

COMPANY NO. 13348771

COMPANIES ACT 2006

A PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

ENNISMORE HOLDINGS LIMITED

(adopted on 1 October 2021)

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1. REPLACEMENT OF MODEL ARTICLES

- 1.1 The regulations in the model articles set out in the Companies Act are excluded and replaced by these Articles in their entirety and do not apply in any way whatsoever to the Company.
- 1.2 It shall be understood in the interpretation of these Articles that any matter dealt with in the model articles which is not expressly dealt with in these Articles has been intentionally omitted and shall not apply to the Company.

2. DEFINED TERMS

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

“**A Shares**” means the A ordinary shares of GBP £0.01 each in the share capital of the Company in issue from time to time and having the rights attaching to them as set out in these Articles;

“**A Shareholder**” means any holder of A Shares from time to time;

“**Act**” means the Companies Act 2006 including any modification or re-enactment of it for the time being in force;

“**Acceptance Notice**” has the meaning given in article 61.5;

“**Acceptance Period**” has the meaning given in article 61.2(A);

“**Accepting Shareholders**” has the meaning given in article 61.5;

“**Accor**” means Accor S.A., a French société anonyme having its registered office is at 82 rue Henri Farman, 92130 Issy-les- Moulineaux, France, and registered with the Trade and Companies Registry of Nanterre under number 602 036 444;

“**Accor Group**” means Accor and each Affiliate of Accor, other than the Group Companies;

“**Accor Competitor**” any person who is or is Controlled by any person that is engaged, directly, or indirectly through an Affiliate, in the business of owning, operating, licensing (as licensor), franchising (as franchisor), and/or managing a regionally, nationally or internationally recognized hotel (or any other short term accommodation product) brand or lodging system of hotels (or any other short term accommodation product), excluding, however, (a) any sovereign wealth fund and/or institutional investor in hotels, hotel brands or lodging systems, including pension funds, insurance companies, private equity funds and publicly-traded or publicly listed real estate investment trusts (and their respective Affiliates), so long as such person is not actively or regularly involved in the day-to-day business or operations of any person or serving as a director or officer of any person, or Affiliate of a person, that is an Accor Competitor, and (b) a person or an Affiliate of a person, that owns or invests in hotels, and is not in the business of managing, licensing (as licensor) or franchising (as franchisor) hotels (or any other short term accommodation product) as part of a recognized hotel (or any other short term accommodation product) brand or lodging

system, provided always that no Permitted Transferee of EHL will be (or will be deemed to be) an Accor Competitor solely by virtue of its interests held (directly or indirectly) in relation to the Company or to LeaseCo;

“Accor Nominated Director(s)” the Directors appointed by Accor as at the Adoption Date (in accordance with article 22.2(A)) as updated from time to time (in accordance with article 22.3);

“Adoption Date” means 1 October 2021;

“Affiliate” means in relation to any person, any other person who, directly or indirectly, Controls, is Controlled by, or is under common Control with, such person from time to time provided that in respect of Accor the use of Affiliate shall only capture any other person who Accor directly or indirectly Controls;

“Allotment Notice” has the meaning given in article 42.2;

“Alternate Director” means a person appointed to act as an alternate for any Director in accordance with article 33;

“Appointing Shareholder” means:

- (A) Accor in respect of Accor Nominated Directors; and
- (B) EHL in respect of EHL Nominated Directors;

“Appointor” means the Director responsible for appointing any Alternate Director in accordance with article 33;

“Applicable Law” means any and all law (whether civil, criminal or administrative), common law, statutes, statutory instruments, treaties, conventions, directives, regulations or rules made thereunder, by-laws, demands, decrees, injunctions, resolutions, orders or judgements in any applicable jurisdiction, in each case which is (or where the context requires, has formerly been) binding on the relevant person or in respect of the relevant matter as the context requires;

“Articles” means these articles of association adopted by the Shareholders of the Company as the governing documents of the Company, as altered from time to time by special resolution passed by the Investor Shareholders of the Company;

“Asset Sale” means a sale by any one or more Group Companies on bona fide arm’s length commercial terms that results in the disposal of all, or substantially all, of the Group’s business, assets and undertaking to any bona fide third party who is not: (a) an Affiliate of any Shareholder; or (b) the EHL Nominee or any person Controlled by or who is a Connected Person of the EHL Nominee;

“A Share Hurdle” means such amount being the sum of:

- (A) such Euro amount as is agreed between the Investor Shareholders and notified by the Company to the Shareholders on first issuance of any MIP Shares; plus

- (B) the amount of any equity capital subscriptions or shareholder loans made by Accor or its Permitted Transferees after the Adoption Date (but, in the case of shareholder loans, only to the extent such loans and any accrued but unpaid interest thereon remain outstanding as at the date of the relevant Hurdle Valuation),

subject to any adjustment required under 48.2(E);

“B Shares” means the B ordinary shares of GBP £0.01 each in the share capital of the Company in issue from time to time and having the rights attaching to them as set out in these Articles;

“B Shareholder” means any holder of B Shares from time to time;

“B Share Hurdle” means such amount being the sum of:

- (A) such Euro amount as is agreed between the Investor Shareholders and notified by the Company to the Shareholders on first issuance of any MIP Shares; plus
- (B) the amount of any equity capital subscriptions or shareholder loans made by EHL or its Permitted Transferees after the Adoption Date (but, in the case of shareholder loans, only to the extent such loans and any accrued but unpaid interest thereon remain outstanding as at the date of the relevant Hurdle Valuation),

subject to any adjustment required under 48.2(E);

“Bad Leaver” means any Leaver who is not a Good Leaver;

“Bad Leaver Price” means the price per MIP Share which is the lesser of:

- (A) fair market value, as determined by the Board of Directors by reference to the most recent valuation exercise conducted by the Investor Shareholders or Company in accordance with article 46 or any Shareholders’ Agreement; and
- (B) the Issue Price;

“Board of Directors” means the duly constituted board of directors from time to time of the Company;

“Business” means the business of the Group as may be amended from time to time in accordance with any Shareholders’ Agreement, being at the Adoption Date the management and operation of the Lifestyle Businesses;

“Business Day” means any day excluding Saturdays, Sundays and public holidays in England or France;

“Business Plan” means the business plan for the Group for the relevant Financial Year as approved by the Board of Directors;

“C Shares” means the C1 Shares and the C2 Shares;

“C1 Shares” means the C1 ordinary shares of GBP £0.01 each in the share capital of the Company in issue from time to time and having the rights attaching to them as set out in these Articles;

“C2 Shares” means the C2 ordinary shares of GBP £0.01 each in the share capital of the Company in issue from time to time and having the rights attaching to them as set out in these Articles;

“Called Securities” has the meaning given in article 62.1;

“Called Securities Price” has the meaning given in article 62.6;

“Called Shareholders” has the meaning given in article 62.1;

“capitalised sum” has the meaning given in article 73.1(B);

“Cessation Date” means:

- (A) if the Leaver dies, the date of his death or certification of such death (if the date of death is unknown);
- (B) where the Leaver’s employment or all of his directorships with the Group or a contract for services ceases by virtue of notice given by the Leaver or by the relevant Group Company (or where payment is made in lieu of notice), the date on which such notice is given; and
- (C) in any other circumstances, the date on which a Leaver ceases (whether of his own volition or otherwise) to be employed or engaged by or be a director of any Group Company (or, if he ceases to be an employee or engaged on a different date from that on which he ceases to be a director, the later of such dates);

“Chairman” has the meaning given in article 18;

“Change of Control”, “Control”, “Controller” and “Controlled” each has the meaning given in article 4;

“Co-CEOs” means such persons appointed as Co-CEOs of the Company;

“Common Seal” means the common seal of the Company and includes any official seal kept by the Company by virtue of section 49 or 50 of the Companies Act;

“Company Secretary” means the secretary of the Company (if any) or any other person appointed to perform the duties of the secretary of the Company, including a joint, assistant or deputy secretary;

“Company” means Ennismore Holdings Limited;

“Confidential Information” means:

- (A) any information relating to the business methods, corporate plans, management systems, finances, new business opportunities, research and development projects, marketing or sales of any past, present or future product or service,

trade secrets, secret formulae, processes, inventions, designs, know-how discoveries, technical specifications and other technical information relating to the creation, production or supply of any past, present or future product or service of any Group Company and any other information (whether or not recorded in documentary form or on computer disk or tape) which is confidential in nature or in respect of which it owes an obligation of confidentiality to any third party;

- (B) any information relating to in any Shareholders' Agreement, the documents referred to in it and the transactions contemplated thereby; and
- (C) any non-public information relating to any Shareholder, any member of the Accor Group or the EHL Group, or the EHL Nominee;

“Connected Person” means:

- (A) a person's spouse or civil partner, parents and siblings and direct descendants and their respective spouses or civil partners (together, the **“Connected Person's Family”**);
- (B) other than a Group Company, a company or any other undertaking Controlled by that person or a member of that person's Connected Person's Family;
- (C) any trust established by or for the benefit of that individual or a member of that person's Connected Person's Family;
- (D) any partnership or undertaking (other than any Group Company) Controlled by that person or a member of that person's Connected Person's Family; or
- (E) any nominee, trustee or agent or other person acting on behalf of any person referred to in this definition;

“Corporate Purpose” has the meaning given in article 5;

“Controlling Sale” has the meaning given in article 62.1(B);

“D Shares” means the D ordinary shares of GBP £0.01 each in the share capital of the Company in issue from time to time and having the rights attaching to them as set out in these Articles;

“D Shareholder” means any holder of D Shares from time to time;

“Deed of Adherence” has the meaning given to such term from time to time in any Shareholders' Agreement;

“Director” means a director of the Company, and includes the Accor Nominated Directors and the EHL Nominated Directors;

“Distribution Recipient” has the meaning given in article 67.2;

“Drag Along Documents” has the meaning given in article 62.3;

“Drag Along Notice” has the meaning given in article 62.3;

“Drag Along Right” has the meaning given in article 62.1;

“Drag Completion” has the meaning given in article 62.4(E);

“Drag Offeror” has the meaning given in article 62.1;

“E Shares” means the E ordinary shares of GBP £0.01 each in the share capital of the Company in issue from time to time and having the rights attaching to them as set out in these Articles;

“EHL” means Esra Hotels Limited, a company incorporated in England and Wales with registered number 10715637, whose registered office is at Third Floor, 20 Old Bailey, London, United Kingdom, EC4M 7AN;

“EHL Group” means EHL and each Affiliate of EHL, other than the Group Companies;

“EHL Nominated Director(s)” means the Directors appointed by EHL as at the Adoption Date (in accordance with article 22.2(B)) as updated from time to time (in accordance with article 22.3);

“EHL Nominee” means the nominee of EHL, as determined in accordance with any Shareholders' Agreement;

“Employee” means a director, officer, employee or consultant to, any Group Company;

“Employee Issue” means the issue of any Securities (including any MIP Shares) to any benefit trust or other Security-based employee incentive scheme established for any Employee or future Employee, in each case approved in accordance with these Articles;

“Encumbrance” means any mortgage, charge (fixed or floating), pledge, lien, hypothecation, guarantee, trust, right of set-off or other third party right or interest (legal or equitable) including any assignment by way of security, reservation of title or other security interest of any kind, howsoever created or arising, or any other agreement or arrangement (including a sale and repurchase agreement) having similar effect;

“Excess New Securities” has the meaning given in article 42.2(E);

“Exercise Notice” has the meaning given in article 45.2(B);

“Exit” means a Sale, an Asset Sale or a Listing;

“Exit Proceeds” means:

- (A) **(in relation to a Listing):** the amount which is equal to the price per share at which Investor Shares (or any new shares issued by the Company or any holding company or another Group Company in exchange for the Investor Shares as part of the Listing Process) are proposed to be sold in connection with the Listing (in the case of an offer for sale, being the underwritten price or, if applicable, the minimum tender price, and in the case of a placing being the placing price)

in each case multiplied by the number of shares as will be in issue immediately following a Listing; or

- (B) **(in relation to a Sale):** the aggregate consideration expressed as a cash amount (whether that consideration is to be satisfied in cash, shares, loan stock or a combination thereof or otherwise (which shall include the fair value of any deferred and/or contingent consideration as determined by the Board of Directors acting reasonably and in good faith)) to be paid for the Investor Shares (or if not all Investor Shares are to be sold pursuant to that Sale the implied aggregate consideration for all Investor Shares based on the aggregate consideration payable for such number of Investor Shares to be sold as part of the Sale) on or following completion of an agreement or offer to acquire the whole of the issued ordinary share capital of the Company;
- (C) **(in relation to a Minority Sale):** the implied aggregate consideration expressed as a cash amount (whether that consideration is to be satisfied in cash, shares, loan stock or a combination thereof or otherwise (which shall include the fair value of any deferred and/or contingent consideration as determined by the Board of Directors acting reasonably and in good faith)) which, based on the consideration to be paid for the Investor Shares the subject of the Minority Sale, would be required to be paid for all of the Investor Shares on or following completion of an agreement or offer to acquire the whole of the ordinary share capital in the Company; or
- (D) **(in the case of an Asset Sale):** an amount equal to the total amount available for payment or distribution to holders of Investor Shares as a result of the Asset Sale by way of dividend, dividend on liquidation;

“Family Member” means the wife, husband, civil partner (or widow, widower or surviving civil partner), children or grandchildren (including step- and adopted children and grandchildren) of a MIP Participant who are at least 18 years of age;

“Family Trust” means, in relation to a MIP Participant, a trust:

- (A) which does not permit any of the settled property or the income from it to be applied other than for the benefit of that MIP Participant or any of his or her Family Members; and
- (B) under which no power of control over the voting powers conferred by any such MIP Shares is capable of being exercised by, or being subject to the consent of, any person other than the trustees or such MIP Participant or any of his or her Family Members;

“Final Hurdle Test Date” has the meaning given in paragraph (C) of the definition of Hurdle Test Dates;

“Financial Year” means the accounting reference period of the Company determined from time to time in accordance with Chapter 3 of Part 15 of the Act;

“First Anniversary” means the first anniversary of the Final Hurdle Test Date;

“First Anniversary Completion” has the meaning given in article 45.2(B)(iii);

“First Anniversary Shares” has the meaning given in article 45.1(A);

“For Cause” means the termination of employment (or, where applicable, engagement) for cause in each case in accordance with the service agreement (or engagement) between the relevant Employee and any Group Company;

“Full Sale” has the meaning given in article 62.1(A);

“Good Leaver” means a MIP Participant who is a Leaver by reason of:

- (A) his or her death;
- (B) permanent incapacity due to ill health or disability certified by a general medical practitioner as rendering that person permanently incapable of carrying out his or her role as an Employee;
- (C) wrongful or unfair dismissal (other than for failure to comply with proper procedure) as either (a) agreed in writing between the Company and the relevant employee or consultant or (b) determined by a court or tribunal of competent jurisdiction (and, in the case only of any determination by an employment tribunal, either no appeal lies or the time period for making such an appeal has expired without any appeal being made);
- (D) the termination or non-renewal of that person’s employment, service or consultancy contract (or similar) by the relevant Group Company (other than termination of such contract For Cause), in the case of the Co-CEOs at any time and in the case of all other MIP Participants at any time after the Final Hurdle Test Date;
- (E) the sale of the Group Company or division in respect of which such person is an Employee (except to another Group Company);
- (F) retirement at statutory retirement age; or
- (G) any other circumstances, with the prior written consent of the Board of Directors (in its absolute discretion);

“Good Leaver Price” means:

- (A) if the Hurdle Valuation has not exceeded the Hurdle at least once as at any Hurdle Test Date, the price per MIP Share which is the lesser of:
 - (i) fair market value, as determined by the Board of Directors by reference to the most recent valuation exercise conducted by the Investor Shareholders or Company in accordance with article 46 or any Shareholders’ Agreement; and
 - (ii) the Issue Price; or

- (B) if the Hurdle Valuation does exceed the Hurdle as at any Hurdle Test Date, the price per MIP Share which is equal to fair market value, as determined by the Board of Directors by reference to the most recent valuation exercise conducted by the Investor Shareholders or Company in accordance with article 46 or any Shareholders' Agreement;

“Group” means the Company and any entity which is Controlled by the Company from time to time, and each company in the Group is a **“Group Company”**;

“Hurdle” means such amount being the sum of:

- (A) such Euro amount as is agreed between the Investor Shareholders and notified by the Company to the Shareholders on first issuance of any MIP Shares; plus
- (B) the amount of any equity capital subscriptions or shareholder loans made by either Investor after the Adoption Date but, in the case of shareholder loans, only to the extent such loans and any accrued but unpaid interest thereon remain outstanding as at the date of the relevant Hurdle Valuation,

subject to any adjustment required under 48.2(E);

“Hurdle Test Dates” means each of:

- (A) the first anniversary of the Adoption Date;
- (B) the second anniversary of the Adoption Date;
- (C) the third anniversary of the Adoption Date (the **“Final Hurdle Test Date”**); or
- (D) if earlier than any of the foregoing, the date of any Exit or Minority Sale;

“Hurdle Valuation” has the meaning given in article 46.6;

“Independent Valuations” has the meaning given in article 46.1;

“Intermediate Good Leaver” means a MIP Participant (other than any Co-CEO) who is a Leaver by reason of the termination of that person's employment, service or consultancy contract (or similar) by the relevant Group Company (other than termination of such contract For Cause) at any time prior to the Final Hurdle Test Date;

“Investor Shareholders” means each of Accor and EHL, and their Permitted Transferees (to the extent holding A Shares or B Shares (as applicable) from time to time) (and **“Investor Shareholder”** shall mean each of them);

“Investor Shares” means the A Shares and the B Shares;

“Issue Price” means in respect of each class of Share, the price per Share at which the relevant Shares are issued (being the aggregate of the amount paid up or credited as paid up in respect of the nominal value thereof and any share premium thereon) or acquired by any Leaver;

“LeaseCo” means KNSA HÔTELS FRANCE, a French société par actions simplifiée having its registered office at 82 rue Henri Farman, 92130 Issy-les-Moulineaux, France, and registered with the Trade and Companies Registry of Nanterre under number 897 693 495;

“Leaver” means a MIP Participant who ceases to be an Employee;

“Leaver Breach Event” has the meaning given in article 63.10;

“Leaver Shares Transferee” has the meaning given in article 63.1;

“Leaver Transfer Completion Date” has the meaning given in article 63.6;

“Lifestyle Businesses” has the meaning given to such term from time to time in any Shareholders’ Agreement and **“Lifestyle Business”** shall be construed accordingly;

“Listing” means:

- (A) the admission of any of the Company’s (or any member of the Group’s or NewCo’s) equity shares to trading on the London Stock Exchange’s markets for listed securities becoming effective;
- (B) the grant of permission for the dealing in any of the Company’s (or any member of the Group’s or NewCo’s) equity shares on any other public securities market (including the Alternative Investment Market of the London Stock Exchange or any successor market) approved by the Board of Directors becoming effective; or
- (C) the admission of any part of the Company’s (or any member of the Group’s or NewCo’s) equity shares to listing or trading on Nasdaq Stock Market, the New York Stock Exchange, any other recognised investment exchange (as that term is used in section 285 of the Financial Services and Markets Act 2000), whether effected by way of an offer for sale, admission of new members by any Group Company, introduction, a placing or otherwise;

“Listing Issue” means the issue of any Securities carried out as part of a Listing or secondary offering following a Listing, in each case provided that such Listing is effected in accordance with the provisions of any Shareholders’ Agreement;

“Lock Up Period” has the meaning given in article 56.9;

“Management Committee” means any management committee constituted in accordance with any Shareholders’ Agreement from time to time;

“Minority Sale” means a transaction or a series of related transactions pursuant to which any individual, entity or group, other than; (A) the Investor Shareholders or; (B) any Affiliate of any Investor Shareholder; or (C) the EHL Nominee or any person Controlled by or who is a Connected Person of the EHL Nominee, acquires (whether by merger, consolidation, transfer, issuance of Securities as part of the acquisition or otherwise) A Shares or B Shares in the Company but does not acquire Control of the Company;

“MIP Participant” means a person who owns the beneficial interest in any MIP Shares and who has entered into a trust deed, declaration of trust or similar with a MIP Shareholder in relation to such MIP Shares;

“MIP Share Pro Rata Number” has the meaning given in article 48.1(B);

“MIP Shareholder” means a person registered as the legal owner of MIP Shares from time to time;

“MIP Shares” means the C Shares and the D Shares;

“NewCo” means any vehicle organised or acquired for the purpose of consummating a Listing;

“New Issue Offer Period” has the meaning given in article 42.2(D);

“New Securities” has the meaning given in article 42.2;

“New Shareholder” has the meaning given in article 62.10;

“Partly-Paid” in relation to a Share means that part of the nominal value of that Share or any premium at which it was issued that has not been paid to the Company;

“Permitted Encumbrance” means any Encumbrance over Securities held by EHL, granted by EHL in favour of any bank, financial institution or other third party lending entity to secure any financial indebtedness of EHL or any of its Affiliates, in each case to the extent such financial indebtedness is entered into on arm’s length terms;

“Permitted Issue” and **“Permitted Issues”** has the meaning given in 42.2;

“Permitted Transfer” means a transfer to a Permitted Transferee;

“Permitted Transferee” means:

- (A) in relation to Accor, any Affiliate of Accor;
- (B) in relation to EHL, any Affiliate of EHL, any Connected Person from time to time, any Privileged Relations of the EHL Nominee from time to time, or any person controlled by the EHL Nominee or any trustee of a trust established by or for the benefit of the EHL Nominee from time to time, and such other persons as may be agreed in writing between the Investor Shareholders from time to time; and
- (C) in relation to any MIP Participant, any Family Member of that MIP Participant or any Family Trust established for the benefit of that MIP Participant or any Family Member of that MIP Participant;

“persons entitled” has the meaning given in article 73.1(B);

“Pro-Rata Entitlement” has the meaning given in article 42.2(B);

“proxy notice” has the meaning given in article 84.1;

“Put Option” has the meaning given in article 45;

“Put Option Valuation” shall have the meaning given in article 45.4(B);

“relevant officer” has the meaning given in article 92.3;

“Relevant Shareholder” means any holder of MIP Shares who (directly or indirectly) became a member as a result of a transfer in accordance with article 60;

“Relevant Shares” has the meaning given in article 56.14;

“Rescue Issue” has the meaning given in article 42.6;

“Sale” means (A) a transaction or a series of related transactions pursuant to which any individual, entity or group, other than: (i) the Investor Shareholders or any Affiliate of any Investor Shareholder; or (ii) the EHL Nominee or any person Controlled by or who is a Connected Person of the EHL Nominee, acquires (whether by merger, consolidation, transfer, issuance of Securities as part of the acquisition or otherwise) Control of the Company; or (B) a transaction or a series of related transactions pursuant to which either EHL or Accor (or their respective Affiliates) acquire (whether by merger, consolidation, transfer, issuance of Securities as part of the acquisition or otherwise) all of the Investor Shares and the E Shares;

“Second Anniversary” means the second anniversary of the Final Hurdle Test Date;

“Second Anniversary Completion” has the meaning in article 45.2(B)(iv);

“Second Anniversary Shares” has the meaning given in article 45.1(B);

“Securities” means any of the Shares or any other equity or debt securities issued by the Company and any right or entitlement (in whatever form) to acquire any securities or other form of security issued by the Company whether by subscription, conversion, exchange or otherwise, and each a **“Security”**;

“Security Interest” means any mortgage, charge, pledge, lien (other than a lien arising by operation of law), right of set off, encumbrance or other security interest whatsoever, however created or arising (including any analogous security interest under the law of any jurisdiction outside England and Wales);

“Sale Price” has the meaning given in article 63.4;

“Share Interest” includes an interest of any kind whatsoever in or to any Share or any right to control the voting or other rights attributable to any Share, disregarding any conditions or restrictions to which the exercise of any right attributed to such interest may be subject;

“Shareholders’ Agreement” means any agreement between the Investor Shareholders as to the operations and governance of the Company, as supplemented and amended and in force from time to time;

“Shareholders” means the holders of Shares from time to time, and **“Shareholder”** shall be construed accordingly;

“Shares” means all the shares in the capital of the Company from time to time and includes the Investor Shares, the E Shares and the MIP Shares;

“Subscription Notice” has the meaning given in article 42.4;

“Subsidiary” means each wholly-owned subsidiary of the Company;

“Suspension Period” means a period of 3 months after each of the First Anniversary and the Second Anniversary;

“Tag Along Documents” has the meaning given in article 61.2(C);

“Tag Along Right” has the meaning given in article 61.5;

“Tag Completion” has the meaning given in article 61.3(E);

“Tag Expiry Date” has the meaning given in article 61.2(A);

“Tag Notice” has the meaning given in article 61.2;

“Tag Offer” has the meaning given in article 61.1;

“Tag Offeror” has the meaning given in article 61.1;

“Tag Securities” has the meaning given in article 61.1;

“Tagged Along Shareholders” has the meaning given in article 61.1(A);

“Third Party Offer Price” has the meaning given in article 61.2(B);

“Third Party Offer Notice” has the meaning given in article 61.3;

“Third Party Offer Terms” has the meaning given in article 61.3(C);

“Transfer” means without limitation:

- (A) any direct sale or other disposition including by way of mortgage, charge, Encumbrance, or other security interest of the whole or any part of the legal or beneficial interest in any Shares and/or Securities;
- (B) the grant of any option or other rights over the whole or any part of the legal or beneficial interest in any Shares and/or Securities;
- (C) any direction (by way of renunciation or otherwise) by a holder entitled to an allotment, issuance or transfer of Shares and/or Securities that Shares and/or Securities be allotted, issued or transferred to some person other than themselves;
- (D) any direct sale or any other disposition of any legal or equitable interest in a Share and/or Security (including any voting right attached to it or issue of a derivative interest in a Share and/or Security or a contract for difference), (i) whether or not by the relevant holder, (ii) whether or not for consideration, (iii)

whether or not effected by an instrument in writing; and (iv) whether or not made voluntarily or by operation of law; and

- (E) for the avoidance of doubt, the issuance or transfer of shares in any publicly traded entity shall not constitute a Transfer of any Shares and/or Security directly or indirectly owned by such publicly traded entity,

and “**Transferred**” shall be construed accordingly;

“**Transfer Notice**” has the meaning given in article 63.1;

“**Transferor**” means any Investor Shareholder proposing to transfer Securities to one or more persons that are not Permitted Transferees;

“**undertaking**” means a body corporate or partnership or an unincorporated association carrying on trade or a business with or without a view to profit; and

“**Valuation Methodologies**” has the meaning given in article 46.2.

- 2.2 Unless assigned a specific meaning in these Articles or the context otherwise requires, other words or expressions contained in these Articles bear the same meaning as in the Companies Act as in force on the date when these Articles were adopted.

3. RULES OF CONSTRUCTION

- 3.1 Powers of delegation shall not be restrictively construed but the widest interpretation shall be given to them.
- 3.2 A “**person**” includes a natural person, a corporate, partnership, joint venture, limited liability company, trust, association or other unincorporated body (whether or not having a separate legal personality).
- 3.3 Words in the singular include the plural and in the plural include the singular.
- 3.4 A reference to one gender includes a reference to all other genders.
- 3.5 A reference to a particular statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time taking account of any amendment or re-enactment and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts and subordinate legislation for the time being in force made under it, provided that no such amendment or re-enactment shall apply for the purposes of these Articles to the extent that it would impose any new or extended obligation, liability or restriction on, or otherwise adversely affect the rights of, any member.
- 3.6 The expressions “**subsidiary undertaking**” and “**parent undertaking**” shall have the meanings given to it in section 1162 of the Act.
- 3.7 Any reference to a “**day**” (including within the phrase “**Business Day**”) shall mean a period of 24 hours from midnight to midnight.

- 3.8 References to “**indemnify**” any person against any circumstance shall include indemnifying and keeping him harmless from all actions, claims and proceedings from time to time made against him and all loss, damage, payments, costs or expenses suffered, made or incurred by him as a consequence of that circumstance.
- 3.9 A reference to any other document referred to in these Articles is a reference to that other document as amended, varied, novated or supplemented at any time.
- 3.10 All headings and titles are inserted for convenience only. They are to be ignored in the interpretation of these Articles.
- 3.11 References to any English legal term for any action, remedy, method of financial proceedings, legal document, legal status, court, official or any legal concept or thing shall, in respect of any jurisdiction other than England, be deemed to include what most nearly approximates in that jurisdiction to the English legal term.
- 3.12 References to “**writing**” or “**written**” includes any other non-transitory form of visible reproduction of words (including email but excluding fax).
- 3.13 Where the words include(s), including or in particular are used in these Articles, they are deemed to have the words “**without limitation**” following them.
- 3.14 Any obligation in these Articles on a person not to do something includes an obligation not to agree or allow that thing to be done.
- 3.15 Where the context permits, other and otherwise are illustrative and shall not limit the sense of the words preceding them.
- 3.16 References to times of day are, unless the context requires otherwise, to London time and references to a day are to a period of twenty-four (24) hours running from midnight on the previous day.
- 3.17 References to “**USD**” are to the lawful currency of the United States of America. References to “**GBP**” are to the lawful currency of the United Kingdom of Great Britain and Northern Ireland. References to “**EUR**” are to the lawful currency of the European Monetary Union.

4. MEANING OF CONTROL

- 4.1 For the purposes of these Articles, “**Control**” means in relation to a person:
- (A) the direct or indirect power of another person (whether such other person is the direct or indirect parent company of the first mentioned person or otherwise) to:
 - (i) appoint or remove all or such of the members of the board or other governing body of a person as are able to cast the majority of the votes capable of being cast by the members of that board or body on all, or substantially all, matters; or
 - (ii) otherwise to control or have the power to control the policies and affairs of that person,

whether by means of the holding of any shares (or any equivalent securities) or the possession of any voting power, by virtue of any powers conferred on any person by the articles of incorporation or association or any other constitutional documents of any company or other entity of any kind; or by virtue of any contractual arrangement or otherwise; or

- (B) the holding or possession of the beneficial interest in or the ability to control the exercise of the voting rights applicable to shares or other securities in any person (whether directly or indirectly) which confer in aggregate on the holders thereof of more than fifty per cent (50%) of the total voting rights exercisable at general meetings of that person on all, or substantially all, matters,

and “**Controlled**” and “**Controller**” shall be construed accordingly.

4.2 A “**Change of Control**” shall occur if:

- (A) a person who Controls another person ceases to do so;
- (B) a different person acquires Control of such other person; or
- (C) any person acquires Control of another person in circumstances where no person previously Controlled such other person; or
- (D) any person acquires all or substantially all of the assets of the Company or the Group in any one transaction or series of connected transactions,

save that a Permitted Transfer in accordance with these Articles and any Shareholders’ Agreement shall not be deemed to be a Change of Control for the purposes of this Article 4.2.

5. CORPORATE PURPOSE

The purpose of the Company shall be to maximise the value and profit of the Business (the “**Corporate Purpose**”).

6. LIABILITY OF MEMBERS

The liability of the members of the Company is limited to the amount, if any, unpaid on the Shares held by them unless expressly set out otherwise in these Articles.

7. DIRECTORS’ GENERAL AUTHORITY

- 7.1 Subject to these Articles, the Board of Directors is responsible for the management of the business of the Company, for which purpose they may exercise all the powers of the Company. The powers given by this article 7 shall not be limited by any special power given to the Directors by these Articles.
- 7.2 The Board of Directors shall be responsible for the supervision and management of the Company, the Group and the Business, with careful consideration of the Corporate Purpose and the “**Business Objectives**” as defined in any Shareholders’ Agreement from time to time.

8. SHAREHOLDERS' RESERVE POWER

- 8.1 Save as provided for in and without prejudice to any Shareholders' Agreement, the Investor Shareholders may, by special resolution of such Shareholders, direct the Board of Directors to take, or refrain from taking, specified action.
- 8.2 No such resolution and no alteration of the Articles invalidates anything that the Board of Directors have done before the passing of the resolution or such alteration.

9. DIRECTORS MAY DELEGATE

- 9.1 The Board of Directors may delegate any of the powers that are conferred on them under these Articles:

- (A) by such means (including by power of attorney);
- (B) to such an extent;
- (C) in relation to such matters or territories; and
- (D) for such periods and on such terms and conditions,

as the Board of Directors may determine in its absolute discretion from time to time (subject to any Shareholders' Agreement), to any person or any committee, including the Management Committee or the Co-CEOs or any one of them.

- 9.2 Subject to any Shareholders' Agreement, the Board of Directors may revoke, amend or vary any delegation of powers in accordance with article 9.1 at any time by a decision of a majority of the Board of Directors taken in accordance with these Articles.
- 9.3 Any delegation under article 9.1 may authorise further delegation of the powers of the Board of Directors by any person to whom they are delegated to one or more Directors (whether or not acting as a committee) or to any employee or agent of the Company.

10. COMMITTEES

- 10.1 Committees to which the Board of Directors delegate any of their powers must follow procedures that are based as far as they are applicable on those provisions of these Articles which govern the taking of decisions by the Board of Directors.
- 10.2 A committee of the Board of Directors may meet and adjourn as it sees fit. The provisions of article 26 applicable to meetings of the Board of Directors shall also apply to meetings of any committee of the Board of Directors.
- 10.3 The only committee of the Board of Directors that shall be constituted as at the Adoption Date is the Management Committee, although further committees of the Directors may be constituted from time to time in accordance with this article 10.

11. COMPANY SECRETARY

The Directors may decide from time to time whether the Company should have a Company Secretary and, if they so decide, the Company Secretary shall be appointed

by the Directors for such term, at such remuneration and upon such conditions as they may think fit; and any Company Secretary so appointed may be removed by them. In these Articles references to the Company Secretary shall be construed accordingly.

12. DIRECTORS TO TAKE DECISIONS COLLECTIVELY

12.1 Any decision by the Board of Directors must be taken at a meeting of the Board of Directors in accordance with article 16 and the remainder of these Articles or must be a decision taken in accordance with article 13.

12.2 Subject to the provisions of these Articles the Directors may regulate their proceedings as they think fit.

12.3 If:

(A) the Company only has one Director, and

(B) no provision of these Articles requires it to have more than one Director,

the general rule in this article 12 does not apply, and the Director may take decisions without regard to any of the provisions of these Articles relating to directors' decision-making.

13. UNANIMOUS WRITTEN RESOLUTIONS

13.1 A decision of the Board of Directors is taken in accordance with this article 13 when all eligible Directors indicate to each other by any means that they share a common view on a matter.

13.2 Such a decision may take the form of a resolution in writing, at least one copy of which has been signed by each eligible Director or to which each eligible Director has otherwise indicated agreement in writing. For this purpose, it is not necessary for the appointor of an alternate director to sign the written resolution or otherwise indicate his agreement in writing if the alternate director, which he has appointed, signs the written resolution or otherwise indicates his agreement in writing.

13.3 References in this article 13 to eligible Directors are to Directors who would have been entitled to vote on the matter had it been passed as a resolution at a meeting of the Board of Directors but excluding any Director whose vote is not to be counted in respect of the matter in question.

13.4 A resolution in writing signed by all the Directors shall be as valid and effective for all purposes as a resolution passed by the Directors at a meeting duly convened, held and constituted.

14. CALLING A MEETING OF THE BOARD OF DIRECTORS

14.1 Any Director may call a meeting of the Board of Directors of the Company. The Board of Directors shall hold meetings at least quarterly and more frequently as determined by the Directors from time to time.

- 14.2 Unless otherwise agreed by all the Directors, at least five (5) Business Days' written notice of each meeting of the Board of Directors will be given to each Director entitled to attend. Such notice shall set out the agenda for all matters to be considered at the meeting of the Board of Directors, and contain all necessary and relevant information with respect to such matters. No item not on the agenda may be discussed at any scheduled meeting of the Board of Directors without the unanimous consent of the Directors.
- 14.3 Notice of a meeting of the Board of Directors 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 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.
- 14.4 A Director absent or intending to be absent from the United Kingdom may make a request to the Company that notices of meetings of the Board of Directors shall during his absence be sent in hard copy form to him at such address (if any) as may for the time being be specified by him or on his behalf to the Company for that purpose, or sent in electronic form to such address (if any) as may for the time being be specified by him or on his behalf to the Company for that purpose, but such notices need not be sent any earlier than notices sent to Directors not so absent and, if no such request is made to the Company, it shall not be necessary to give notice of a meeting of the Board of Directors to any Director who is for the time being absent from the United Kingdom. No account is to be taken of Directors absent from the United Kingdom when considering the adequacy of the period of notice of the meeting.

15. PARTICIPATION IN A MEETING

- 15.1 Subject to these Articles, Directors participate in a meeting of the Board of Directors, or part of a meeting of the Board of Directors, when:
- (A) the meeting has been called and takes place in accordance with these Articles; and
 - (B) the Directors can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.
- 15.2 In determining whether Directors are participating in a meeting of the Board of Directors, it is irrelevant where any Director is or how they communicate with each other.
- 15.3 If all the Directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them may be located during the meeting.
- 15.4 All meetings of the Board of Directors or any sub-committee of the Board of Directors shall take place in the United Kingdom, with the majority of Directors attending such meeting to be present in the United Kingdom. Any Director (other than a Director with a casting vote) participating in such a meeting by means of conference telephone or any other communication equipment in accordance with article 16.2 shall be deemed to be present in the UK regardless of their location.

16. VOTING AT DIRECTORS' MEETINGS

- 16.1 Notwithstanding any other provision of these Articles, on any vote of the Board of Directors (or any meeting of a committee of the Board of Directors or the board of directors or any committee of the board of directors of any other Group Company) on any resolution or in any meeting, where not all nominated Directors of a party are present, the vote of any Accor Nominated Director or EHL Nominated Director shall be weighted such that an Accor Nominated Director or EHL Nominated Director shall have the same number of votes as the number of Directors its relevant Appointing Shareholder is entitled to appoint, regardless of the number of Directors present and voting at such meeting or in respect of such resolution.
- 16.2 Any one or more Directors may participate in and vote at meetings of the Board of Directors by means of a conference telephone or any communication equipment that allows all persons participating in the meeting to hear each other. Any director so participating in a meeting shall be deemed to be present in person and shall count towards the quorum.
- 16.3 Except as otherwise provided in any Shareholders' Agreement or these Articles, board resolutions shall be adopted by a majority of the Board of Directors voting (including pursuant to article 16.1).

17. QUORUM FOR DIRECTORS' MEETINGS

- 17.1 No business shall be conducted at any meeting of the Board of Directors unless a quorum is present at the beginning of the meeting and at the time when there is to be voting on any business.
- 17.2 Any Director who is present at a meeting and who does not vote on any business may be counted for the purposes of determining a quorum.
- 17.3 A quorum shall exist at any meeting of the Board of Directors if at least one (1) Accor Nominated Director and one (1) EHL Nominated Director are present at a meeting. If a quorum is not present at a meeting of the Board of Directors at the time when any business is considered, then the meeting must be declared invalid and no decisions of the Directors may be taken at the meeting. The date of the reconvened meeting will be agreed between at least one (1) Accor Nominated Director and one (1) EHL Nominated Director, provided that if no such agreement can be reached then the date shall be designated by any Accor Nominated Director provided always that at least five (5) Business Days' notice of the reconvened meeting is duly given to the EHL Nominated Director. At the reconvened meeting, a quorum shall exist with respect to those matters on the agenda that were not disposed of at the original meeting if at least one (1) Accor Nominated Director is present at the meeting.

18. CHAIRING OF DIRECTORS' MEETINGS

The chairman of the Board of Directors shall be appointed from time to time by a decision of the Board of Directors and for so long as Accor (individually or together with its Permitted Transferees) holds more than fifty per cent (50%) of the Shares, it shall be entitled to appoint an Accor Nominated Director to be the chairman of the Board of Directors (the "**Chairman**"). The Chairman shall preside at any meeting of

the Board of Directors or general meeting of Shareholders at which he is present. The Chairman shall not have a casting vote on any matter to be determined by the Board of Directors or the Shareholders.

19. PARTICIPATION IN DECISION WHEN INTERESTED IN CONTRACT

19.1 Without prejudice to the disclosure obligations of a Director under the Companies Act and these Articles, a Director may:

(A) vote at any meeting of the Board of Directors or of a committee of the Board of Directors on any resolution and be counted in the quorum present at a meeting in relation to any resolution; or

(B) participate in any decision taken in accordance with article 13,

concerning a transaction or arrangement with the Company or in which the Company is interested, or concerning any other matter in which the Company is interested, notwithstanding that the Director (or any of his Connected Persons) is interested in that transaction, arrangement or matter or has in relation to it a duty which conflicts or may conflict with the interests of the Company in relation to it.

20. RECORD OF DECISIONS TO BE KEPT

The Directors must ensure that the Company keeps a record, in writing, for at least seven (7) years from the date of the decision recorded, of every unanimous or majority decision taken by the Directors.

21. DISCRETION OF DIRECTORS TO MAKE FURTHER RULES

Subject to these Articles, the Directors may make any rule which they think fit about how they take decisions, and about how such rules are to be recorded or communicated to Directors.

22. APPOINTMENT AND REMOVAL OF DIRECTORS

22.1 Unless otherwise unanimously agreed by the Board of Directors, the Board of Directors of the Company shall comprise of a maximum of eight (8) Directors appointed in accordance with this article 22. The minimum number of Directors shall be two (2).

22.2 At the Adoption Date, the Board of Directors shall comprise:

(A) four (4) Accor Appointed Directors; and

(B) two (2) EHL Appointed Directors.

22.3 Following the Adoption Date, each Investor Shareholder shall, in accordance with any Shareholders' Agreement, be entitled to nominate Directors for appointment and remove Directors. For the avoidance of doubt, no holder of MIP Shares shall be entitled (in their capacity as a holder of MIP Shares) to vote on any resolutions in relation to the appointment of Directors in their capacity as a holder of MIP Shares.

- 22.4 Any observer appointed shall be bound by a duty of confidentiality to the Company, in respect of any Confidential Information received by such observer in his capacity as such, as if the observer were a Director.

23. TERMINATION OF DIRECTOR'S APPOINTMENT

- 23.1 A person ceases to be a Director as soon as:

- (A) that person ceases to be a director by virtue of any provision of the Companies Act or is prohibited from being a director by law;
- (B) a bankruptcy order is made against that person;
- (C) a composition is made with that person's creditors generally in satisfaction of that person's debts;
- (D) a registered medical practitioner who is treating that person gives a written opinion to the Company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months;
- (E) by reason of that person's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have;
- (F) notification is received by the Company from the Director that the Director is resigning from office, and such resignation has taken effect in accordance with its terms;
- (G) that person has been absent for more than six consecutive months without permission of the Directors from meetings of the Board of Directors held during that period and the Directors resolve that that person's office be vacated; or
- (H) that person is removed in accordance with article 22.3.

24. REMUNERATION OF DIRECTORS

- 24.1 Directors may undertake any services for the Company as the Board of Directors may determine.

- 24.2 Directors are entitled to such remuneration as the Directors may determine:

- (A) for their services to the Company as Directors; and
- (B) for any other service which they undertake for the Company.

- 24.3 Subject to these Articles, the remuneration of a Director may:

- (A) take any form, and

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

- 24.4 Unless the Board of Directors decides otherwise, remuneration of a Director accrues from day to day.
- 24.5 The Board of Directors may provide benefits, whether by the payment of gratuities or pensions or by insurance or otherwise, for any Director who has held but no longer holds any executive office or employment with the Company or with any body corporate which is or has been a Subsidiary or a predecessor in business of the Company or of any such Subsidiary, and for any member of that Director's family (including a spouse or civil partner and a former spouse or civil partner) or any person who is or was dependent on that Director, and may (before or after ceasing to hold such office or employment) contribute to any fund and pay premiums for the purchase or provision of any such benefit.
- 24.6 Without prejudice to the generality of this article 24, no Director or former Director shall be accountable to the Company or the Shareholders for any benefit provided pursuant to this article 24 or article 92 of these Articles. The receipt of any such benefit shall not disqualify any person from being or becoming a Director.

25. EXPENSES OF DIRECTORS

The Company shall reimburse each Accor Nominated Director and each EHL Nominated Director for all out of pocket expenses reasonably and properly incurred by him in connection with the performance of his duties as a Director or a director of any Group Company.

26. AUTHORISATION UNDER S175 OF THE COMPANIES ACT

- 26.1 For the purposes of section 175 of the Companies Act, the Directors may authorise any matter proposed to them in accordance with these Articles which would, if not so authorised, involve a breach of duty by a Director under that section, including, without limitation, any matter which relates to a situation in which a Director has, or can have, an interest which conflicts, or possibly may conflict, with the interests of the Company.
- 26.2 The Directors may (whether at the time of the giving of the authorisation or subsequently) make any such authorisation subject to any limits or conditions they expressly impose but such authorisation is otherwise given to the fullest extent permitted. The Directors may vary or terminate any such authorisation at any time.
- 26.3 For the purposes of these Articles, a conflict of interest includes a conflict of interest and duty and a conflict of duties, and interest includes both direct and indirect interests.

27. DIRECTOR MAY CONTRACT WITH THE COMPANY AND HOLD OTHER OFFICES

Provided that he has disclosed to the Board of Directors the nature and extent of his interest (unless the circumstances referred to in section 177(5) or section 177(6) of the

Companies Act apply, in which case no such disclosure is required) a Director notwithstanding his office:

- (A) may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested;
- (B) may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a Director; and
- (C) may be a director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate:
 - (i) in which the Company is (directly or indirectly) interested as shareholder or otherwise; or
 - (ii) which is the parent undertaking of the Company or a subsidiary undertaking of any parent undertaking of the Company; or
 - (iii) with which he has such a relationship at the request or direction of the Company or any parent undertaking of the Company or a subsidiary undertaking of any parent undertaking of the Company.

28. REMUNERATION, BENEFITS ETC.

A Director shall not, by reason of his office, be accountable to the Company for any remuneration or other benefit which he derives from any office or employment or from any transaction or arrangement or from any interest in any body corporate:

- (A) the acceptance, entry into or existence of which has been approved by the Directors pursuant to article 26 (subject, in any such case, to any limits or conditions to which such approval was subject); or
- (B) that he is permitted to hold or enter into by virtue of article 27(A), article 27(B) or article 27(C),

nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Companies Act.

29. NOTIFICATION OF INTERESTS

Any disclosure of interests required of a Director pursuant to article 27 or otherwise may be made at a meeting of the Board of Directors, by notice in writing or by general notice or otherwise in accordance with section 177 of the Companies Act.

30. DUTY OF CONFIDENTIALITY TO ANOTHER PERSON

- 30.1 A Director shall be under no duty to the Company with respect to any information that he obtains or has obtained otherwise than as a Director and in respect of which he owes a duty of confidentiality to another person.

30.2 However, to the extent that his relationship with that other person gives rise to a conflict of interest or possible conflict of interest, this article 30 applies only if the existence of that relationship has been approved by the Board of Directors pursuant to article 26.

30.3 In particular, the Director shall not be in breach of the general duties he owes to the Company by virtue of sections 171 to 177 of the Companies Act because he fails:

- (A) to disclose any such information to the Board of Directors or to any Director or other officer or employee of the Company; and/or
- (B) to use or apply any such information in performing his duties as a Director.

31. CONSEQUENCES OF AUTHORISATION

Where the existence of a Director's relationship with another person has been approved by the Directors pursuant to article 26 and his relationship with that person gives rise to a conflict of interest or possible conflict of interest, the Director shall not be in breach of the general duties owed to the Company by virtue of sections 171 to 177 of the Companies Act because he:

- (A) absents himself from meetings of the Board of Directors at which any matter relating to the conflict of interest or possible conflict of interest will or may be discussed or from the discussion of any such matter at a meeting or otherwise; and/or
- (B) makes arrangements not to receive documents and information relating to any matter which gives rise to the conflict of interest or possible conflict of interest sent or supplied by the Company and/or for such documents and information to be received and read by a professional adviser,

for so long as he reasonably believes such conflict of interest or possible conflict of interest subsists.

32. WITHOUT PREJUDICE TO EQUITABLE PRINCIPLES OR RULE OF LAW

The provisions of articles 26 and 27 are without prejudice to any equitable principle or rule of law which may excuse the Director from:

- (A) disclosing information, in circumstances where disclosure would otherwise be required under these Articles; or
- (B) attending meetings or discussions or receiving documents and information as referred to in article 27, in circumstances where such attendance or receiving such documents and information would otherwise be required under these Articles.

33. APPOINTMENT AND REMOVAL OF ALTERNATES

33.1 Any Director (the “**Appointor**”) may appoint any other person (whether or not a Director) as an Alternate Director, to:

- (A) exercise that Director's powers; and

(B) carry out that Director's responsibilities,

in relation to the taking of decisions by the Board of Directors in the absence of the Appointor. A Director or any other person may be appointed as an Alternate Director to represent more than one Director.

33.2 Any appointment or removal of an Alternate Director must be effected by notice in writing to the Company signed by the Appointor, or in any other manner approved by the Board of Directors. The appointment or removal shall take effect when received by the Company or on such later date (if any) specified in the notice.

33.3 The notice must identify the proposed Alternate Director.

33.4 An Alternate Director cannot appoint an Alternate Director.

34. RIGHTS AND RESPONSIBILITIES OF ALTERNATE DIRECTORS

34.1 An Alternate Director has the same rights, in relation to any meeting of the Board of Directors or any decision taken in accordance with article 13, as the Appointor.

34.2 Except as the Articles specify otherwise, Alternate Directors:

(A) are deemed for all purposes to be Directors;

(B) are liable for their own acts and omissions;

(C) are subject to the same restrictions as their Appointors;

(D) are not deemed to be agents of or for their Appointors; and

(E) are entitled to receive notice of all meetings of the Board of Directors and of all meetings of committees of the Board of Directors of which his Appointor is a member.

34.3 A person who is an Alternate Director but not a Director:

(A) may be counted as participating for the purposes of determining whether a quorum is participating (but only if that person's Appointor is not participating), and

(B) may participate in a unanimous decision (but only if that person's Appointor is an eligible Director in relation to that decision and is not participating).

34.4 No Alternate Director may be counted as more than one Director for such purposes.

34.5 An Alternate Director is not entitled to receive any remuneration from the Company for serving as an Alternate Director except such part of the remuneration of the Appointor as the Appointor may direct by notice in writing made to the Company.

34.6 An Alternate Director may be repaid by the Company such expenses as might properly have been repaid to that person if he or she had been a Director.

- 34.7 An Alternate Director shall be included to be indemnified by the Company to the same extent as if he or she were a Director.

35. TERMINATION OF ALTERNATE DIRECTORSHIP

An Alternate Director's appointment as an Alternate Director terminates:

- (A) in accordance with the terms of a notice in writing from the Appointor to the Company revoking the appointment and specifying when it is to terminate;
- (B) on the occurrence of any event in relation to the Alternate Director which, if it occurred in relation to the Appointor, would result in the termination of the appointment of the Appointor as a Director;
- (C) on the death of the Appointor;
- (D) when the appointment of the Appointor as a Director terminates; or
- (E) if the Alternate Director resigns by notice in writing to the Company.

36. SHARE CAPITAL

The share capital of the Company at the Adoption Date is made up of Investor Shares.

37. ALL SHARES TO BE ISSUED FULLY PAID-UP

No share is to be issued other than fully paid.

38. ALLOTMENT POWERS OF THE DIRECTORS

Subject to the provisions of these Articles, the Companies Act, any Shareholders' Agreement, or any resolution of the Company in general meeting passed pursuant to those provisions:

- (A) all Shares for the time being in the capital of the Company (whether forming part of the original or any increased share capital) shall be at the disposal of the Directors; and
- (B) the Directors may allot (with or without conferring a right of renunciation), grant options over, or otherwise dispose of Shares to such persons on such terms and conditions and at such times as they think fit.

39. SECTION 561 EXCLUSION

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

40. POWERS TO ISSUE DIFFERENT CLASSES OF SHARE

- 40.1 Subject to these Articles, but without prejudice to the rights attached to any existing Share, the Company may issue further classes of Shares with such rights or restrictions

as may be determined by ordinary resolution or, subject to and in default of such determination, as the Directors shall determine.

- 40.2 The Company may issue Shares which are to be redeemed, or are liable to be redeemed at the option of the Company or the holder, and the Directors may determine the terms, conditions and manner of redemption of any such shares.
- 40.3 The provisions of section 284 of the Companies Act and section 310 of the Companies Act do not apply where the right and restrictions attaching to a class of Shares make other provision for voting and entitlement to receive notice.

41. COMPANY NOT BOUND BY LESS THAN ABSOLUTE INTERESTS

Except as required by law and in respect of the MIP Shares as may be set out in any trust deed, declaration of trust or similar entered into between a MIP Shareholder and a MIP Participant, no person is to be recognised by the Company as holding any Share upon any trust, and except as otherwise required by law or these Articles, the Company is not in any way to be bound by or recognise any Share Interest other than the holder's absolute ownership of it and all the rights attaching to it.

42. RESTRICTIONS ON ISSUE OF SHARES

- 42.1 The Company shall not issue any Securities or create any interests in any Security in the Company other than in compliance with this article 42 and any Shareholders' Agreement.

Pre-Emption on New Issue

- 42.2 Subject to article 42.6, if the Company proposes to allot and issue any shares or other equity securities ("**New Securities**") other than any Employee Issue, Listing Issue or Rescue Issue (each a "**Permitted Issue**" and together the "**Permitted Issues**"), the Company shall forthwith give notice in writing (the "**Allotment Notice**") of such proposal to the Investor Shareholders. Each Allotment Notice shall:
 - (A) specify the number of New Securities the Company proposes to allot;
 - (B) contain an offer to each Investor Shareholder of its entitlement to subscribe for the New Securities which shall be calculated on a pro-rata basis to the number of Investor Shares held by the Investor Shareholder on the date of the Allotment Notice ("**Pro-Rata Entitlement**");
 - (C) specify the price per New Security at which it is proposed to allot the New Securities;
 - (D) shall stipulate a time not less than twenty (20) Business Days and not exceeding thirty (30) Business Days within which it must be accepted in writing or in default will lapse (the "**New Issue Offer Period**"); and
 - (E) shall stipulate that any Investor Shareholders who desire to subscribe for a number of New Securities in excess of the proportion to which they are entitled shall in their acceptance state how many excess New Securities they wish to subscribe for ("**Excess New Securities**").

- 42.3 The Company shall allocate the New Securities not later than ten (10) Business Days following the expiry of the New Issue Offer Period as follows:
- (A) if the total number of each particular class of New Securities applied for is equal to or less than the available number of New Securities of that class, each Investor Shareholder shall be allocated the number applied for in accordance with its acceptance; or
 - (B) if the total number of each particular class of New Securities applied for is greater than the available number of New Securities of that class, each Investor Shareholder shall be allocated its Pro-Rata Entitlement or such lesser number of New Securities for which it has applied and applications for Excess New Securities shall be allocated in accordance with such applications or, in the event of excess demand, among those Investor Shareholders applying for Excess New Securities in accordance with their relative Pro-Rata Entitlements.
- 42.4 The Company shall forthwith upon allocating any New Securities give notice in writing (a “**Subscription Notice**”) to each person to whom New Securities have been so allocated of the number of New Securities allocated and the aggregate price payable in respect thereof. Completion of the subscription for those New Securities in accordance with the Subscription Notice shall take place within ten (10) Business Days of the date of the Subscription Notice whereupon the Company shall, upon payment of the price due in respect thereof, issue those New Securities specified in the Subscription Notice to the persons to whom they have been allocated and insert such person’s name in the Company’s register of members.
- 42.5 Any offered New Securities not accepted by Investor Shareholders pursuant to this article 42, or not capable of being allocated among them except by way of fractions, shall (subject to the provisions of sections 549 and 551 of the Companies Act 2006) be at the disposal of the Board of Directors provided that no such New Securities shall be allotted:
- (A) after the expiry of the period of four (4) months from end of the New Issue Offer Period;
 - (B) on terms which are more favourable to any third party allottee than the terms on which they were offered to existing Investor Shareholders; or
 - (C) unless the proposed allottee (if it is not already an Investor Shareholder) shall first have entered into a Deed of Adherence.

Rescue Issues

- 42.6 The requirements of articles 42.2 to 42.5 shall not apply to any issue or offer of Securities (or securities convertible into or exercisable or exchangeable for Securities) if such issue or offer of Securities (such issue or offer, a “**Rescue Issue**”):
- (A) is made to a third party by the Company in circumstances where the Board of Directors unanimously determine that the Company may, as a result of the Company's past financial performance and present financial position, be likely to require equity financing from a third party in order to avoid the occurrence

of a situation in which the Company or any member of the Group is, or is likely to be, unable to pay its debts as and when they are due and payable;

(B) is made to an Investor Shareholder (or any member of the Accor Group or the EHL Group) by the Company in circumstances where:

- (i) the Company requires prompt access to further equity finance in order to prevent the occurrence of a breach of any covenant or other term contained in any material finance arrangement under which the Company is a borrower; or
- (ii) the Investor Shareholder (or any member of the Accor Group or the EHL Group) is able to promptly subscribe for and make payment in cash for such amount of Securities as is necessary to satisfy the equity finance requirement described in article 42.6(B)(i); and

as soon as reasonably practicable subsequent to the completion of the subscription and issue of Securities, the Investor Shareholders and the Company shall irrevocably agree to procure that the Company shall make an offer to each other Investor Shareholder to issue to the Investor Shareholder an amount of Securities pro rata to the amount of Securities held by that Investor Shareholder immediately prior to the issue pursuant to this article 42.6(B), in such quantum as is sufficient to enable the Investor Shareholder to avoid any dilution of his shareholding as a proportion of the total share capital of the Company as a consequence of the issue of Securities to the Investor Shareholder under article 42.6(B), at a price equal to the subscription price paid by that Investor Shareholder or the third party, as the case may be, such offer to remain open for a period of at least thirty (30) Business Days.

43. ALLOCATION OF MIP SHARES

- 43.1 Any decision to allocate and/or issue any C Shares must first be agreed between the Co-CEOs, with such agreed allocations to subsequently be submitted to the Board of Directors for approval (acting by simple majority). If any proposed allocation is not approved by the Board of Directors (acting by simple majority), any amendments or alterations to the proposed allocation must first be approved by the Co-CEOs and thereafter re-submitted to the Board of Directors for approval (acting by simple majority).
- 43.2 Accor shall be entitled, by written notice to the Company, to require the Company to allocate such number of D Shares as it deems (in its sole discretion) to any employee, officer or consultant of the Group or the Accor Group and any decision to allocate and/or issue D Shares shall be approved by the Board of Directors (by simple majority) with the approval of Accor only, provided always that the D Shares shall be issued subject to the terms of these Articles and otherwise subject to the same terms and conditions as the C Shares, such that the terms and conditions attaching to the MIP Shares or otherwise applicable to the MIP Participants shall be the same for all MIP Participants other than with the prior written consent of EHL.

- 43.3 Any and all decisions with respect to the D Shares shall be made solely by the Board of Directors (by majority decision) with the consent of Accor and shall not require the consent or approval of the EHL Nominee or EHL.
- 43.4 Any MIP Shares which are acquired by the Company for any reason pursuant to these Articles may be reallocated or cancelled as agreed by the Co-CEOs, subject to the approval of the Board of Directors (acting by simple majority).
- 43.5 On any issuance of C Shares, the MIP Shareholder(s) shall receive an equal number of C1 Shares and C2 Shares on behalf of the relevant MIP Participants.

44. MIP HURDLE

- 44.1 If the Hurdle Valuation has not exceeded the Hurdle at least once as at any Hurdle Test Date, on or at any time after the Final Hurdle Test Date, the Company may acquire the MIP Shares at the Bad Leaver Price.
- 44.2 If there is an Exit after the Final Hurdle Test Date and the Exit Proceeds are less than the Hurdle, the Company may at any time prior to the Exit acquire the MIP Shares at the Bad Leaver Price.
- 44.3 If there is an Exit after the Final Hurdle Test Date and the Exit Proceeds are greater than the Hurdle, Exit Proceeds shall be due and paid to the holders of the C Shares and the D Shares in accordance with article 47.1 (provided always that the Company, being entitled so to do, has not acquired the MIP Shares pursuant to article 44.1).
- 44.4 If on any Minority Sale prior to the First Anniversary, the Exit Proceeds implied by reference to the consideration received by the Investor Shareholders in connection with such Minority Sale are less than the Hurdle, the Company may at any time on or after the Minority Sale acquire or direct that each MIP Shareholder transfer to the Investor Shareholders a number of MIP Shares equal to:

(A) if any A Shares are the subject of the Minority Sale:

- (i) a pro rata number of C1 Shares from each MIP Shareholder equal to the pro rata amount of A Shares sold by Accor to any third party in connection with the Minority Sale; and
- (ii) a pro rata number of D Shares from each MIP Shareholder equal to the pro rata amount of A Shares sold by Accor to any third party in connection with the Minority Sale; and

(B) if any B Shares are the subject of the Minority Sale, a pro rata number of C2 Shares equal to the pro rata amount of B Shares sold by EHL to any third party in connection with the Minority Sale,

in each case, at the Bad Leaver Price.

- 44.5 Any transfer of any MIP Shares required to be undertaken by the Company in accordance with this article 44 shall be undertaken in accordance with the procedures and powers set out in article 64, *mutatis mutandis*.

45. PUT OPTION FOR MIP SHARES

45.1 The MIP Participants (acting jointly by the Co-CEOs) shall, subject to the remaining provisions of this article 45 and provided the Hurdle Valuation exceeded the Hurdle as at any Hurdle Test Date, have the right to require each of Accor and EHL (pro rata to the number of Investor Shares held by Accor and EHL) to purchase:

- (A) 50% of the MIP Shares (the “**First Anniversary Shares**”) on the First Anniversary Completion; and
- (B) 50% of the MIP Shares (the “**Second Anniversary Shares**”) on the Second Anniversary Completion,

in each case pro rata to the number of MIP Shares held by each MIP Shareholder on behalf of the relevant MIP Participant (the “**Put Option**”).

45.2 The Put Option may only be exercised:

- (A) by a decision of the Co-CEOs, acting jointly on behalf of all MIP Participants, to exercise the Put Option pursuant to article 45.1 in respect of 100% of the MIP Shares (to be staggered over the First Anniversary and Second Anniversary in accordance with article 45.1 above); and
- (B) by the Co-CEOs serving an exercise notice (the “**Exercise Notice**”) on the Investor Shareholders on a date which is no less than twenty (20) Business Days following the First Anniversary which shall include:
 - (i) the date on which the Exercise Notice is given;
 - (ii) a statement to the effect that the Co-CEOs on behalf of all MIP Participants are exercising the Put Option;
 - (iii) a date, which is no less than ten (10) and no more than thirty (30) Business Days after the First Anniversary, on which completion of the purchase by the Investor Shareholders of the First Anniversary Shares is to take place (the “**First Anniversary Completion**”);
 - (iv) a date, which is no less than ten (10) and no more than thirty (30) Business Days after the Second Anniversary, on which completion of the purchase by the Investor Shareholders of the Second Anniversary Shares is to take place (the “**Second Anniversary Completion**”); and
 - (v) a signature by or on behalf of the Co-CEOs.

45.3 Once given, an Exercise Notice may not be revoked without the written consent of the Investor Shareholders, provided that:

- (A) if the Board of Directors (acting reasonably) determine that an Exit may occur within either Suspension Period then the First Anniversary Completion or Second Anniversary Completion (as applicable) shall be delayed until expiry of the relevant Suspension Period and:

- (i) if an Exit occurs within the Suspension Period any Exercise Notice shall lapse and the provisions of these Articles and any Shareholders' Agreement relating to an Exit shall apply instead (including but not limited to articles 62 (*Drag Along Rights*), 61 (*Tag Along Rights*) and 47 (*Distributions on an Exit*); or
- (ii) if an Exit does not occur within the Suspension Period:
 - (a) the Board of Directors shall specify a new First Anniversary Completion or Second Anniversary Completion (as applicable), which shall be a date no less than ten (10) and no more than thirty (30) Business Days after the final day in the Suspension Period; and
 - (b) the remaining provisions of this article 45 shall apply in respect of the operation and completion of the Put Option.

45.4 The consideration payable by the Investor Shareholders to the MIP Shareholders on exercise of the Put Option shall:

- (A) be satisfied in cash at the First Anniversary Completion and Second Anniversary Completion (as applicable);
- (B) be determined by the Board of Directors (acting reasonably and in good faith) by reference to the valuation of the Company conducted (in accordance with any Shareholders' Agreement) in the same calendar year as the First Anniversary and the Second Anniversary respectively (the "**Put Option Valuation**");
- (C) shall be calculated in accordance with article 47.1 using the Put Option Valuation as a reference to determine the implied Exit Proceeds on an Exit in respect of the First Anniversary Shares or the Second Anniversary Shares (as the case may be).

45.5 At each of the First Anniversary Completion and Second Anniversary Completion:

- (A) (subject to compliance by the MIP Shareholder with article 45.5(B) below) the Investor Shareholders shall pay the consideration calculated in accordance with this article 45 to the MIP Shareholders by bank transfer in cleared funds;
- (B) each MIP Shareholder shall deliver to the Investor Shareholders a duly completed stock transfer form for such number of MIP Shares to be transferred on that date and in favour of the relevant Investor Shareholder as determined by the Investor Shareholders in accordance with article 45.6;
- (C) each MIP Shareholder shall deliver to the Investor Shareholders the existing share certificate(s) (or an indemnity in a form reasonably satisfactory to the Board of Directors in respect of any lost share certificate) for the MIP Shares to be transferred on that date; and
- (D) the MIP Shares transferred to the Investor Shareholders shall continue to have the same economic rights as applicable to any other MIP Shares, except that

such MIP Shares held by the Investor Shareholders shall not be entitled to any rights under this article 45.

- 45.6 Provided that the (i) Investor Shareholders acquire such number of MIP Shares pro rata to their shareholdings in the Company at the First Anniversary and Second Anniversary (as applicable); and (ii) 50% of each MIP Participant's MIP Shares shall be purchased on First Anniversary Completion and 50% of each MIP Participant's MIP Shares shall be purchased on Second Anniversary Completion, the Investor Shareholders shall be entitled to determine from which MIP Shareholders each Investor Shareholder shall acquire MIP Shares pursuant to the operation of the Put Option.
- 45.7 If the Put Option is not exercised by the Co-CEOs on behalf of all MIP Participants on the First Anniversary it shall lapse for all MIP Participants.
- 45.8 Any transfer of any MIP Shares required to be undertaken by the Company in accordance with this article 45 shall, if required, be undertaken in accordance with the procedures and powers set out in article 64, *mutatis mutandis*.

46. VALUATION MECHANICS AND HURDLE

- 46.1 Three (3) months prior to each Hurdle Test Date the Board of Directors shall select one (1) reputable independent investment bank whom the Company shall appoint to prepare a multi-criteria valuation of the Company as at each Hurdle Test Date (the “**Independent Valuation**”) that will serve as a basis to confirm whether the valuation of the Company exceeds the Hurdle at any Hurdle Test Date. The appointed investment bank shall deliver its initial Independent Valuation no later than one (1) month prior to the Hurdle Test Date. The Independent Valuation shall be based on the application of the Valuation Methodologies to the assets, operations, liabilities and current Business Plan of the Company. The Independent Valuation shall apply equal weighting to the Valuation Methodologies in determining the valuation of the Company, and any further criteria proposed by the investment bank or changes to the Valuation Methodologies shall be discussed and agreed in advance by each Investor Shareholder. The Independent Valuation shall be expressed as a single number and not a range.
- 46.2 For the purposes of this article 46, the “**Valuation Methodologies**” shall comprise:
- (A) the value of the discounted future cash flows expected to be generated as profits from the activities and operations of the Company;
 - (B) the application of multiples to the actual and forecasted earnings of the Company at the relevant time, such multiples to be determined by reference to historic transaction multiples used in relation to transactions involving competitors of the Company or other operators who operate in sectors similar to the Business of the Company;
 - (C) the application of multiples to the forecasted earnings of the Company at the relevant time, such multiples to be determined by reference to the current trading multiples (at relevant spot trading prices) which may be derived from any competitors of the Company or other operators who operate in sectors similar to the Business of the Company whose market capitalisation is quoted on any recognised stock exchange;

- (D) the application of multiples to the forecasted earnings of the Company at the relevant time, such multiples to be determined by reference to the through-the-cycle historical trading multiples which may be derived from any competitors of the Company or other operators who operate in sectors similar to the Business of the Company whose market capitalisation is quoted on any recognised stock exchange; and
 - (E) a valuation of the Company undertaken by reference to the sum-of-the-parts valuations of Accor undertaken by equity analysts who follow Accor.
- 46.3 For the purposes of the Valuation Methodologies, the Independent Valuation shall assume for the purpose of such valuation:
- (A) the Company is being sold as a whole on a going concern basis and pursuant to a transaction between a willing seller and a willing buyer;
 - (B) making no allowances for any expenses that might be incurred in connection with the sale and purchase of the entire issued share capital of the Company;
 - (C) the assumption that all of the issued Shares of the Company are being sold free from all encumbrances, charges, liens and restrictions including those contained in any Shareholders' Agreement and these Articles of Association;
 - (D) the assumption that all of the issued Shares of the Company rank *pari passu* in all respects;
 - (E) making no allowances for and disregarding for all purposes any services, advisory or similar fees charged by either Accor or EHL; and
 - (F) any working capital facility provided by Accor has been repaid in full.
- 46.4 In providing the Independent Valuation, the investment bank shall act as expert and not as arbitrator, whose Independent Valuation shall, save for manifest error, be final for the purposes of this article 46.
- 46.5 The Company shall procure that draft copies of the Independent Valuation are provided to each Investor Shareholder and the Co-CEOs for a period of at least ten (10) Business Days prior to finalisation of the Independent Valuation to enable the Investor Shareholders to comment on such drafts.
- 46.6 The Independent Valuation shall be used as the “**Hurdle Valuation**” for all purposes where reference is made thereto under these Articles.
- 46.7 The costs of obtaining the Independent Valuation will in all cases be borne by the Company.
- 47. DISTRIBUTIONS ON AN EXIT AND ON A REALISATION FOLLOWING A SOLVENT LIQUIDATION**
- 47.1 Subject to article 48.1, article 44.3 and article 47.3, on an Exit (provided the Hurdle Valuation exceeded the Hurdle as at any Hurdle Test Date) the Exit Proceeds shall be due and paid to the holders of the Investor Shares and the E Shares (*pari passu* as if the

same constituted one class of share) pro rata to their holding of such shares, provided that:

- (A) the holders of the C1 Shares shall be entitled to 5% of the Exit Proceeds otherwise due to the holders of the A Shares in excess of the A Share Hurdle, such amounts to be deducted from the amounts otherwise payable to the holders of the A Shares and distributed among the holders of C1 Shares pro rata to the number of C1 Shares held by them respectively;
- (B) the holders of the C2 Shares shall be entitled to 5% of the Exit Proceeds otherwise due to the holders of the B Shares in excess of the B Share Hurdle, such amounts to be deducted from the amounts otherwise payable to the holders of the B Shares and distributed among the holders of C2 Shares pro rata to the number of C2 Shares held by them respectively; and
- (C) the holders of the D Shares shall be entitled to 5% of the Exit Proceeds otherwise due to the holders of the A Shares in excess of the A Share Hurdle, such amounts to be deducted from the amounts otherwise payable to the holders of the A Shares and distributed among the holders of D Shares pro rata to the number of D Shares held by them respectively,

and provided further that:

- (D) if the Exit does not constitute a Listing, in the event that any Exit Proceeds constitute (in whole or in part) non-cash consideration due to the holders of the Investor Shares, the holders of the A Shares and the B Shares shall be required to acquire (contemporaneously upon the occurrence of the Exit) the MIP Shares from the MIP Shareholders for an amount in cash equal to the value of the Exit Proceeds otherwise due to the holders of the MIP Shares in accordance with this article 47.1 (as determined by the Board of Directors), paid pro rata between the MIP Shareholders in pro rata proportion to the number of MIP Shares held by such MIP Shareholders and accounting for the treatment of holders of C Shares and holders of D Shares; and
- (E) if the Exit does constitute a Listing, as an alternative to cash pursuant to article 47.1(A)-(C) the Board of Directors shall be entitled to elect that the MIP Shareholders shall instead receive such number of ordinary or common stock the subject of such Listing as have an aggregate value (based on the price per share at which Investor Shares in the Company (or shares in its holding company or another Group Company) are proposed to be sold in connection with the Listing (in the case of an offer for sale, being the underwritten price or if applicable the minimum tender price, and in the case of a placing being the placing price)) equal to the amount of Exit Proceeds otherwise due to the holders of the MIP Shares in accordance with this article 47.1, distributed pro rata between the MIP Shareholders in pro rata proportion to the number of MIP Shares held by such MIP Shareholders and accounting for the treatment of holders of C Shares and holders of D Shares and any such MIP Shareholder shall enter into any tax election (including but not limited to an election pursuant to section 431(1) Income Tax (Earnings and Pensions) Act 2003 in respect of such stock within the time period required as the Company shall in its discretion require.

- 47.2 Any transfer of any MIP Shares required to be undertaken by the Company in accordance with this article 47 shall, if required, be undertaken in accordance with the procedures and powers set out in article 64, *mutatis mutandis*.
- 47.3 If there is an Exit that is an Asset Sale or on a realisation following a solvent liquidation, and in both cases in excess of the Hurdle, the Company shall be required at any time prior to or simultaneous with such Asset Sale or such realisation, to acquire the C Shares and the D Shares from the relevant MIP Shareholders and the Exit Proceeds in connection with such Exit (in the case of an Asset Sale) or the proceeds in connection with such realisation (in the case of a realisation on a solvent liquidation) shall be due and paid to the MIP Shareholders in accordance with article 47.4.
- 47.4 If there is an Exit (by way of Asset Sale) or a realisation where the circumstances in article 47.3 apply, the holders of the C Shares and the D Shares shall, pursuant to article 47.3, receive by way of consideration for the sale of their C Shares and D Shares to the Company, an amount from the Company as is equal to the amount of Exit Proceeds that they would be entitled to receive in accordance with article 47.1.

48. CONSEQUENCES OF A MINORITY SALE

- 48.1 In the event of a Minority Sale prior to the First Anniversary:

- (A) if the Exit Proceeds implied by reference to the consideration received by the Investor Shareholders in connection with such Minority Sale are less than the Hurdle, article 44.4 shall apply; or
- (B) if the Exit Proceeds implied by reference to the consideration received by the Investor Shareholders (or any of them) in connection with such Minority Sale exceed the Hurdle, then the Company shall direct that each MIP Shareholder transfer to the Investor Shareholders participating in the Minority Sale (in proportions equal to the pro rata amount of Investor Shares sold by each Investor Shareholder in the Minority Sale) such pro rata number of MIP Shares (the “**MIP Share Pro Rata Number**”) as is equal to the pro rata number of Investor Shares sold by the Investor Shareholder to the third party in connection with the Minority Sale (expressed as a percentage and with appropriate adjustments to reflect the pro rata number of Investor Shares then on issue), in consideration for a promissory note issued by the Investor Shareholders to each MIP Shareholder in an amount equal to:
 - (i) if any A Shares are the subject of the Minority Sale:
 - (a) in respect of the holders of the C1 Shares, 5% of the amount by which the Exit Proceeds implied to be received by the holders of the A Shares in connection with the Minority Sale exceed the A Share Hurdle, multiplied by the MIP Share Pro Rata Number, such amounts to be distributed among the holders of C1 Shares pro rata to the number of C1 Shares held by them respectively;
 - (b) in respect of the holders of the D Shares, 5% of the amount by which the Exit Proceeds implied to be received by the holders of the A Shares in connection with the Minority Sale exceed the A

Share Hurdle, multiplied by the MIP Share Pro Rata Number, such amounts to be distributed among the holders of D Shares pro rata to the number of D Shares held by them respectively; and

- (ii) if any B Shares are the subject of the Minority Sale, in respect of the holders of the C2 Shares, 5% of the amount by which the Exit Proceeds implied to be received by the holders of the B Shares in connection with the Minority Sale exceed the B Share Hurdle, multiplied by the MIP Share Pro Rata Number, such amounts to be distributed among the holders of C2 Shares pro rata to the number of C2 Shares held by them respectively;

in each case such promissory note to be issued by the Investor Shareholders on terms which require the Investor Shareholders to pay such promissory note in full immediately following the occurrence of any Exit or on the exercise of the Put Option in accordance with article 45.

48.2 On any transfer of the MIP Shares required to be undertaken pursuant to article 48.1

- (A) (subject to compliance by the MIP Shareholder with article 45.5(B) above) the Investor Shareholders issue a promissory note to the MIP Shareholders in the amount specified pursuant to article 48.1;
- (B) each MIP Shareholder shall deliver to the Investor Shareholders a duly completed stock transfer form for such number of MIP Shares to be transferred on that date and in favour of the relevant Investor Shareholder as is equal to the MIP Share Pro Rata Number in respect of each MIP Shareholder;
- (C) each MIP Shareholder shall deliver to the Investor Shareholders the existing share certificate(s) (or an indemnity in a form reasonably satisfactory to the Board of Directors in respect of any lost share certificate) for the MIP Shares to be transferred on that date;
- (D) the MIP Shares transferred to the Investor Shareholders shall cease to have any economic rights and shall no longer (i) participate in any distribution of proceeds on any further Minority Sale or Exit; or (ii) be entitled to the Put Option or any rights under article 45; and
- (E) the A Share Hurdle (if the A Shareholder sold A Shares in the Minority Sale) and/or the B Share Hurdle (if the B Shareholder sold B Shares in the Minority Sale) shall be reduced by an amount equal to the MIP Share Pro Rata Number in respect of the A Shares or the B Shares.

48.3 On any transfer of A Shares or B Shares to any third party (being any person other than Accor or EHL, or any of their respective Permitted Transferees), such A Shares or B Shares shall be automatically converted by the Company into E Shares, and each of the Shareholders and the Board of Directors shall take all such action and pass all such resolutions as shall be required to effect such conversion.

- 48.4 Any transfer of any MIP Shares required to be undertaken by the Company in accordance with this article 48 shall, if required, be undertaken in accordance with the procedures and powers set out in article 64, *mutatis mutandis*.

49. GENERAL PROVISIONS RELATING TO CLASS RIGHTS

- 49.1 Subject to the provisions of the Companies Act, no rights for the time being attached to any class of Shares in issue may (unless otherwise provided by the terms of allotment of the Shares of that class) from time to time (whether or not the Company is being wound up) be varied or abrogated save:

- (A) with the consent in writing of the holders of seventy-five per cent in nominal value of the issued Shares of that class, which consent shall be in hard copy form or electronic form sent to such address (if any) for the time being notified by or on behalf of the Company for that purpose or a combination of both; or
- (B) with the sanction of a special resolution passed at a separate general meeting of the holders of that class of Shares.

- 49.2 For the purposes of article 49.1, unless otherwise expressly provided by the terms of their issue, the rights attached to any class of Shares shall not be deemed to be varied by:

- (A) the creation or issue of further Shares ranking prior to, or equally with, or subsequent to, that class of Shares; or
- (B) the purchase or redemption by the Company of its own Shares.

50. PAYMENT OF COMMISSIONS ON SUBSCRIPTION FOR SHARES

- 50.1 The Company may pay any person a commission in consideration for that person:

- (A) subscribing, or agreeing to subscribe, for Shares; or
- (B) procuring, or agreeing to procure, subscriptions for Shares.

- 50.2 Any such commission may be paid:

- (A) in cash, or in fully paid Shares or other securities, or partly in one way and partly in the other; and
- (B) in respect of a conditional or an absolute subscription.

51. NEW SHARES SUBJECT TO THESE ARTICLES

All Shares created by increase of the Company's share capital, by consolidation, division or sub-division of its share capital or the conversion of stock into paid-up Shares shall be:

- (A) subject to all the provisions of these Articles, including without limitation provisions relating to payment of calls, transfer and transmission; and

- (B) unclassified, unless otherwise provided by these Articles, by the resolution creating the Shares or by the terms of allotment of the Shares.

52. PROCEDURE FOR DISPOSING OF FRACTIONS OF SHARES

52.1 This article 52 applies where:

- (A) there has been a consolidation or division of Shares; and
- (B) as a result, members are entitled to fractions of Shares.

52.2 The Directors may:

- (A) sell the Shares representing the fractions to any person including the Company for the best price reasonably obtainable;
- (B) authorise any person to execute an instrument of transfer of the Shares to the purchaser or a person nominated by the purchaser; and
- (C) distribute the net proceeds of sale in due proportion among the holders of the Shares.

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

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

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

53. SHARE CERTIFICATES AND SHARE REGISTER

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

53.2 Every certificate must specify:

- (A) in respect of how many Shares, of what class, it is issued;
- (B) the nominal value of those Shares;
- (C) that the Shares are fully paid, or the amount or respective amounts paid upon the Shares; and
- (D) any distinguishing numbers assigned to them.

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

53.4 If more than one person holds a Share, only one certificate need be issued in respect of it.

53.5 Certificates must:

- (A) have affixed to them the Common Seal; or
- (B) be otherwise executed in accordance with the Companies Act.

53.6 All transactions affecting any Shares (including but not limited to the issue, buy-back or transfer of such Shares in accordance with and these Articles) shall be recorded in the share register maintained by the Company.

53.7 The Company shall cause the creation of a certificate in respect of any Shares issued to a Shareholder from time to time. The certificate shall record:

- (A) the name and registered address of the Shareholder;
- (B) the date on which the Shareholder first acquired the relevant Shares;
- (C) that the Shares are held subject to any Shareholders' Agreement and these Articles;
- (D) that the Shares are held subject to transfer restrictions as set out in these Articles; and
- (E) such other particulars as the Directors may determine.

53.8 Each Shareholder hereby irrevocably agrees that all certificates created in respect of any Shares he holds shall be held by the Company on his behalf.

54. REPLACEMENT SHARE CERTIFICATES

54.1 If a certificate issued in respect of a Shareholder's Shares is:

- (A) damaged or defaced; or
- (B) said to be lost, stolen or destroyed, that Shareholder is entitled to be issued with a replacement certificate in respect of the same Shares.

54.2 A Shareholder exercising the right to be issued with such a replacement certificate:

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

55. RIGHTS AND SECURITY INTERESTS OVER SHARES

Save for transfers of Shares permitted to be registered in accordance with these Articles, no Shareholder shall:

- (A) grant, declare, create or dispose of any Interest in any Shares or deal in any other manner with the legal title to or the beneficial ownership of, any Shares; or
- (B) create or permit to exist any Security Interest over any Shares or any Share Interest.

56. SHARE TRANSFERS

- 56.1 Shares may be Transferred by means of an instrument of transfer in any usual form or any other form approved by the Directors, which is executed by or on behalf of the transferor.
- 56.2 No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any Share.
- 56.3 The Company may retain any instrument of transfer that is registered.
- 56.4 The transferor remains the holder of a Share until the transferee's name is entered in the register of members as holder of it.
- 56.5 The Directors must refuse to register any purported Transfer of a Share if such purported transfer is in breach of these Articles and may refuse to register any Transfer of Shares which are not fully paid or on which the Company has a Company Lien, and if the Directors do so, 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. Any transfer made in breach of these Articles shall be void.
- 56.6 The registration of Transfers of Shares or of Transfers of any class of Shares may be suspended at such times and for such periods (not exceeding thirty days in any year) as the Directors may determine.
- 56.7 No Securities shall be Transferred by any Shareholder (and the Board of Directors shall not register any Transfer of any Securities) unless the Transfer is either permitted or required by, and is otherwise made in accordance with the provisions of, these Articles and any Shareholders' Agreement.
- 56.8 EHL (and any of its Permitted Transferees holding Securities from time to time) may not Transfer any Security or any interest in any Security in the Company to any Accor Competitor, provided that this article 56.8 shall not apply to any transfer of any Security or any interest in any Security in the Company (i) if EHL exercises its right as a Drag Offeror to sell and transfer to a third party (including any Accor Competitor) the entire issue share capital of the Company pursuant to the terms of article 62; or (ii) in accordance with article 61.
- 56.9 Except for a Permitted Transfer or a Transfer in accordance with article 63 or a Transfer agreed in writing by the Investor Shareholders (such agreement acknowledging the Transfer shall occur prior to the expiry of the Lock Up Period), no Shareholder shall be entitled to Transfer any of their Securities on or before 1 July 2023 (the "**Lock Up Period**").
- 56.10 Following the Lock Up Period, no Shareholder shall be entitled to Transfer any of their Securities except:

- (A) to any person with the prior written consent of the Investor Shareholders;
- (B) in accordance with article 61 (*Tag Along Rights*) or 62 (*Drag Along Rights*);
- (C) (in respect of an Investor Shareholder only) in accordance with the provisions of any Shareholders' Agreement;
- (D) (in respect of a MIP Shareholder and MIP Participant only) in accordance with article 63 (*Compulsory Transfers*);
- (E) to a Permitted Transferee, provided that (in respect of a MIP Shareholder only) any Transfer to a Permitted Transferee shall require the consent of the Board of Directors (such consent not to be unreasonably withheld or delayed where the Transfer is for bona fide estate planning purposes);
- (F) in accordance with article 64 (*Completion of Share Transfers & Security Power of Attorney*); or
- (G) as otherwise required or permitted by the terms and conditions of any Shareholders' Agreement.

56.11 To enable the Board of Directors to determine whether or not there has been a Transfer in breach of the provisions of this article 56, the Board of Directors may require any Shareholder, the legal personal representatives of any deceased Shareholder or any person named as transferee in any transfer lodged with the Company for registration, or such other person as the Board of Directors may reasonably believe to have information relevant to such purpose, to furnish to the Board of Directors such material information and evidence as may be reasonable for such purpose including (but not limited to) the names, addresses and interests of all persons respectively having interests in the Securities from time to time registered in the name of the Shareholder. Failing such material information or evidence being furnished within 20 Business Days of the date of the last of such notices to enable the Board of Directors to determine to its reasonable satisfaction that no such breach has occurred, or if as a result of such information and evidence the Board of Directors is reasonably satisfied that such breach has occurred, the Board of Directors shall forthwith notify the holder of such Securities in writing of that fact and, if the holder fails to remedy such breach within twenty (20) Business Days of receipt of such written notice, then (without prejudice to any other remedy available in respect of such breach):

- (A) the relevant Securities shall cease to confer upon the holder thereof (or any proxy thereof), to the extent applicable, any rights to vote (whether on a show of hands or on a poll); or
- (B) if so directed by any Investor Shareholder not in breach of this article 56 the relevant Securities shall cease to confer upon the holder thereof (or any proxy thereof) to receive dividends or other distributions (other than any amount payable to the holder of the relevant Securities upon a return of capital),

otherwise attaching to such Securities or to any further Securities issued in right of such Securities or in pursuance of an offer made to the relevant holder; and

- (C) the holder may be required (by notice in writing to such holder from the Board of Directors if so directed by any Investor Shareholder not in breach of this article 56) at any time following such notice to transfer some or all of his Securities to such persons(s) and at such price(s) as may be determined in accordance with any Shareholders' Agreement. In the event that a holder fails to comply with such obligation to make any transfer, the provisions of article 56.14 (references therein to the holder, Relevant Shares, transferee and documents being construed in accordance with the provisions of this article 56) shall apply mutatis mutandis.
- 56.12 Rights suspended pursuant to article 56.11 shall be reinstated by the Board of Directors upon the remedy of the relevant breach or the completion of any Transfer referred to in article 56.10.
- 56.13 Any Transfer or attempted Transfer in breach of the provisions of this article 56 shall be ineffective and void and the Board of Directors shall refuse to register any such Transfer.
- 56.14 If a holder defaults in transferring Shares to be transferred pursuant to article 56.11(C) or otherwise in accordance with any Shareholders' Agreement (the “**Relevant Shares**”):
- (A) any Director shall be deemed to be the duly appointed agent of the holder with full power to execute, complete and deliver in the name and on behalf of the holder all documents necessary to give effect to the transfer of the Relevant Shares to the relevant transferee;
 - (B) the appointment referred to in article 56.14(A) shall be irrevocable and is given by way of security for the performance of the obligations of the holder of the Relevant Shares under these Articles;
 - (C) the Board of Directors may receive and give a good discharge for the purchase money on behalf of the holder and (subject to the transfer being duly stamped) enter the name of the transferee in the register of members or other appropriate register as the holder by transfer of the Relevant Shares;
 - (D) the Board of Directors shall forthwith pay the purchase money into a separate bank account in the name of the Company and if and when the holder shall deliver up his share certificate or certificates for the Relevant Shares to the Company (or an indemnity in a form reasonably satisfactory to the Board of Directors in respect of any lost share certificate) he shall thereupon be paid the purchase money, without interest and less any sums owed to the Company by the holder pursuant to these Articles or otherwise, or as otherwise calculated in accordance with any Shareholders' Agreement;
 - (E) if such share certificate (or indemnity) shall comprise any Shares which the holder has not become bound to transfer as aforesaid the Company shall issue to him a share certificate for the balance of such Shares; and
 - (F) the Board of Directors shall ratify and confirm whatever the person appointed pursuant to article 56.14(A) shall do or purport to do by virtue of this article

56.14 and the Company shall indemnify such person against all actions, proceedings, claims, costs, expenses and liabilities of every description arising from the exercise or the purported exercise in good faith of any of the powers conferred by this article 56.14 and notwithstanding that they may have arisen as a result of a lack of care on the part of such person.

- 56.15 An obligation to transfer a Share under these Articles shall be deemed to be an obligation to transfer the entire legal and beneficial interest in such Share free from any encumbrance.

57. TRANSMISSION OF SHARES

- 57.1 If title to a Share passes to a transmittee, the Company may only recognise the transmittee as having any title to that Share.
- 57.2 A transmittee who produces such evidence of entitlement to Shares as the Directors may properly require:
- (A) may, subject to these Articles, choose either to become the holder of those Shares or to have them transferred to another person; and
 - (B) subject to these Articles, and pending any transfer of the Shares to another person, has the same rights as the holder from whom the transmittee derived such entitlement had.
- 57.3 Transmittees do not have the right to attend or vote at a general meeting, or agree to a proposed written resolution, in respect of Shares to which they are entitled, by reason of the holder's death or bankruptcy or otherwise, unless they become the holders of those Shares.
- 57.4 Nothing in these Articles releases the estate of a deceased member from any liability in respect of a Share solely or jointly held by that member.

58. EXERCISE OF TRANSMITTEES' RIGHTS

- 58.1 Transmittees who wish to become the holders of Shares to which they have become entitled must notify the Company in writing of that wish.
- 58.2 If the transmittee wishes to have a Share transferred to another person, the transmittee must execute an instrument of transfer in respect of it.
- 58.3 Any transfer made or executed under this article 58 is to be treated as if it were made or executed by the person from whom the transmittee has derived rights in respect of the Share, and as if the event that gave rise to the transmission had not occurred.

59. TRANSMITTEES BOUND BY PRIOR NOTICES

- 59.1 If a notice is given to a Shareholder in respect of Shares and a transmittee is entitled to those Shares, the transmittee is bound by the notice if it was given to the Shareholder before the transmittee's name has been entered in the register of members.

60. PERMITTED TRANSFERS

- 60.1 Subject to article 56, the legal and/or beneficial interest in any Securities may at any time be transferred to a Permitted Transferee, provided that such Permitted Transferee shall first execute a Deed of Adherence and deliver an executed power of attorney in the form set out at article 64.3 to the Company (except in the case of Permitted Encumbrances in which case only upon the relevant Permitted Transferee becoming the registered owner of the Securities must it ensure that such Deed of Adherence and such power of attorney is so executed) and such Permitted Transferee shall enter into any tax election (including but not limited to an election pursuant to section 431(1) Income Tax (Earnings and Pensions) Act 2003 which may be relevant to the employment taxation consequences of such transfer in respect of such Securities within the time period required as the Company shall in its discretion reasonably require.
- 60.2 In the event that any person to whom Securities are transferred pursuant to article 60.1 ceases to be a Permitted Transferee of the original transferor:
- (A) the party of whom such person has ceased to be a Permitted Transferee shall within five (5) Business Days of becoming aware of such cessation procure the transfer of such Securities back to the party who originally transferred them or to any other Permitted Transferee of the original transferor (provided in each case that the proposed transferee is permitted to hold such Securities pursuant to these Articles) on the same terms as they were originally transferred; and
 - (B) if the holder of such Securities (or other party as aforesaid) fails to transfer the Securities in the period referred to in article 60.2(A) the provisions of article 56.11 relating to the suspension of rights attaching to Securities shall apply to such Securities *mutatis mutandis*, with the intent that such Securities shall (until such time as any transfer required to be made in accordance with this article 60.2 has been made and completed) have suspended the rights set out in article 56.11.
- 60.3 Notwithstanding the foregoing, to the extent permissible by Applicable Law:
- (A) EHL may not Transfer any Shares to any Permitted Transferees of EHL to the extent that such Transfer of Shares would result in EHL and the EHL Nominee ceasing to have sole and unfettered control over any and all decisions, and the exercise of any and all rights and enforcement of any and all obligations, of EHL under any Shareholders' Agreement, except where such Permitted Transferees irrevocably appoint the EHL Nominee as attorney to exercise any and all rights under any Shareholders' Agreement (and provided that in the event the EHL Nominee ceases to act as attorney, such Shares are Transferred back to EHL and the provisions of article 60.2 shall apply *mutatis mutandis*);
 - (B) except in connection with a Permitted Encumbrance, no Permitted Transferee of EHL other than the EHL Nominee shall have any right to receive any information from the Company or the Group under or in connection with any Shareholders' Agreement;
 - (C) at no time may EHL Transfer any Securities to any Permitted Transferee who is or in which any Accor Competitor has any interest whatsoever; and

- (D) if EHL Transfers any Securities to any Permitted Transferee who subsequently becomes an Accor Competitor or in which an Accor Competitor subsequently acquires any interest whatsoever, such Permitted Transferee shall within five (5) Business Days of being notified of the same by any Shareholder procure the transfer of such Securities back to EHL and if the Permitted Transferee fails to transfer the Securities in such period the provisions of article 56.11 relating to the suspension of rights attaching to Securities shall apply to such Securities mutatis mutandis, with the intent that such Securities shall (until such time as any transfer required to be made in accordance with this article 60.3 has been made and completed) have suspended the rights set out in article 56.11;
- (E) each of Accor and the Company shall only be required to deal and transact with EHL and the EHL Nominee in respect of the Company and the exercise of all rights, and performance of all obligations, under any Shareholders' Agreement; and
- (F) any MIP Shareholder (in the case of the legal interest in any MIP Shares) and any MIP Participant (in the case of the beneficial interest in any MIP Shares) may, with the prior written consent of the Board of Directors in either case (such consent not to be unreasonably withheld or delayed in the case of any MIP Participant but the granting or refusal of such consent to be solely at the discretion of the Board of Directors in the case of any MIP Shareholder), transfer such interests in such MIP Shares to any Family Member or Family Trust, provided that any such transfer to a Family Member or Family Trust is for bona fide estate planning purposes and such transferee shall first execute a Deed of Adherence and deliver an executed power of attorney in the form set out at article 64.3 to the Company.

61. TAG ALONG RIGHTS

61.1 If a Transferor wishes to exercise its right to transfer any Securities to one or more persons that are not Permitted Transferees (the Drag Along Right having not been exercised within ten (10) Business Days prior to the date of the relevant proposed transfer) such Transfer may not be made unless the relevant purchaser(s) (the "**Tag Offeror**") has offered (the "**Tag Offer**") to purchase (and the Transferor must procure that the Tag Offeror shall offer to purchase):

- (A) if the Transferor is Accor and as a consequence of such transfer Accor shall cease to hold in excess of fifty per cent (50%) of the aggregate voting rights – all of the Securities held by all other A Shareholders and B Shareholders (the "**Tagged Along Shareholders**"); or
- (B) in all other circumstances, such proportion of each class of the Securities held by the Tagged Along Shareholders as is equal to the proportion which the Securities being transferred by the Transferor represents of the total number of Securities held by the Transferor,

(the Securities required to be transferred in each case, the "**Tag Securities**").

61.2 The Tag Offer shall be made in writing (the "**Tag Notice**") and the terms of the Tag Offer will be that:

- (A) it will be open for acceptance for not less than ten (10) Business Days from the date of the Tag Notice (the “**Acceptance Period**” and the end of such period being the “**Tag Expiry Date**”) and will be deemed to have been rejected if not accepted in accordance with the terms of the offer and within the Acceptance Period;
 - (B) the form of consideration and value of such consideration for each of the Tag Securities will be a price per Security calculated as if the aggregate net proceeds of the sale of the Transferor’s Securities and Tag Securities were allocated in accordance with article 47 and in accordance with the provisions of any Shareholders’ Agreement (the “**Third Party Offer Price**”). The Third Party Offer Price (for each Shareholder as the case may be) will be expressed net of any transaction costs that are for the account of the Transferor and Tagged Along Shareholders which will be borne by each of the Transferor and Tagged Along Shareholders in proportion to their holding of Shares; and
 - (C) Tagged Along Shareholders that accept the Tag Offer will be required to adhere to the documentation required by the Tag Offeror to be executed by the Tagged Along Shareholders (the “**Tag Along Documents**”) provided that their terms are not more onerous than those offered to the Transferor.
- 61.3 In the event that a Tag Offeror is required to make a Tag Offer, the Tag Offeror shall notify the Company in writing of the terms of the Tag Offer (“**Third Party Offer Notice**”). The Third Party Offer Notice shall set out the following information:
- (A) the name(s) and address(es) of the Tag Offeror and any persons acting in concert (as defined in the City Code on Takeovers and Mergers, as amended from time to time) with the Tag Offeror in making the Tag Offer;
 - (B) the Third Party Offer Price;
 - (C) any other significant terms and conditions of the Tag Offer, including representations, warranties, indemnities, undertakings and other covenants (“**Third Party Offer Terms**”) including the Tag Expiry Date;
 - (D) copies of the Tag Along Documents (if any) relating to the Tag Offer; and
 - (E) the proposed place, date and time of Tag Completion being the same as for completion of the transfer of the relevant securities by the Transferor and being not less than ten (10) Business Days after the issue of the Tag Notice (“**Tag Completion**”).
- 61.4 The Company shall send no later than five (5) Business Days following receipt of a Third Party Offer Notice copies of the Third Party Offer Notice and Tag Along Documents (if any) to each Tagged Along Shareholder at their address shown on the Company’s register of members.
- 61.5 In the event that a Tag Offer is made pursuant to this article 61, the Tagged Along Shareholders (including option holders on the basis that options will be deemed to have been exercised on the delivery of the Third Party Offer Notice) shall have the right (“**Tag Along Right**”) to accept the Tag Offer (the “**Accepting Shareholders**”) by

serving written notice to that effect in respect of Tag Securities on the Company within the Acceptance Period (the “**Acceptance Notice**”).

- 61.6 Upon the exercise of the Tag Along Right in accordance with this article 61, each of the Accepting Shareholders shall be bound to sell their Tag Securities for the Third Party Offer Price and on the Third Party Offer Terms and otherwise in accordance with this article 61.
- 61.7 Within three (3) Business Days after the end of the Acceptance Period the Company will notify the Tag Offeror of the names and addresses of the Accepting Shareholders who have accepted the Tag Offer.
- 61.8 Tag Completion shall take place on the date specified for that purpose by the Tag Offeror in the Third Party Offer Notice. On or before Tag Completion, each Accepting Shareholder will deliver duly executed Tag Along Documents (if any) in respect of their Tag Securities to the Company. Subject always to receipt of the Tag Along Documents, on Tag Completion the Company will pay each Accepting Shareholder, on behalf of the Tag Offeror, the Third Party Offer Price due. Payment to the Accepting Shareholder will be made to its address on the Company’s register of members. The Accepting Shareholder’s receipt for the Third Party Offer Price due will be a good discharge to the relevant Tag Offeror who will not be bound to see its application. Pending compliance by the Accepting Shareholder with the obligations in this article 61.8, the Company will hold any funds or other form of consideration received from the Tag Offeror in respect of the Tag Securities on trust for the defaulting Accepting Shareholder, without any obligation to pay interest.
- 61.9 For the avoidance of doubt, the MIP Shareholders shall not have the benefit of the tag right detailed in this article 61.

62. DRAG ALONG RIGHTS

- 62.1 In the event that a Transferor wishes to exercise its right to transfer Securities to a third party (the “**Drag Offeror**”) the Transferor(s) shall, provided it has complied where applicable with any provisions regarding rights of first offer in any Shareholders' Agreement to which it may be subject, have the following rights (each a “**Drag Along Right**”):
 - (A) if the Transferor wishes to require that the entire issued share capital of the Company be sold to such Drag Offeror (a “**Full Sale**”) then the Transferor(s) shall have the right to require all the other Shareholders and their respective Permitted Transferees (the “**Called Shareholders**”) to sell and transfer their Securities (the “**Called Securities**”);
 - (B) if both Investor Shareholders wish to sell to such Drag Offeror such number of shares in the Company as would result in a Change of Control of the Company (a “**Controlling Sale**”) then the Transferor(s) shall have the right to require:
 - (i) the holders of the MIP Shares and their respective Permitted Transferees (“the **MIP Called Shareholders**”) to sell and transfer their Securities (the “**MIP Called Securities**”); and

- (ii) the holders of the E Shares and their respective Permitted Transferees (the “**E Called Shareholders**”) to sell and transfer such proportion of the Shares held by the Called Shareholders as is equal to the proportion which the Shares being transferred by the Transferor(s) represents of the total number of the Shares held by the Transferor(s) (the “**E Called Securities**”),

in each case at the same time as when the Transferor transfers its Securities to the proposed transferee, free from all Encumbrances and together with all rights then attaching to them.

- 62.2 For the purposes of the remaining provisions of this article 62 in the event of a Full Sale the definitions of Called Shareholders and Called Securities shall have the meaning given to them in article 62.1(A) and in the case of a Controlling Sale “Called Shareholders” shall mean the MIP Called Shareholders and the E Called Shareholders and “Called Securities” shall mean the MIP Called Securities and E Called Securities.
- 62.3 Subject to article 62.6, the transfer shall be on the same terms and conditions (including as to price or other value/consideration provisions in accordance with any Shareholders' Agreement) as shall have been agreed between the Transferor and the proposed transferee. The Drag Along Right of the Transferor shall be exercised by the Transferor giving not less than twenty (20) Business Days' written notice of its intention to exercise the Drag Along Right to the Company to that effect (the “**Drag Along Notice**”) accompanied by copies of all documents required to be executed by the Called Shareholders to give effect to the required transfer (the “**Drag Along Documents**”).
- 62.4 The Drag Along Notice will specify:
 - (A) the Called Securities to be transferred;
 - (B) any terms of sale to which Called Shareholders are required to adhere including representations, warranties, indemnities, undertakings and other covenants (which will be customary and no less favourable than the terms on which the Transferor is selling to the Drag Offeror and shall not include any restrictions on the operations of the retained business of the Called Shareholders that is not being sold pursuant to the Drag Along Right);
 - (C) the identity of the Drag Offeror;
 - (D) the proposed price per Called Security to be paid by the Drag Offeror for each class of the Called Securities, in accordance with article 62.6; and
 - (E) the proposed place, date and time of completion of the transfer of Called Securities (“**Drag Completion**”).
- 62.5 The Company shall send no later than five (5) Business Days following receipt of a Drag Along Notice, copies of such Drag Along Notice and Drag Along Documents (if any) to each of the Called Shareholders at their address shown on the Company's register of members and require each of them to sell and transfer to the Drag Offeror, or as the Drag Offeror may direct, at Drag Completion all of their Called Securities on the terms set out in the Drag Along Notice.

- 62.6 The form of consideration and value of such consideration for each class of the Called Securities, shall be at a price per Security calculated as if the aggregate net proceeds of the sale of the Called Securities and the Transferor's Securities were allocated in accordance with article 47; and in accordance with any Shareholders' Agreement (the "**Called Securities Price**"). The Called Securities Price (for each Shareholder as the case may be) will be expressed net of any transaction costs that are for the account of the Transferor and Called Shareholders which will be borne by each of the Transferor and Called Shareholders in proportion to their holding of Shares.
- 62.7 Drag Completion will take place on the same date as the date of completion of the sale of the Transferor's Securities. All Called Shareholders are obliged to provide their duly executed Drag Along Documents to the Company and the Transferor at least five (5) Business Days prior to Drag Completion. Any Called Shareholder who defaults on this obligation shall have such obligation enforced by any Director appointed pursuant to article 64.
- 62.8 On or before Drag Completion, the Company will deliver the duly executed Drag Along Documents in respect of Called Securities to the Drag Offeror. Subject always to receipt of the Drag Along Documents, on Drag Completion the Company will arrange for payment to each Called Shareholder, on behalf of the Drag Offeror, of the Called Securities Price due in accordance with article 62.6. Payment to the Called Shareholder will be made to its address on the Company's register of members. The Company's receipt for the Called Securities Price due will be a good discharge to the relevant Drag Offeror who will not be bound to see its application. Pending compliance by the Called Shareholder with the obligations in this article 62.8, the Company will hold any funds or other form of consideration received from the Drag Offeror in respect of the Called Securities on trust for the defaulting Called Shareholder, without any obligation to pay interest.
- 62.9 If any Called Shareholder makes a default in transferring his Called Securities or does not execute all of the Drag Along Documents (if any) within the required timeframe pursuant to article 62.7 shall have such obligation enforced by any Director appointed pursuant to article 64.
- 62.10 If any person becomes a Shareholder (a "**New Shareholder**") either:
- (A) pursuant to the exercise of a pre-existing option or other right to acquire Securities or otherwise; or
 - (B) as a result of any issuance of additional Shares or otherwise

in each case after a Drag Along Notice has been served, a Drag Along Notice will be deemed to have been served on the New Shareholder on the date they acquired such Securities and on the same terms as the previous Drag Along Notice. The New Shareholder will be bound to sell and transfer all Securities acquired by him to the transferee of the Called Securities. The provisions of articles 62.1 and 62.2 shall apply *mutatis mutandis* to the New Shareholder, save that if the Securities are acquired after the sale of the Called Securities has been completed, completion of the sale of the New Shareholder's Shares shall take place immediately on the New Shareholder acquiring the Shares.

63. COMPULSORY TRANSFERS

- 63.1 If a MIP Participant becomes a Leaver, the Board of Directors may, at its discretion (in the case of a Bad Leaver at any time from (and including) the Cessation Date to the date of completion of an Exit and in the case of a Good Leaver only at any time from (and including) the Final Hurdle Test Date to the date of completion of an Exit) give notice in writing (a “**Transfer Notice**”) to the relevant MIP Shareholder requiring the transfer of all of the relevant MIP Shareholder’s MIP Shares (including any MIP Shares held by any Relevant Shareholder) to any of the following:
- (A) the Investor Shareholders in pro rata proportion to the number of Investor Shares held by such Investor Shareholders;
 - (B) an EBT or a similar warehousing vehicle;
 - (C) a person or persons intended to take the relevant Leaver’s place;
 - (D) any existing employee or consultant of the Group,
- (such person(s) being the “**Leaver Shares Transferee**”).
- 63.2 The Leaver and the relevant MIP Shareholder (as applicable) shall deliver up and lodge with the Company the share certificate(s)/certificate of beneficial ownership (or an indemnity in a form reasonably satisfactory to the Board of Directors in respect of any lost share certificate) in respect of the relevant MIP Shares on the Cessation Date or, in any event, within 5 Business Days of receipt of notice from or on behalf of the Board of Directors.
- 63.3 The Shareholders agree that the Transfer Notice shall unconditionally constitute the Company the agent of the relevant MIP Shareholder in relation to the sale of all the legal title to, beneficial ownership of and all interests and rights attaching to the MIP Shares at the Sale Price;
- 63.4 The “**Sale Price**” for each MIP Share for the purposes of this article 63 shall be determined as follows:
- (A) (unless and to the extent that the Board of Directors determines a higher price) if the Leaver is a Bad Leaver, the Sale Price for each MIP Share shall be the Bad Leaver Price;
 - (B) if the Leaver is a Good Leaver, the Sale Price for each MIP Share shall be the Good Leaver Price; and
 - (C) if the Leaver is an Intermediate Good Leaver, the Sale Price for each MIP Share shall be the Good Leaver Price multiplied by the a fraction equal to: (i) a numerator of the number of calendar days of employment of the Intermediate Good Leaver by the Company or any member of the Group following the Adoption Date; and (ii) a denominator of the number of calendar days between the Adoption Date and the Final Hurdle Test Date.
- 63.5 If the Company acquires any MIP Shares from a MIP Shareholder in respect of a Good Leaver for the Good Leaver Price, the Company may, in lieu of payment of cash

consideration, issue a promissory note to such MIP Shareholder on terms that require the repayment in full of such promissory note on the occurrence of any Exit, such repayment by the Company to be funded by Investor Shareholders in proportion to their pro rata proportions of Investor Shares held at the time of such Exit.

- 63.6 Completion of the sale and purchase of a MIP Shareholder's MIP Shares pursuant to this Article 63 shall take place within 10 Business Days of the date of the Transfer Notice (or such other date notified to the relevant MIP Shareholder by the Board of Directors) (the "**Leaver Transfer Completion Date**") whereupon the MIP Shareholder shall transfer the MIP Shareholder's MIP Shares to the Leaver Shares Transferee and deliver the relevant share certificates/certificate of beneficial ownership. Any dispute as to Sale Price to be paid for the relevant MIP Shareholder's MIP Shares shall not invalidate any Transfer Notice and the relevant MIP Shareholder shall remain bound to transfer the MIP Shares; where there is a dispute as to the Sale Price for the MIP Shareholder's MIP Shares, the MIP Shareholder's remedies shall only extend to claiming the difference (if any) in Sale Price due in accordance with this Article 63 and the Sale Price paid, and no MIP Shareholder shall be entitled to any injunctive relief, relief from forfeiture or other similar remedies.
- 63.7 Subject to article 63.5, payment of the Sale Price for a MIP Shareholder's MIP Shares to a MIP Shareholder shall in each case be satisfied by the payment of cash on the Leaver Transfer Completion Date.
- 63.8 A MIP Shareholder's MIP Shares required to be transferred by a MIP Shareholder pursuant to this Article 63 shall be transferred free from all Encumbrances and with the benefit of all rights and entitlements attaching thereto.
- 63.9 If the MIP Shareholder shall fail to duly transfer (or complete the transfer of) his/her/its MIP Shares pursuant to this Article 63 to the Leaver Shares Transferee, the Board of Directors shall be entitled to, and shall, authorise and instruct some person to execute and deliver on his/her/its behalf the necessary transfer and the Company may receive any purchase money received in trust for the MIP Shareholder and (notwithstanding (if such is the case) that the MIP Shareholder has failed to deliver up the relevant share certificate(s)/certificate of beneficial ownership) shall cause such Leaver Shares Transferee to be registered as the holder of such MIP Shares (if applicable). The transfer shall constitute a good title to the MIP Shareholder's MIP Shares and the Leaver Shares Transferee's title to the MIP Shareholder's MIP Shares shall not be affected by any irregularity in or invalidity of the proceedings relating to their disposal under this Article 63.
- 63.10 Upon the occurrence of any Leaver Breach Event and subject to article 63.11, the Board of Directors shall (in its absolute discretion) have the right to recategorise any such Good Leaver as a Bad Leaver and, in the event of any such recategorisation, that Leaver shall be:
- (A) deemed to be a Bad Leaver; and
 - (B) required to repay to the Company an amount equal to the difference between the consideration received by such MIP Shareholder for such MIP Shares at the time of their Transfer and the consideration that he or she would have received

had he or she been treated as a Bad Leaver as at the date of the Transfer of the relevant MIP Shares,

and for the purposes of this article 63, a “**Leaver Breach Event**” means any breach by a Good Leaver of the terms of any restrictive covenants applicable to such Good Leaver, in their capacity as an Employee or beneficial holder of a MIP Shares, including any such restrictive covenants contained in any: (i) employment or consultancy (or similar) agreement; (ii) agreement relating to the sale or purchase of the MIP Shares held by such Good Leaver including but not limited to any settlement agreement; or (iii) Shareholders’ Agreement;.

63.11 Any decision by the Board of Directors to exercise its discretion pursuant to this article 63 to acquire, reallocate or cancel or procure the transfer of a Shareholder’s MIP Shares, deem a Leaver to be treated as a Good Leaver or a Bad Leaver or to recategorise a Bad Leaver as a Good Leaver shall:

- (A) other than where such decision relates to a Co-CEO or to a D Shareholder, first be agreed between the Co-CEOs and be subject to the approval (by simple majority) of the Board of Directors; and
- (B) where such decision relates to a Co-CEO or to a D Shareholder, be solely determined by the Board of Directors (by simple majority),

provided in all cases that the Board of Directors shall act reasonably and consistently in exercising any such discretion.

63.12 Any transfer of any MIP Shares required to be undertaken by the Company in accordance with this article 63 shall, if required, be undertaken in accordance with the procedures and powers set out in article 64, *mutatis mutandis*.

64. COMPLETION OF SHARE TRANSFERS & SECURITY POWER OF ATTORNEY

64.1 Where this article 64 applies to the transfer of any Share, the Share shall be transferred free of encumbrances and with all rights attaching thereto.

64.2 On completion of any transfer of Shares under these Articles:

- (A) the seller shall deliver to the purchaser a duly executed transfer in favour of the purchaser together with the certificate (or an indemnity in a form reasonably satisfactory to the Board of Directors in respect of any lost share certificate) representing the relevant Shares (to the extent that such certificate is not held by the Company) and a power of attorney in a form and in favour of a person nominated by the purchaser, so as to enable the purchaser, pending registration, to exercise all rights of ownership in relation to the Shares transferred to it including, without limitation, the voting rights;
- (B) other than where a promissory note is issued pursuant to article 63.5, the purchaser shall pay the aggregate transfer price in respect of the relevant Shares to the seller by telegraphic transfer for value on the date of completion or in

such other manner as may be agreed by the seller and the purchaser before completion; and

- (C) the seller shall do all such acts and/or execute all such other documents in a form satisfactory to the purchaser as the purchaser may reasonably require to give effect to the transfer of Shares to it.

64.3 Pursuant to the Powers of Attorney Act 1971 (UK), to the fullest extent permissible under Applicable Law and by way of security for the performance of its obligations under these Articles:

- (A) the Company (with the authority to delegate such power of attorney to any Director appointed by Accor) is irrevocably and unconditionally appointed by EHL; and

- (B) any Director is irrevocably and unconditionally appointed by Accor,

in each case as its attorney to execute and do in its name or otherwise and on its behalf all documents, acts and things which the attorney shall in its absolute discretion consider necessary or desirable in order to implement the obligations of that Shareholder under these Articles or in any Shareholders' Agreement.

64.4 If a transfer of Shares is executed on behalf of any Shareholder under this article 64:

- (A) the Company may receive (a) the purchase money in trust for that Shareholder and its Permitted Transferees and the receipt of the Company for the purchase of money shall be a good discharge for the purchaser, who shall not be bound to see to the application of the purchase money; and
- (B) the Company shall, subject to the instrument of transfer being duly stamped, cause the purchaser to be registered as the holder of the relevant Shares.

65. DECLARATION OF TRUST

The MIP Shareholder acknowledges and undertakes that it has entered into a declaration of trust, trust deed or similar with the MIP Participants in relation to the MIP Shares pursuant to which each MIP Participant will transfer the beneficial title to their MIP Shares in circumstances where the MIP Shareholder is required to transfer the legal title to such MIP Shares in accordance with any provision of these Articles or pursuant to any Shareholders' Agreement.

66. PROCEDURE FOR DECLARING DIVIDENDS

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

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

66.3 No dividend may be declared or paid unless it is in accordance with the respective rights of the Investor Shareholders.

- 66.4 Unless the resolution of the Investor Shareholders to declare or the decision of the Directors to pay a dividend, or the terms on which shares are issued, specify otherwise, it must be paid by reference to the holding of each Investor Shareholder of Shares of the class in respect of which the dividend is paid on the date of the resolution or decision to declare or pay it.
- 66.5 The Directors may pay at intervals any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment.
- 66.6 Notwithstanding any other provision of these Articles, the Company or the Directors may fix any date as the record date for any dividend, distribution, allotment or issue, which may be on or at any time before or after any date on which the dividend, distribution, allotment or issue is declared, paid or made.
- 66.7 If any Share is issued on terms providing that it ranks for dividend as from a particular date, then that Share ranks for dividend accordingly.

67. PAYMENT OF DIVIDENDS AND OTHER DISTRIBUTIONS

- 67.1 Where a dividend or other sum that is a distribution is payable in respect of a Share, it must be paid by one or more of the following means:
- (A) transfer to a bank or building society account specified by the distribution recipient either in writing or as the directors may otherwise decide;
 - (B) sending a cheque made payable to the distribution recipient by post to the distribution recipient at the distribution recipient's registered address (if the distribution recipient is a holder of the Share), or (in any other case) to an address specified by the distribution recipient either in writing or as the Directors may otherwise decide;
 - (C) sending a cheque made payable to such person by post to such person at such address as the distribution recipient has specified either in writing or as the directors may otherwise decide; or
 - (D) any other means of payment as the Directors agree with the distribution recipient either in writing or by such other means as the directors decide.
- 67.2 In article 67.1, the “**distribution recipient**” means, in respect of a Share in respect of which a dividend or other sum is payable:
- (A) the holder of the Share;
 - (B) if the Share has two or more joint holders, whichever of them is named first in the register of members;
 - (C) if the holder is no longer entitled to the share by reason of death or bankruptcy; or
 - (D) otherwise by operation of law, the transmittee.

68. NO INTEREST ON DISTRIBUTIONS

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

- (A) the terms on which the Share was issued; or
- (B) the provisions of another agreement between the holder of that Share and the Company.

69. UNCLAIMED DISTRIBUTIONS

69.1 All dividends or other sums which are:

- (A) payable in respect of Shares; and
- (B) unclaimed after having been declared or become payable,

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

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

69.3 If:

- (A) twelve years have passed from the date on which a dividend or other sum became due for payment; and
- (B) the distribution recipient has not claimed it,

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

70. WAIVER OF DISTRIBUTIONS

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

- (A) the Share has more than one holder; or
- (B) more than one person is entitled to the Share, whether by reason of the death or bankruptcy of one or more joint holders, or otherwise,

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

71. CALCULATION OF DIVIDENDS FOR PARTLY-PAID SHARES

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

- (A) declared and paid according to the amounts paid up on the Shares on which the dividend is paid; and
- (B) 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.

71.2 For the purposes 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.

72. DEDUCTIONS FROM DISTRIBUTIONS IN RESPECT OF SUMS OWED TO THE COMPANY ON PARTLY-PAID SHARES

72.1 If:

- (A) a Share is subject to the Company Lien; and
 - (B) 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.

72.2 Money so deducted must be used to pay any of the sums payable in respect of that share.

72.3 The Company must notify the distribution recipient in writing of:

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

73. AUTHORITY TO CAPITALISE AND APPROPRIATION OF CAPITALISED SUMS

73.1 Subject to these Articles, the Directors may, if they are so authorised by an ordinary resolution;

- (A) decide to capitalise any profits of the Company (whether or not they are available for distribution) which are not required for paying a preferential dividend, or any sum standing to the credit of the share premium account of the Company or capital redemption reserve; and
- (B) appropriate any sum which they so decide to capitalise (a “**capitalised sum**”) to the persons who would have been entitled to it if it were distributed by way of dividend (the “**persons entitled**”) and in the same proportions.

73.2 Capitalised sums must be applied:

- (A) on behalf of the persons entitled; and
 - (B) in the same proportions as a dividend would have been distributed to them.
- 73.3 Any capitalised sum may be applied in paying up new Shares of a nominal amount equal to the capitalised sum which are then allotted credited as fully paid to the persons entitled or as they may direct.
- 73.4 A capitalised sum which was appropriated from profits available for distribution may be applied:
 - (A) in or towards paying up any amounts unpaid on existing Partly-Paid Shares held by the persons entitled; or
 - (B) in paying up new debentures of the Company which are then allotted credited as fully paid to the persons entitled or as they may direct.
- 73.5 Subject to these Articles the Directors may:
 - (A) apply capitalised sums in accordance with article 73.3 and article 73.4 partly in one way and partly in another;
 - (B) make such arrangements as they think fit to deal with Shares or debentures becoming distributable in fractions under this article 73 (including the issuing of fractional certificates or the making of cash payments); and
 - (C) authorise any person to enter into an agreement with the Company on behalf of all the persons entitled which is binding on them in respect of the allotment of Shares and debentures to them under this article 73.

74. GENERAL MEETINGS OF SHAREHOLDERS

- 74.1 The Board of Directors may call a general meeting of the Company at any time by a decision of the Board of Directors.
- 74.2 Any Investor Shareholder holding Investor Shares representing at least five per cent (5%) of the entire issued share capital of the Company may call a general meeting of the Company at any time.
- 74.3 Subject to the foregoing provisions of this article 74, general meetings of the Company shall take place at least annually.
- 74.4 At least seven (7) days' written notice of each general meeting of the Company will be given to each Investor Shareholder entitled to attend. Such notice shall set out the agenda for all matters to be considered at the general meeting of the Company, and contain all necessary and relevant information with respect to such matters. No item not on the agenda may be discussed at any scheduled general meeting of the Company without the approval of a special resolution of the Investor Shareholders.

75. ATTENDANCE AND SPEAKING AT GENERAL MEETINGS

- 75.1 A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting.
- 75.2 A person is able to exercise the right to vote at a general meeting when:
- (A) that person is able to vote, during the meeting, on resolutions put to the vote at the meeting; and
 - (B) that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.
- 75.3 The Directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it.
- 75.4 In determining attendance at a general meeting, it is immaterial whether any two or more members attending it are in the same place as each other.
- 75.5 Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them.
- 75.6 Any one or more Investor Shareholders may participate in and vote at general meetings of the Investor Shareholders by means of a conference telephone or any communication equipment which allows all persons participating in the meeting to hear each other. Any Investor Shareholder so participating in a meeting shall be deemed to be present in person and shall count towards the quorum.
- 75.7 A resolution in writing signed by Investor Shareholders holding the requisite majority of Investor Shares to pass the relevant ordinary resolution or special resolution shall be as valid and effective for all purposes as an ordinary resolution or special resolution passed by the Investor Shareholders at a general meeting duly convened, held and constituted.

76. QUORUM FOR GENERAL MEETINGS

No business shall be conducted at any general meeting of the Investor Shareholders unless a quorum is present at the beginning of the meeting and at the time when there is to be voting on any business. A quorum shall exist at any general meeting of the Investor Shareholders if each of Accor (or any of its Permitted Transferees) and EHL (or any of its Permitted Transferees) are present. If a quorum is not present at a general meeting of the Investor Shareholders at the time when any business is considered, then the meeting must be declared invalid and no decisions of the Investor Shareholders may be taken at the meeting. At least five (5) Business Days' notice of the reconvened meeting will be given. At the reconvened meeting, a quorum shall exist with respect to those matters on the agenda which were not disposed of at the original meeting if Accor (or any of its Permitted Transferees) is present.

77. CHAIRING GENERAL MEETINGS

77.1 If the Directors have appointed a Chairman, the Chairman shall chair general meetings if present and willing to do so.

77.2 If the Directors have not appointed a Chairman, or if the Chairman is unwilling to chair the meeting or is not present within ten minutes of the time at which a meeting was due to start:

(A) the directors present; or

(B) (if no directors are present) the meeting,

must appoint a Director or Investor Shareholder (or a proxy) to chair the meeting, and the appointment of the chairman of the meeting must be the first business of the meeting.

77.3 The person chairing a meeting in accordance with these Articles is referred to as “**the chairman of the meeting**”.

78. ATTENDANCE AND SPEAKING BY DIRECTORS AND NON-SHAREHOLDERS

78.1 Directors may attend and speak at general meetings, whether or not they are Shareholders.

78.2 The chairman of the meeting may permit other persons who are not:

(A) Shareholders of the Company; or

(B) otherwise entitled to exercise the rights of Shareholders in relation to general meetings,

to attend and speak at a general meeting.

79. ADJOURNMENT

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

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

(A) the meeting consents to an adjournment; or

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

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

- 79.4 When adjourning a general meeting, the chairman of the meeting must:
- (A) either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the Directors; and
 - (B) have regard to any directions as to the time and place of any adjournment which have been given by the meeting.
- 79.5 If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the Company must give at least 7 clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given):
- (A) to the same persons to whom notice of general meetings of the Company is required to be given; and
 - (B) containing the same information which such notice is required to contain.
- 79.6 No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.

80. VOTING

- 80.1 Each Investor Share and E Share will entitle its holder to receive notice of, attend and vote at any general meeting of the Company, and to receive a copy of and agree to a proposed written resolution.
- 80.2 Each Investor Share and E Share will carry one (1) vote per share.
- 80.3 The MIP Shareholders shall not be entitled receive notice of, attend and vote at any general meeting of the Company, or to receive a copy of or agree to a proposed written resolution.
- 80.4 A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with these Articles.

81. RESTRICTIONS ON MEMBERS' RIGHTS IN RESPECT OF PARTLY-PAID SHARES

No voting rights attached to an Investor Share may be exercised at any general meeting, at any adjournment of it, or on any poll called at or in relation to it, unless all amounts payable to the Company in respect of that Share have been paid.

82. ERRORS AND DISPUTES

- 82.1 No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid.
- 82.2 Any such objection must be referred to the chairman of the meeting, whose decision is final.

83. POLL VOTES

83.1 Subject at all times to article 80, a poll on a resolution may be demanded:

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

83.2 A poll may be demanded by:

- (A) the chairman of the meeting;
- (B) the Directors; or
- (C) any person having the right to vote on the resolution.

83.3 A demand for a poll may be withdrawn if:

- (A) the poll has not yet been taken, and
- (B) the chairman of the meeting consents to the withdrawal.

83.4 Polls must be taken immediately and in such manner as the chairman of the meeting directs.

84. CONTENT OF PROXY NOTICES

84.1 Proxies may only validly be appointed by a notice in writing (a “**proxy notice**”) which:

- (A) shall be in any usual form or in any other form which the Directors may approve; and
- (B) is delivered to the Company in accordance with the Articles and any instructions contained in the notice of the general meeting to which they relate.

84.2 The Company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.

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

84.4 Unless a proxy notice indicates otherwise, it must be treated as:

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

85. DELIVERY OF PROXY NOTICES

- 85.1 A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the Company by or on behalf of that person.
- 85.2 An appointment under a proxy notice may be revoked by delivering to the Company a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.
- 85.3 A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.
- 85.4 If a proxy notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on behalf of the appointor.

86. CLASS MEETINGS

- 86.1 All the provisions of these Articles relating to general meetings of the Company or to the proceedings at general meetings shall apply, mutatis mutandis, to meetings of the holders of any class of Shares, except that:
- (A) the necessary quorum at any such meeting (other than an adjourned meeting) shall be two persons holding or representing by proxy at least one third in nominal amount of the issued Shares of the class;
 - (B) at an adjourned meeting the necessary quorum shall be one person holding Shares of the class or his proxy;
 - (C) every holder of Shares of the class shall, on a poll, have one vote in respect of every Share of the class held by him; and
 - (D) a poll may be demanded by any one holder of Shares of the class whether present in person or by proxy.

87. MEANS OF COMMUNICATION TO BE USED

- 87.1 Subject to these Articles, anything sent or supplied by or to the Company under these Articles may be sent or supplied in any way in which the Companies Act provides for documents or information which are authorised or required by any provision of the Companies Act to be sent or supplied by or to the Company.
- 87.2 Subject to these Articles, any notice or document to be sent or supplied to a Director in connection with the taking of decisions by Directors may also be sent or supplied by the means by which that Director has asked to be sent or supplied with such notices or documents for the time being.
- 87.3 A Director may agree with the Company that notices or documents sent to that Director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours.

- 87.4 A member present, either in person or by proxy, at any meeting of the Company or of the holders of any class of Shares shall be deemed to have been sent notice of the meeting and, where requisite, of the purposes for which it was called.
- 87.5 Except where expressly stated otherwise, a notice under these Articles shall only be effective if it is in writing. Facsimiles and email are permitted.
- 87.6 Notices under these Articles shall be sent to a Shareholder at its address, email address or number and for the attention of the individual set out in the register of members.
- 87.7 Any notice given under these Articles shall, in the absence of earlier receipt, be deemed to have been duly given as follows:
- (A) if delivered personally, on delivery;
 - (B) if sent by first class post, two clear Business Days after the date of posting;
 - (C) if sent by airmail, six clear Business Days after the date of posting;
 - (D) if sent by facsimile, at the expiration of 48 hours after the time it was sent; and
 - (E) if sent by email, at the time at which it was sent.

88. COMPANY SEALS

- 88.1 Any Common Seal may only be used by the authority of the Directors.
- 88.2 The Directors may decide by what means and in what form any Common Seal is to be used.
- 88.3 Unless otherwise decided by the Directors, if the Company has a Common Seal and it is affixed to a document, the document must also be signed by at least one authorised person in the presence of a witness who attests the signature.
- 88.4 For the purposes of this article 88, an authorised person is:
- (A) any Director;
 - (B) the Company Secretary (if any); or
 - (C) any person authorised by the Directors for the purpose of signing documents to which the Common Seal is applied.
- 88.5 If the Company has an official seal for use abroad, it may only be affixed to a document if its use on that document, or documents of a class to which it belongs, has been authorised by a decision of the Directors.

89. DESTRUCTION OF DOCUMENTS

- 89.1 The Company is entitled to destroy:

- (A) all instruments of transfer of Shares which have been registered, and all other documents on the basis of which any entries are made in the register of members, from six years after the date of registration;
- (B) all dividend mandates, variations or cancellations of dividend mandates, and notifications of change of address, from two years after they have been recorded;
- (C) all Share certificates which have been cancelled from one year after the date of the cancellation;
- (D) all paid dividend warrants and cheques from one year after the date of actual payment; and
- (E) all proxy notices from one year after the end of the meeting to which the proxy notice relates.

89.2 If the Company destroys a document in good faith, in accordance with the Articles, and without notice of any claim to which that document may be relevant, it is conclusively presumed in favour of the Company that:

- (A) entries in the register purporting to have been made on the basis of an instrument of transfer or other document so destroyed were duly and properly made;
- (B) any instrument of transfer so destroyed was a valid and effective instrument duly and properly registered;
- (C) any Share certificate so destroyed was a valid and effective certificate duly and properly cancelled; and
- (D) any other document so destroyed was a valid and effective document in accordance with its recorded particulars in the books or records of the Company.

89.3 This article 89 does not impose on the Company any liability which it would not otherwise have if it destroys any document before the time at which this article permits it to do so.

89.4 In this article 89, references to the destruction of any document include a reference to its being disposed of in any manner.

90. CERTIFICATION

90.1 Any Director or the secretary or any person appointed by the Directors for the purpose shall have power to authenticate and certify as true copies of and extracts from:

- (A) any document comprising or affecting the constitution of the Company, whether in hard copy form or in electronic form;
- (B) any resolution passed by the Company, the holders of any class of Shares in the capital of the Company, the Directors or any committee of the Board of Directors, whether in hard copy form or in electronic form; and

- (C) any book, record and document relating to the business of the Company, whether in hard copy form or in electronic form (including, without limitation, the accounts).

90.2 If certified in this way, a document purporting to be a copy of a resolution, or the minutes of or an extract from the minutes of a meeting of the Company, the holders of any class of Shares, the Board of Directors or a committee of the Board of Directors, whether in hard copy form or in electronic form, shall be conclusive evidence in favour of all persons dealing with the Company in reliance on it or them that the resolution was duly passed or that the minutes are, or the extract from the minutes is, a true and accurate record of proceedings at a duly constituted meeting.

91. PROVISION FOR EMPLOYEES ON CESSATION OF BUSINESS

The Directors may make provision for the benefit of any persons employed or formerly employed by the Company or any of its subsidiaries in connection with the cessation or the transfer of the whole or part of the undertaking of the Company or any subsidiary. Any such provision shall be made by a resolution of the Directors in accordance with section 247 of the Companies Act.

92. DIRECTORS' INDEMNITY

92.1 Subject to article 92.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:

- (A) each relevant officer shall be indemnified out of the assets of the Company against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer:

- (i) in the actual or purported execution and/or discharge of his duties, or in relation to them; and
- (ii) in relation to the activities of the Company or any member of the Group as trustee of an occupational pension scheme (as defined in section 235(6) of the Act),

including (in each case) any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which the court grants him, in his capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company or any member of the Group; and

- (B) the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in article 92.1(A) and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

92.2 This article 92 does not authorise any indemnity which would be prohibited or rendered void by any provision of the Act or by any other provision of law.

- 92.3 In this article 92 a “**relevant officer**” means any director or other officer or former director or other officer of the Company or any member of the Group (including any member of the Group which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act), but excluding in each case any person engaged by the Company (or any of member of the Group) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor).

93. INSURANCE

Without prejudice to the provisions of article 92, the Directors may exercise all the powers of the Company to purchase and maintain insurance for or for the benefit of any person who is or was:

- (A) a Director, other officer, employee of the Company, or any body which is or was a Subsidiary of the Company, or in which the Company or a Subsidiary has or had any interest (whether direct or indirect) or with which the Company or a Subsidiary is or was in any way allied or associated; or
- (B) a trustee of any pension fund in which employees of the Company is or has been interested,

including without limitation insurance against any liability incurred by such person in respect of any act or omission in the actual or purported execution or discharge of his or her duties or in the exercise or purported exercise of his or her powers or otherwise in relation to his or her duties, powers or offices in relation to the relevant body or fund.

94. WINDING UP

If the Company is wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Companies Act, divide the whole or any part of the assets of the Company among the members in specie. The liquidation may, for that purpose, value any assets and determine how the division shall be carried out as between the members or different classes of members. The liquidator may, with the like sanction, vest the whole or any part of the assets in trustees upon such trusts for the benefit of the members as he with the like sanction determines, but no member shall be compelled to accept any assets upon which there is a liability.