information include paper, electronically or magnetically stored data, film, microfilm, and information in any other form;
- 2.2.11 references to 'writing' or 'written' include faxes and any other method of reproducing words in a legible and non-transitory form (excluding email); and
- 2.2.12 a person shall be deemed to be 'connected' with another if that person is connected with such other within the meaning of section 1122 of the Corporation Tax Act 2010.

3 Alternate Directors

- 3.1 Any Director (other than an alternate director) (the **appointor**) may appoint any other Director or any other person whomsoever to be an alternate director and may remove from office an alternate director so appointed. 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.
- 3.2 A person can be appointed an alternate director by more than one Director.
- 3.3 An alternate director has the same rights, in relation to any Directors' meeting or Directors' written resolution, as the alternate's appointor.
- 3.4 Except as these Articles specify otherwise, alternate directors are:
- 3.4.1 deemed for all purposes to be Directors;

- 3.4.2 liable for their own acts and omissions;
 - 3.4.3 subject to the same restrictions as their appointors; and
 - 3.4.4 not deemed to be agents of or for their appointors.
- 3.5 An alternate director may be paid expenses as if he were a Director but shall not be entitled to receive from the Company any fee in his capacity as an alternate director except only such part (if any) of the remuneration otherwise payable to the Director appointing him as such Director may by notice in writing to the Company from time to time direct. An alternate director who is absent from the United Kingdom shall be entitled to receive notice of all meetings of the Directors and of all meetings of committees of Directors of which his appointor is a member at such address as he shall have notified to the secretary.
- 3.6 Every person acting as an alternate director shall have one vote for each Director for whom he acts as alternate (in addition to his own vote if he is also a Director) and he shall count as only one director for the purpose of determining whether a quorum is present. The signature of an alternate director to any resolution in writing of the Directors or of a committee of the Directors shall, unless notice of his appointment provides to the contrary, be as effective as the signature of his appointor.
- 3.7 An alternate director's appointment as an alternate terminates:
- 3.7.1 when the alternate's appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;
 - 3.7.2 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;
 - 3.7.3 on the death of the alternate's appointor; or
 - 3.7.4 when the alternate's appointor's appointment as a Director terminates.
- 4 Proceedings of Directors**
- 4.1 Subject to the provisions of these Articles, the Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit.
- 4.2 All business arising at any meeting of the Directors or of any committee of the Directors shall be determined only by resolution and no resolution shall be effective unless carried by a majority. No resolution may be proposed or passed at any such meeting unless the nature of the business to which the resolution relates is included in the agenda for the meeting or unless all the Directors agree in writing.
- 4.3 A decision of the Directors may also take the form of a resolution in writing, copies of which have been signed by each Eligible Director or to which each Eligible Director has otherwise indicated agreement in writing, provided that such Eligible Directors would have formed a quorum if the matter had been proposed as a resolution at a meeting of Directors.

- 4.4 Unless there is only one Director in office, the quorum for a meeting of the Directors shall throughout the meeting be at least two Directors. If a quorum is not present within 30 minutes of the time fixed for the relevant meeting, the meeting shall be adjourned for 10 Business Days later at the same time and place.
- 4.5 Where, pursuant to the CA 2006 or these Articles or otherwise, in relation to a matter being considered at a meeting of Directors or of a committee of Directors, a Director cannot count towards the quorum and, if he votes, his vote will not be counted, the other Director or Directors present, whatever their number and their designations, shall constitute a quorum for the purposes of considering that matter only.
- 4.6 The chairman of the Board shall have a casting vote.
- 4.7 Any Director or alternate director may validly participate in a meeting of the Board through telephone conference or similar form of communication equipment provided that all persons participating in the meeting are able to hear and speak to each other throughout such meeting. A person so participating shall be deemed to be present in person at the meeting and shall accordingly be counted in a quorum and be entitled to vote. Subject to the CA 2006, all business transacted in such manner by the Board or a committee of the Board shall for the purpose of these Articles be deemed to be validly and effectively transacted at a meeting of the Board or a committee of the Board notwithstanding that a quorum of Directors is not physically present in the same place. If the Directors cannot or do not decide upon where such a meeting shall be deemed to take place, then it shall be where the chairman of the meeting is located.
- 4.8 A Director who is absent from the United Kingdom shall be entitled to receive notice of all meetings of Directors and meetings of committees of Directors.

5 Conflicts of Interest

- 5.1 If a situation arises or exists in which a Director has or could have a direct or indirect interest that conflicts, or may potentially conflict, with the interests of the Company (other than an interest arising in relation to a transaction or arrangement with the Company or in circumstances which cannot reasonably be regarded as likely to give rise to a conflict of interest), without prejudice to the provisions of Articles 5.3 to 5.5, the Director concerned, or any other Director, may propose to the Board that such situation be authorised, such proposal to be made in writing and delivered to the other Directors or made orally at a meeting of the board, in each case setting out particulars of the relevant situation. Subject to the CA 2006, the Directors may authorise such situation and the continuing performance by the relevant Director of his duties as a Director on such terms as they may think fit.
- 5.2 The relevant Director shall not be counted in the quorum at the relevant meeting of the Directors to authorise such situation nor be entitled to vote on the resolution authorising such situation.
- 5.3 Subject to compliance by him with his duties as a Director under Part 10 of the CA 2006 (other than the duty in section 175(1) of the CA 2006 to the extent that it is the subject of

this Article 5.3), a Director may, at any time, be a director or other officer of, employed by, hold shares or other securities in, or otherwise be interested, whether directly or indirectly, in:

5.3.1 any Shareholder who appointed him as a Director or any other member of its Shareholder Group (**Relevant Shareholder**); or

5.3.2 any other company in which a Relevant Shareholder also holds shares or other securities or is otherwise interested, whether directly or indirectly,

(in either case a **Shareholder Interest**) and, notwithstanding his office or the existence of an actual or potential conflict between any Shareholder Interest and the interests of the Company which would fall within the ambit of section 175(1) of the CA 2006 the relevant Director:

5.3.3 shall be entitled to attend any meeting or part of a meeting of the Directors or a committee of the Directors at which any matter which may be relevant to the Shareholder Interest may be discussed, and to vote on a resolution of the Directors or a committee thereof relating to such matter, and any board papers relating to such matter shall be provided to the relevant Director at the same time as other Directors;

5.3.4 shall not be obliged to account to the Company for any remuneration or other benefits received by him in consequence of any Shareholder Interest;

5.3.5 shall be entitled to consult freely about the Company and its affairs with, and to disclose, for investment appraisal purposes, Confidential Information to, the Relevant Shareholder and any other Shareholder and to the Company's auditors, lenders and proposed lenders (or with and to any of its or their professional advisers); and

5.3.6 shall not be obliged to disclose to the Company or use for the benefit of the Company any other confidential information received by him by virtue of his Shareholder Interest and otherwise than by virtue of his position as a Director, if to do so would breach any duty of confidentiality to a third party.

5.4 Any Director who has a Shareholder Interest shall, as soon as reasonably practicable following the relevant interest arising, disclose to the Board the existence of such interest and the nature and extent of such interest so far as the relevant Director is able at the time the disclosure is made provided that no such disclosure is required to be made of any matter in respect of which the relevant Director owes any duty of confidentiality to any third party. A disclosure made to the Board under this Article 5.4 may be made either at a meeting of the Board or by notice in writing to the Company marked for the attention of the company secretary, or if there is no company secretary, to the other Directors.

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

- 5.5.1 any Director having an interest of the type referred to in Article 5.1 where the relevant situation has been approved as provided by that Article; or
- 5.5.2 any Director having a Shareholder Interest which falls within Article 5.3.
- 5.6 The provisions of Articles 5.1 to 5.5 shall not apply to a conflict of interest which arises in relation to an existing or proposed transaction or arrangement with the Company but the following provisions of this Article 5.6 and Article 5.7 shall so apply. Any Director may be interested in an existing or proposed transaction or arrangement with the Company provided that he complies with the CA 2006.
- 5.7 Without prejudice to the obligation of each Director to declare an interest in accordance with the CA 2006, a Director may vote at a meeting of the Board or of a committee of the Board on any resolution concerning a matter in which he has an interest, whether direct or indirect, which relates to a transaction or arrangement with the Company, or in relation to which he has a duty. Having so declared any such interest or duty he may have, the Director shall be counted in the quorum present when any such resolution is under consideration and if he votes on such resolution his vote shall be counted.
- 6 Company Secretary**
- 6.1 The Directors may appoint a company 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.
- 6.2 Model Article 18 shall apply to the company secretary by insertion of the words 'company secretary' in place of 'directors' in the first instance it appears.
- 7 Issue of Shares**
- 7.1 Subject to the remaining provisions of this Article 7, the Directors shall be generally and unconditionally authorised for the purposes of section 551 of the CA 2006 to exercise all the powers of the Company to allot (or grant rights to subscribe for or to convert any security into) shares up to an aggregate nominal amount of £1,000 in the share capital of the company during the period from the date of adoption of these Articles until the fifth anniversary of that date unless the authority is varied or revoked or renewed by the Company in general meeting, provided that this authority shall entitle the Directors to make at any time before the expiry of this authority an offer or agreement which will or may require relevant securities to be allotted after the expiry of the authority.
- 7.2 If the Company proposes to allot any Shares, then it shall give notice in writing of such proposal to each Shareholder (**Allotment Notice**) specifying:
- 7.2.1 the number of Shares that the Company proposes to allot (**Allotment Shares**);
- 7.2.2 the price per Allotment Share (**Issue Price**);
- 7.2.3 the identity of any person to whom the Company proposes to allot the Allotment Shares (**Proposed Allottee**); and

- 7.2.4 any other material terms of the proposed allotment.
- 7.3 The provisions of Articles 10.1 to 10.5 shall apply to any such Allotment Notice as if:
 - 7.3.1 references to a Transfer Notice (and the receipt thereof) were treated as references to an Allotment Notice (and the delivery thereof);
 - 7.3.2 references to the Sale Shares (and the sale or purchase thereof) were treated as references to the Allotment Shares (and the allotment thereof or the subscription therefor);
 - 7.3.3 references to the Sale Price were treated as references to the Issue Price;
 - 7.3.4 the words '(other than the Proposed Transferor)' were deleted from Article 10.2; and
 - 7.3.5 the words 'to the Proposed Transferor and' were deleted from the first sentence of Article 10.5 and the reference to the 'Proposed Transferor' in the second sentence of Article 10.5 were treated as references to 'the Company'.
- 7.4 If all the Allotment Shares are not allotted by reference to the provisions of this Article 7, the Company shall, within three months of the exhaustion of such provisions, allot to the Proposed Allottee any unallotted Allotment Shares at any price not less than the Issue Price.
- 7.5 The provisions of this Article 7 shall not apply in respect of rights granted over, or any allotment of, Shares pursuant to any employee share option scheme or the provisions contained in or pursuant to any shareholders' agreement relating to the Company.
- 7.6 In accordance with section 567(1) of the Companies Act, the provisions of sections 561 and 562 of the Companies Act shall not apply to the Company.
- 8 Prohibited Share Transfers**
 - 8.1 In these Articles, a reference to the transfer of a Share shall mean either or both:
 - 8.1.1 the transfer of either or both of the legal and beneficial ownership in the Share; and
 - 8.1.2 the grant of an option to acquire either or both of the legal and beneficial ownership in the Share.
 - 8.2 The following shall be deemed, without limitation, to be a transfer of a Share:
 - 8.2.1 any sale or other disposition of any legal or equitable interest in a Share (including any voting right attached thereto) and whether or not by the registered holder thereof and whether or not for consideration or otherwise and whether or not effected by an instrument in writing;

- 8.2.2 any direction (by way of renunciation or otherwise) by a Shareholder entitled to an allotment or issue of any Share that such Share be allotted or issued to some person other than himself; and
- 8.2.3 any grant of a legal or equitable mortgage or charge over any Share.
- 8.3 Any person who holds, or becomes entitled to, any Shares shall not, except with the prior written consent, or in accordance with a prior written agreement, of each of the Shareholders, effect a transfer of any such Shares, except in accordance with Article 9 (Permitted Share Transfers), Article 10 (Pre-emption on Transfer), Article 11 (Leavers) or Article 12 (Drag Along).
- 8.4 Subject to Article 8.5, the Directors shall be obliged to register any duly stamped transfer made in accordance with these Articles, but any transfer or purported transfer of any Shares made otherwise than in accordance with these Articles shall be void and of no effect and the Directors shall refuse to register that transfer.
- 8.5 The Directors may, as a condition to the registration of any transfer of Shares, require the transferee to execute and deliver to the Company a deed agreeing to be bound by the terms of any shareholders' agreement or similar document in force between the Shareholders in such form as the Directors may reasonably require (provided that the transferee's obligations or liabilities thereunder are not greater than those of the proposed transferor). If any such condition is imposed, the transfer may not be registered unless that deed has been executed and delivered to the Company's registered office by the transferee.
- 8.6 Any Director may at any time require any Shareholder to provide the Company with such information and evidence relating to the Shares registered in its name as such Director may reasonably require to determine whether there has been a transfer of any such Shares in breach of these Articles. If such information or evidence is not provided to the Board to the reasonable satisfaction of such Director within five Business Days of the request being made, such Director may serve a notice on the Shareholder stating that the Shares which were the subject of the request shall cease to confer any rights to vote (in any general meeting or on any written resolution) or to receive dividends until such information or evidence has been provided to the satisfaction of such Director.
- 9 Permitted Share Transfers**
- 9.1 A Shareholder (the **transferor**) may at any time transfer all or some of its Shares to a Permitted Transferee (the **transferee**) with the unanimous consent of all other Shareholders.
- 9.2 If the transferee ceases to be a Permitted Transferee at any time, the transferee must forthwith transfer all such Shares back to the transferor. If the transferee fails to effect such transfer within five Business Days of its ceasing to be a Permitted Transferee, the Company may, in accordance with Article 14 execute a transfer of the relevant Shares on behalf of the transferee and register the transferor as the holder of such Shares.

10 **Pre-Emption on Transfer**

10.1 Subject to Article 10.8, any Shareholder who wants to transfer any Shares (**Proposed Transferor**) whether to another Shareholder or to a third party (**Proposed Transferee**) must serve a notice in writing (**Transfer Notice**) on the Company specifying:

10.1.1 the number of Shares that the Shareholder proposes to transfer (**Sale Shares**);

10.1.2 the price per Sale Share (**Sale Price**);

10.1.3 the identity of the Proposed Transferee;

10.1.4 any other material terms of the proposed transfer; and

10.1.5 the Company as the Proposed Transferor's agent for the sale of the Sale Shares at the Sale Price in accordance with these Articles,

and the Company shall forthwith provide a copy of the Transfer Notice to the other Shareholders.

10.2 The Company shall, no later than the fifth Business Day following receipt of the Transfer Notice, give notice in writing to each of the Shareholders (other than the Proposed Transferor) offering for sale the Sale Shares at the Sale Price.

10.3 The notice given under Article 10.2 shall specify that the Shareholders shall have a period of 20 Business Days from the date of such notice within which to apply for some or all of the Sale Shares.

10.4 If the total number of Sale Shares applied for is:

10.4.1 equal to or less than the available number of Sale Shares, each Shareholder shall be allocated the number applied for in accordance with his application; or

10.4.2 greater than the available number of Sale Shares, each Shareholder shall be allocated his proportionate allocation or such lesser number of Sale Shares for which he has applied,

and all such allocations shall constitute acceptance by the persons to whom the Shares were offered for purchase, provided that no person shall be obliged to take more than the maximum number of Sale Shares that he has indicated to the Company he is willing to purchase.

10.5 Upon allocating any Sale Shares, the Company shall forthwith give notice in writing (**Sale Notice**) to the Proposed Transferor and to each person to whom Sale Shares have been so allocated of the number of Sale Shares so allocated and the aggregate price payable for such Sale Shares. Completion of the sale and purchase of those Sale Shares in accordance with the Sale Notice shall take place within ten Business Days of the date of the Sale Notice at which time the Proposed Transferor shall, upon payment of the price

due in respect, transfer those Sale Shares specified in the Sale Notice to the persons to whom they have been allocated and deliver the relevant Share certificates.

- 10.6 If the Proposed Transferor shall not, within five Business Days of being required to do so, execute and deliver transfers in respect of the Sale Shares and deliver the certificate(s) in respect of the same (or a suitable indemnity in lieu thereof), then the Company shall:

10.6.1 nominate any person to execute, the necessary transfer(s) and indemnities on the Proposed Transferor's behalf;

10.6.2 against receipt by the Company (on trust for the Proposed Transferor) of the consideration payable for the relevant Sale Shares, deliver such transfer(s) and certificate(s) or indemnities to the relevant transferees (or their nominees); and

10.6.3 register the relevant transferees (or their nominees) as the holders of such Sale Share,

and after such registration the validity of such proceedings shall not be questioned by any person.

- 10.7 If, after exhaustion of the provisions of Articles 10.1 to 10.6, not all the Sale Shares have been sold, the Company shall forthwith notify the Proposed Transferor in writing as to the amount of unsold Sale Shares, and the Proposed Transferor may at any time within three months of receiving such notice transfer to the Proposed Transferee any such unsold Sale Shares on the same terms set out in Article 10.1 (except as to the number of Shares), subject always to the Proposed Transferee being unanimously approved in writing by the Shareholders.

- 10.8 The provisions of Articles 10.1 to 10.7 shall not apply to a transfer or proposed transfer pursuant to Article 9 (Permitted Share Transfers), Article 11 (Leavers) or Article 12 (Drag-Along).

11 Leavers

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

- 11.2 If a Relevant Employee becomes a Leaver, then at any time within one year from the Leaving Date, the Company may serve a notice on the Leaver notifying him that he is, with immediate effect, deemed to have offered such number of his Leaver's Shares to such person(s) (including the Company) as the Company directs (**Sale Notice**). The price payable for the share shall be Fair Value.

- 11.3 On receipt of a Sale Notice, the Leaver shall be obliged to immediately transfer, at the Sale Price as determined in accordance with Article 11.5, such number of his Leaver's Shares to the person(s) specified in the Sale Notice. Completion of the sale and purchase of the Leaver's Shares in accordance with the Sale Notice shall take place within five Business Days of the date of the Sale Notice at which time the Leaver shall transfer the relevant

Leaver's Shares to the person(s) specified in the Sale Notice and deliver the relevant Share certificates against payment of the Sale Price for such Shares.

11.4 If the Leaver defaults in transferring any Leaver's Shares pursuant to Article 11.3 in circumstances where the Company:

11.4.1 does not acquire the Leaver's Shares, the Company:

11.4.1.1 may receive the relevant purchase money;

11.4.1.2 may nominate some person to execute an instrument of transfer of the Leaver's Shares in the name and on behalf of the Leaver;

11.4.1.3 shall cause the name of the proposed transferee to be entered in the register of members as the holder of such Leaver's Shares when the instrument of transfer has been duly stamped (if required);

11.4.1.4 shall hold the purchase money on trust (without interest) for the Leaver, the receipt of the Company for the purchase money being a good discharge to the proposed transferee (who shall not be bound to see to the application of the purchase money); and

11.4.2 does acquire the Leaver's Shares, the Company:

11.4.2.1 may nominate some person to execute an instrument of transfer of the Leaver's Shares in the name and on behalf of the Leaver;

11.4.2.2 shall cause such share capital to be cancelled in accordance with the Companies Acts when such instrument has been duly stamped (if required); and

11.4.2.3 shall hold the purchase money on trust (without interest) for the Leaver,

in each case after the Leaver's Shares have been transferred on the register or cancelled, as the case may be, the validity of the proceedings shall not be questioned by any person.

11.5 For the purposes of article 11.2, Fair Value shall be an amount equal to the net asset value (the **Net Asset Value**) of the Company at the point that the Shareholder becomes a leaver.

11.6 If, within 10 Business Days, the Leaver and the Company fail to agree on the value of the Net Asset Value, the Fair Value shall be as determined by an Independent Expert, in which case:

11.6.1 the Company shall immediately instruct the Independent Expert to determine the Fair Value on the same basis as the Company prepares its statutory accounts;

- 11.6.2 the Independent Expert shall act as an expert and not an arbitrator (and the Arbitration Act 1996 shall not apply);
- 11.6.3 the Independent Expert shall determine the Fair Value as soon as possible after being instructed to do so and such certificate shall be final and binding (in the absence of manifest error); and
- 11.6.4 the costs and expenses of the Independent Expert shall be borne by the Company.

12 Drag along

- 12.1 If any Shareholder receives an offer in writing from a bona fide third party (**Third Party**) to purchase the entire equity share capital in the Company not already owned by the Third Party (**Third Party Offer**) and the holders of at least 75% of the issued Shares accept the Third Party Offer (**Accepting Shareholders**), the Accepting Shareholders are entitled to issue to the remaining Shareholders (**Other Shareholders**) written notice (**Drag Along Notice**) requiring the Other Shareholders to sell to the Third Party all of the Other Shareholders' Shares upon the terms and conditions specified in the Drag Along Notice.
- 12.2 The terms on which the Accepting Shareholders require the Other Shareholders to sell their Shares must:
 - 12.2.1 be no less favourable than the terms on which the Accepting Shareholders are selling their Shares to the Third Party; and
 - 12.2.2 have a price payable for each Share that is the higher of either:
 - 12.2.2.1 the price at which the Accepting Shareholders are selling their Shares to the Third Party; or
 - 12.2.2.2 the Fair Value as determined in accordance with articles 11.5 and 11.6.
- 12.3 The Drag Along Notice must specify:
 - 12.3.1 the details of the Third Party;
 - 12.3.2 the price payable for each Share and other consideration (if any) to be received (directly or indirectly) by the Accepting Shareholders (or some of them); and
 - 12.3.3 any other material terms upon which the Other Shareholders' Shares shall be purchased pursuant to the Drag Along Notice.
- 12.4 If any Other Shareholder shall not, within five Business Days of being required to do so, execute and deliver transfers in respect of the Shares held by him and deliver the certificate(s) in respect of the same (or a suitable indemnity in lieu thereof), then any Accepting Shareholder shall be entitled to execute, and shall be entitled to authorise and instruct such person as he thinks fit to execute, the necessary transfer(s) and indemnities

on the Other Shareholder's behalf and, against receipt by the Company (on trust for such Shareholder) of the consideration payable for the relevant Shares, deliver such transfer(s) and certificate(s) or indemnities to the Third Party (or his nominee) and register such Third Party (or his nominee) as the holder thereof and, after such registration, the validity of such proceedings shall not be questioned by any person.

- 12.5 The Other Shareholders are not obliged to sell their Shares in accordance with this Article 12 if the Accepting Shareholders do not complete the sale of all their Shares to the Third Party on the same terms and conditions set out in the Drag Along Notice.

13 Tag along

- 13.1 If, after having given a Transfer Notice pursuant to Article 10.1 and the provisions of Article 10 have been complied with, a Shareholder(s) wishes to transfer all (but not some only) of its Shares to a bona fide third party (the **Proposed Buyer**) in one or a series of related transactions, and such transfer would when registered result in that person (together with persons connected or acting in concert with him) holding or increasing his holding to 75% or more of the issued equity share capital of the Company (the **Proposed Sale**), the selling Shareholder(s) shall give written notice (the **Tag Along Notice**) to the other Shareholders of the Proposed Sale at least 10 Business Days prior to the proposed date of completion thereof.

- 13.2 The Tag Along Notice must specify:

- 13.2.1 the details of the Proposed Buyer;
- 13.2.2 the sale price for each Share and other consideration (if any) to be received (directly or indirectly) by the relevant Shareholders; and
- 13.2.3 any other material terms upon which the Shares are to be purchased.

- 13.3 The Proposed Sale may not be completed unless the Proposed Buyer has unconditionally offered to buy all the other issued Shares (other than any Shares already owned by the Proposed Buyer or persons connected or acting in concert with him) on the same terms and conditions as apply to the Proposed Sale, subject to article 13.4. Such offer shall remain open for acceptance for not less than 15 Business Days.

- 13.4 The price payable for each Share must be the higher of either:

- 13.4.1 the price at which the Proposed Buyer is purchasing the Shares under the Proposed Sale; or
- 13.4.2 the Fair Value as determined in accordance with articles 11.5 and 11.6.

- 13.5 The provisions of this Article 13 shall not apply to any Proposed Sale which is permitted under Article 9 or which is to take place pursuant to a Drag Along Notice under Article 12.

14 Dividends

14.1 Except as otherwise provided by these Articles or the rights attached to the Shares, all dividends must be:-

14.1.1 declared and paid according to the amounts paid up on the Shares on which the dividend is paid; and

14.1.2 apportioned and paid proportionately to the amounts paid up on the Shares during any portion or portions of the period in respect of which the dividend is paid.

14.2 If any Share is issued on terms providing that it ranks for dividend as from a particular date, that Share ranks for dividend accordingly.

14.3 For the purpose of calculating dividends, no account is to be taken of any amount which has been paid up on a Share in advance of the due date for payment of that amount.

15 Power of Attorney

15.1 Each Shareholder hereby irrevocably appoints the Company as its attorney (with the power to appoint any member of the Board as a substitute and to delegate to that substitute all or any powers hereby conferred, other than this power of substitution, as if he had been originally appointed by this power of attorney) to give effect to the provisions of these Articles.

16 General Meetings

16.1 No business shall be transacted at any general meeting unless a quorum of Shareholders is present at the commencement of the business and also when such business is voted upon. The quorum at any general meeting shall be such persons holding in aggregate at least 60% of the Shares present in person or by proxy. If a quorum is not present within 30 minutes of the time fixed for the relevant meeting, the meeting shall be adjourned for 10 Business Days at the same time and place. Notice of an adjourned meeting shall be given to all the Shareholders. If a quorum is not present within 30 minutes of the time fixed for the adjourned meeting, those Shareholders present will constitute a quorum.

16.2 The chairman of the Board from time to time shall chair general meetings. If the chairman is unable to attend any general meeting, the Shareholder who appointed him shall be entitled to appoint another of its nominated directors present at the meeting to act as chairman at the meeting and the appointment of the chairman of the meeting must be the first business of the meeting.

16.3 A resolution put to the vote of a meeting shall be decided on a show of hands unless before, or on the declaration of the result of, the show of hands, a poll is duly demanded. Subject to the provisions of the CA 2006, a poll may be demanded at any general meeting by the chairman, or by any Shareholder present in person or by proxy and entitled to vote or by a duly authorised representative of a corporation which is a Shareholder entitled to vote. In

the case of an equality of votes, whether on a show of hands or on a poll, the chairman shall not have a casting vote.

- 16.4 An instrument appointing a proxy and any authority under which it is executed or a copy of such authority certified notarially or in some other way approved by the Board must be delivered to the registered office of the Company not less than 48 hours before the time appointed for the holding of the meeting (or any adjournment of that meeting) or to the place of the meeting at any time before the time appointed for the holding of the meeting (or any adjournment of that meeting). A notice revoking the appointment of a proxy must be given in accordance with the CA 2006.

17 **Voting**

- 17.1 The voting rights attached to Shares shall be:

- 17.1.1 on a written resolution, every Shareholder shall have one vote for each Share held by him; and
- 17.1.2 on a resolution to be passed at a general meeting of the Company, every Shareholder present in person or by proxy or by a representative shall have:
 - 17.1.2.1 on a show of hands, one vote each; and
 - 17.1.2.2 on a poll, one vote for each Share of which he is the holder.

18 **Notices**

- 18.1 Subject to the specific terms of these Articles, any notice to be given to or by any person pursuant to these Articles (other than a notice calling a meeting of the Board or a committee thereof) shall be in writing.
- 18.2 Any Shareholder Communication may be served by the Company on, or supplied by the Company to, a Shareholder or other person:
- 18.2.1 personally;
 - 18.2.2 by sending it by first-class post in a pre-paid envelope addressed to such Shareholder or other person at his postal address (as appearing in the Company's register of members in the case of Shareholders); or
 - 18.2.3 except in the case of share certificates or a notice to be given under Article 7, 9, 10, 11 or 12, by sending or supplying it:
 - 18.2.3.1 in electronic form (as specified by section 1168(3) of the CA 2006 and otherwise complying with the requirements of section 1168); or
 - 18.2.3.2 by website communication in accordance with the provisions of the CA 2006 and the Electronic Communications Act 2000.

- 18.3 In the case of a Shareholder Communication validly:
- 18.3.1 sent by post, proof that an envelope containing the communication was properly addressed, pre-paid and posted shall be conclusive evidence that it was sent and it shall be deemed to be given or received at the expiration of 48 hours after the envelope containing it was posted;
 - 18.3.2 sent in electronic form, it shall be deemed to have been given on the same day as it was sent to the address supplied by the Shareholder; and
 - 18.3.3 made by website communication, it shall be deemed to have been received when it was first made available on the website or, if later, when the recipient received (or is deemed to have received) notice of the fact that it was available on the website.
- 18.4 In the case of joint holders of a Share, all Shareholder Communications shall be sent or supplied to the joint holder who is named first in the register, and a Shareholder Communication so sent or supplied shall be deemed sent or supplied to all joint holders.
- 18.5 A Shareholder who has not supplied to the Company either a postal or an electronic address for the service of notices shall not be entitled to receive notices from the Company.
- 19 **Indemnity and Insurance**
- 19.1 Subject to, and on such terms as may be permitted by the CA 2006, the Company may:
- 19.1.1 indemnify, out of the assets of the Company, any director of the Company or any associated company against all losses and liabilities which he may sustain or incur in the performance of the duties of his office or otherwise in relation thereto;
 - 19.1.2 provide a Director with funds to meet expenditure incurred or to be incurred by him in defending any civil or criminal proceedings brought or threatened against him or in defending himself in an investigation by a regulatory authority or against action proposed to be taken by a regulatory authority, in either case in connection with any alleged negligence, default, breach of duty or breach of trust by him in relation to the Company or another Group Company and the Company shall be permitted to take or omit to take any action or enter into any arrangement which would otherwise be prohibited under the CA 2006 to enable a Director to avoid incurring such expenditure; and
 - 19.1.3 purchase and maintain insurance for any Director or any director of any other Group Company against any liability attaching to any such person in connection with any negligence, default, breach of duty or breach of trust by him in relation to the Company or any such Group Company.