

THE COMPANIES ACT 2006

COMPANY LIMITED BY SHARES

NEW

ARTICLES OF ASSOCIATION

of

COLLECTIVE MEDIA GROUP LIMITED

(Company number 13501972)



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of

COLLECTIVE MEDIA GROUP LIMITED (the "Company")

1 INTRODUCTION

- 1.1 The model articles for private companies limited by shares contained or incorporated in Schedule 1 to the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the date of adoption of these articles (the "**Model Articles**") shall apply to the Company, save insofar as they are varied or excluded by, or are inconsistent with, the following Articles.
- 1.2 In these Articles and the Model Articles any reference to any statutory provision shall be deemed to include a reference to each and every statutory amendment, modification, re-enactment and extension thereof for the time being in force.
- 1.3 In these Articles:
- 1.3.1 article headings are used for convenience only and shall not affect the construction or interpretation of these Articles;
- 1.3.2 words denoting the singular include the plural and vice versa and reference to one gender includes the other gender and neuter and vice versa;
- 1.3.3 Articles 8(2), 9(4), 10(3), 11(2), 13, 14, 17(2), 17(3), 19, 21, 26(5), 27, 28, 29, 30(5) to (7) (inclusive), 44(4), 51, 52 and 53 of the Model Articles shall not apply to the Company;
- 1.3.4 reference to "**issued Shares**" of any class shall exclude any Shares of that class held as Treasury Shares from time to time, unless stated otherwise; and
- 1.3.5 reference to the "**holders**" of Shares or a class of Share shall exclude the Company holding Treasury Shares from time to time, unless stated otherwise.

2 DEFINITIONS

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

"A Ordinary Shares"	the A ordinary shares of £0.001 each in the capital of the Company from time to time;
"A Shareholder Consent"	the prior written consent of the holder(s) for the time being of not less than 75% by nominal value of all A Ordinary Shares.
"Act"	the Companies Act 2006 (as amended from time to

	time);
"Acting in Concert"	has the meaning given to it in The City Code on Takeovers and Mergers published by the Panel on Takeovers and Mergers (as amended from time to time);
"Asset Sale"	the disposal by the Company of all or substantially all of its undertaking and assets (where disposal may include, without limitation, the grant by the Company of an exclusive licence of intellectual property not entered into in the ordinary course of business);
"Associate"	<p>in relation to any person means:</p> <ul style="list-style-type: none">(a) any person who is an associate of that person and the question of whether a person is an associate of another is to be determined in accordance with section 435 of the Insolvency Act 1986 and (whether or not an associate as so determined);(b) any Member of the same Group;(c) any Member of the same Fund Group;
"Auditors"	the auditors of the Company from time to time;
"Available Profits"	profits available for distribution within the meaning of part 23 of the Act;
"B Ordinary Shares"	the B ordinary shares of £0.001 each in the capital of the Company from time to time;
"Bad Leaver"	<p>means:</p> <ul style="list-style-type: none">(a) a person who ceases to be an Employee at any time as a consequence of that person's dismissal as an Employee for cause, where "cause" shall mean the lawful termination of that person's contract of employment or consultancy without notice or payment in lieu of notice as a consequence of:<ul style="list-style-type: none">i. that person's gross misconduct;ii. if that person commits any serious or repeated breach or non-observance of any of the provisions of that person's employment agreement or consultancy agreement or refuses or neglects to comply with any reasonable and lawful directions

of the Company;

- iii. if that person ceases to be eligible to work in the United Kingdom;
 - iv. if that person is guilty of any serious default or misconduct in connection with or affecting the Company's business or, in the reasonable opinion on the Company, is guilty of serious neglect or negligence in the performance of that person's duties or behaves in a manner (whether on or off duty) which is likely to bring the Company or any Group Company into disrepute or which seriously impairs that person's ability to perform that person's duties;
 - v. if that person is convicted of a criminal offence (other than one which in the opinion of the Company does not affect his position as an Employee bearing in mind the nature of his duties and the capacity in which that person is employed or an offence under road traffic legislation in the United Kingdom or elsewhere for which that person is not sentenced to any term of imprisonment whether immediate or suspended); or
 - vi. if that person commits any act of fraud or dishonesty in relation to the Company, any Group Company, any employee or otherwise, including but not limited to any offence under the Bribery Act 2010; or
 - vii. if during the performance of that person's duties that person makes any racist, defamatory or deliberately offensive remark or comment, in writing or otherwise, in relation to any employee, supplier or client of the Company or any Group Company; and/or
- (b) a person who ceases to be an Employee at any time during the Relevant Period as a result of his voluntary resignation or voluntary termination of their consultancy agreement (other than as a result of the illness or

disablement of that person giving rise to permanent incapacity to continue in employment and save where a court or employment tribunal has found that such Leaver has been constructively dismissed);

"Board"	the board of Directors and any committee of the board constituted for the purpose of taking any action or decision contemplated by these Articles;
"Business Day"	a day on which English clearing banks are ordinarily open for the transaction of normal banking business in the City of London (other than a Saturday or Sunday);
"C Ordinary Shares"	the C ordinary shares of £0.001 each in the capital of the Company from time to time;
"Commencement Date"	the Date of Adoption or in respect of any Employee not holding Shares at the Date of Adoption, the date on which such Employee is allotted and issued Shares;
"Controlling Interest"	an interest in shares giving to the holder or holders control of the Company within the meaning of section 1124 of the CTA 2010;
"CTA 2010"	means the Corporation Tax Act 2010;
"Date of Adoption"	the date on which these Articles were adopted;
"Deferred Conversion Date"	the date that the Employees Shares convert into Deferred Shares pursuant to Article 15.1;
"Deferred Shares"	deferred shares of £0.001 each in the capital of the Company from time to time;
"Director(s)"	a director or directors of the Company from time to time;
"Effective Termination Date"	the date on which the Employee's employment or consultancy terminates, or in the case of a Bad Leaver only, the date on which the Employee gives or is given notice to terminate his employment or consultancy;
"electronic address"	has the same meaning as in section 333 of the Act;
"electronic form" and "electronic means"	have the same meaning as in section 1168 of the Act;
"Eligible Director"	a Director who would be entitled to vote on a matter had it been proposed as a resolution at a meeting of the Directors;

"Employee"	an individual who is employed by or who provides consultancy services to (either in their personal capacity or through a corporate entity), the Company or any member of the Group;
"Employee Shares"	in relation to an Employee means all of the Shares held by the Employee in question;
"Encumbrance"	any mortgage, charge, security, interest, lien, pledge, assignment by way of security, equity, claim, right of pre-emption, option, covenant, restriction, reservation, lease, trust, order, decree, judgment, title defect (including without limitation any retention of title claim), conflicting claim of ownership or any other encumbrance of any nature whatsoever (whether or not perfected other than liens arising by operation of law);
"Equity Securities"	has the meaning given in sections 560(1) to (3) inclusive of the Act and for the avoidance of doubt an allotment of Equity Securities includes a transfer of shares which immediately before such transfer were held by the Company as Treasury Shares;
"Equity Shares"	the Shares other than the Deferred Shares;
"Exit"	a Share Sale, an Asset Sale or an IPO;
"Expert Valuer"	is as determined in accordance with Article 14.2;
"Fair Value"	is as determined in accordance with Article 14;
"Financial Year"	has the meaning set out in section 390 of the Act;
"Good Leaver"	a person who ceases to be an Employee and who is not a Bad Leaver (and shall include, without limitation, when the Board determines that such person is not a Bad Leaver);
"Group"	the Company and its Subsidiary Undertaking(s) (if any) from time to time and "Group Company" shall be construed accordingly;
"hard copy form"	has the same meaning as in section 1168 of the Act;
"Holding Company"	a newly formed holding company, pursuant to which the membership, pro rata shareholdings and classes of shares comprised in such holding company matches that of the Company (excluding Treasury Shares) immediately prior to the transfer of the issued share capital of the Company to such holding company;

"IPO"	the admission of all or any of the Shares or securities representing those shares (including without limitation depositary interests, American depositary receipts, American depositary shares and/or other instruments) on NASDAQ or the Official List of the United Kingdom Listing Authority or the AIM Market operated by the London Stock Exchange Plc or any other recognised investment exchange (as defined in section 285 of the Financial Services and Markets Act 2000);
"ITEPA"	Income Tax (Earnings and Pensions) Act 2003;
"Issue Price"	the price at which the relevant Share is issued, including any premium;
"Leaver's Proportion"	in relation to and for the purposes of determining the number of Employee Shares that are required (pursuant to Article 15) to be converted into Deferred Shares as a result of an Employee ceasing to be an Employee within the period commencing on the Commencement Date and ending on the Effective Termination Date, the proportion (rounded down to the nearest share) as calculated in accordance with Article 15;
"NASDAQ"	the NASDAQ Stock Market of the NASDAQ OMX Group Inc.;
"Ordinary Shares"	the A Ordinary Shares, the B Ordinary Shares and the C Ordinary Shares;
"Ordinary Shareholder(s)"	the holders from time to time of the Ordinary Shares (but excludes the Company holding Treasury Shares);
"Permitted Transfer"	means a transfer of Shares in accordance with Article 12;
"Proceeds of Sale"	the consideration payable (including any deferred and/or contingent consideration) whether in cash or otherwise to those Shareholders selling Shares under a Share Sale less any fees, costs and expenses payable in respect of such Share Sale;
"Proposed Purchaser"	a proposed purchaser who at the relevant time has made an offer on arm's length terms;
"Qualifying Person"	has the meaning given in section 318(3) of the Act;
"Relevant Interest"	has the meaning set out in Article 25.4;
"Relevant Period"	36 months from the Commencement Date;
"Restricted Shares"	has the meaning set out in Article 15.4;

"Sale Shares"	has the meaning set out in Article 13.2.1;
"Seller"	has the meaning set out in Article 13.2;
"Shareholder"	any holder of any Shares (but excludes the Company holding Treasury Shares);
"Shares"	the Ordinary Shares and the Deferred Shares from time to time;
"Share Sale"	the sale of (or the grant of a right to acquire or to dispose of) any of the shares in the capital of the Company (in one transaction or as a series of transactions) which will result in the purchaser of those shares (or grantee of that right) and persons Acting in Concert with him together acquiring a Controlling Interest in the Company, except where following completion of the sale the shareholders and the proportion of shares held by each of them are the same as the shareholders and their shareholdings in the Company immediately prior to the sale;
"Subsidiary", "Subsidiary Undertaking" and "Parent Undertaking"	have the respective meanings set out in sections 1159 and 1162 of the Act;
"Transfer Notice"	shall have the meaning given in Article 13.2;
"Transfer Price"	shall have the meaning given in Article 13.2.3;
"Treasury Shares"	shares in the capital of the Company held by the Company as treasury shares from time to time within the meaning set out in section 724(5) of the Act;
"Unvested"	those Employee Shares which may be required to be converted into Deferred Shares under Article 15.

3 SHARE CAPITAL

- 3.1 In these Articles, unless the context requires otherwise, references to shares of a particular class shall include shares allotted and/or issued after the Date of Adoption and ranking pari passu in all respects (or in all respects except only as to the date from which those shares rank for dividend) with the shares of the relevant class then in issue.
- 3.2 Except as otherwise provided in these Articles, the Ordinary Shares shall rank pari passu in all respects but shall constitute separate classes of shares.
- 3.3 The words "and the directors may determine the terms, conditions and manner of redemption of any such shares" shall be deleted from article 22(2) of the Model Articles.
- 3.4 The Company may purchase its own Shares to the extent permitted by section 692(1ZA) of the Act.

- 3.5 Paragraph (c) of article 24(2) of the Model Articles shall be amended by the replacement of the words "that the shares are fully paid; and" with the words "the amount paid up on them; and".
- 3.6 In article 25(2) of the Model Articles, the words "payment of a reasonable fee as the directors decide" in paragraph (c) shall be deleted and replaced by the words "payment of the expenses reasonably incurred by the Company in investigating evidence as the directors may determine".
- 3.7 For the avoidance of doubt, the Company shall not exercise any right in respect of any Treasury Shares, including without limitation any right to:
- 3.7.1 receive notice of or to attend or vote at any general meeting of the Company;
 - 3.7.2 receive or vote on any proposed written resolution; and
 - 3.7.3 receive a dividend or other distribution
- save as otherwise permitted by section 726(4) of the Act.
- 3.8 The Company shall be entitled to retain any share certificate(s) relating to Employee Shares while any such Shares remain Unvested.

4 DIVIDENDS

In respect of any Financial Year, the Company's Available Profits will be applied as determined by the Board provided always that the Ordinary Shares shall be treated on a pari passu basis.

5 LIQUIDATION PREFERENCE

On a distribution of assets on a liquidation or a return of capital (other than a conversion, redemption or purchase of Shares) the surplus assets of the Company remaining after payment of its liabilities shall be applied (to the extent that the Company is lawfully permitted to do so):

- 5.1.1 first in paying to the holders of the Deferred Shares, if any, a total of £1.00 for the entire class of Deferred Shares (which payment shall be deemed satisfied by payment to any one holder of Deferred Shares); and
- 5.1.2 thereafter, the balance of the surplus assets (if any) shall be distributed among the holders of Ordinary Shares pro rata to the number of Ordinary Shares held.

6 EXIT PROVISIONS

- 6.1 On a Share Sale the Proceeds of Sale shall be distributed in the order of priority set out in Article 5 and the Directors shall not register any transfer of Shares if the Proceeds of Sale are not so distributed save in respect of any Shares not sold in connection with that Share Sale provided that if the Proceeds of Sale are not settled in their entirety upon completion of the Share Sale:
- 6.1.1 the Directors shall not be prohibited from registering the transfer of the relevant Shares so long as the Proceeds of Sale that are settled have been distributed in the order of priority set out in Article 5; and

6.1.2 the Shareholders shall take all action required to ensure that the Proceeds of Sale in their entirety are distributed in the order of priority set out in Article 5.

In the event that the Proceeds of Sale are distributed on more than one occasion (for any deferred or contingent consideration or otherwise), the consideration so distributed on any further occasion shall be paid by continuing the distribution from the previous distribution of consideration in the order of priority set out in Article 5.

6.2 On an Asset Sale the surplus assets of the Company remaining after payment of its liabilities shall be distributed (to the extent that the Company is lawfully permitted to do so) in the order of priority set out in Article 5 provided always that if it is not lawful for the Company to distribute its surplus assets in accordance with the provisions of these Articles, the Shareholders shall take any action required (including, but without prejudice to the generality of this Article 6.2, actions that may be necessary to put the Company into voluntary liquidation) so that Article 5 applies.

7 VOTES IN GENERAL MEETING AND WRITTEN RESOLUTIONS

7.1 The A Ordinary Shares shall confer on each holder of A Ordinary Shares the right to receive notice of and to attend, speak and vote at all general meetings of the Company and to receive and vote on proposed written resolutions of the Company.

7.2 The B Ordinary Shares shall confer on each holder of B Ordinary Shares the right to receive notice of and to attend, speak and vote at all general meetings of the Company and to receive and vote on proposed written resolutions of the Company.

7.3 The C Ordinary Shares and the Deferred Shares (if any) shall not entitle the holders of them to receive notice of, to attend, to speak or to vote at any general meeting of the Company nor to receive or vote on, or otherwise constitute an eligible member for the purposes of, proposed written resolutions of the Company.

7.4 Where Shares confer a right to vote, on a show of hands each holder of such shares who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or by proxy shall have one vote and on a poll:

7.4.1 each such holder of A Ordinary Shares so present shall have one vote for each Share held by him; and

7.4.2 each such holder of B Ordinary Shares holding 5% or more of the aggregate number of Shares in issue, shall have such number of votes as is equal to 5% of the aggregate number of votes capable of being cast (based on one vote for each share which carries voting rights in issue from time to time) and each such holder of B Ordinary Shares holding less than 5% of the aggregate number of Shares in issue, shall have one vote for each Share held by him.

7.5 No voting rights attached to a share which is nil paid or partly paid may be exercised:

7.5.1 at any general meeting, at any adjournment of it or at any poll called at or in relation to it; or

7.5.2 on any proposed written resolution,

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

8 DEFERRED SHARES

- 8.1 Subject to the Act, any Deferred Shares may be purchased by the Company at any time at its option for the aggregate sum of one penny for all the Deferred Shares registered in the name of any holder(s) without obtaining the sanction of the holder(s).
- 8.2 The allotment or issue of Deferred Shares or the conversion or re-designation of shares into Deferred Shares shall be deemed to confer irrevocable authority on the Company at any time after their allotment, issue, conversion or re-designation, without obtaining the sanction of such holder(s), to:
- 8.2.1 appoint any person to execute any transfer (or any agreement to transfer) of such Deferred Shares to such person(s) as the Company may determine (as nominee or custodian thereof or otherwise), including (subject to the Act) to the Company itself, in any such case for a price being not more than an aggregate sum of one penny for all the Deferred Shares registered in the name of such holder(s); and/or
 - 8.2.2 receive the consideration for such a transfer or purchase (and give a good discharge for it) and hold the same on trust for the transferor(s); and/or
 - 8.2.3 give, on behalf of such holder(s), consent to the cancellation of such Deferred Shares; and/or
 - 8.2.4 retain the certificate(s) (if any) in respect of such Deferred Shares pending the transfer, cancellation and/or purchase thereof.
- 8.3 No Deferred Share may be transferred without the prior consent of the Board (acting with A Shareholder Consent).

9 VARIATION OF RIGHTS

Whenever the share capital of the Company is divided into different classes of shares, the special rights attached to any such class may only be varied or abrogated (either whilst the Company is a going concern or during or in contemplation of a winding-up) with the consent in writing of the holders of more than 50 per cent. in nominal value of the issued shares of that class.

10 ALLOTMENT OF NEW SHARES OR OTHER SECURITIES: PRE-EMPTION

- 10.1 In accordance with section 567(1) of the Act, sections 561 and 562 of the Act shall not apply to an allotment of Equity Securities made by the Company.
- 10.2 Unless otherwise agreed in writing by the holders of the A Ordinary Shares and by a majority of the holders of B Ordinary Shares, if the Company proposes to allot any Equity Securities (other than any Equity Securities to be held under an employee share scheme (as that expression is defined in section 1166 of the Act), those Equity Securities shall not be allotted to any person unless the Company has first offered them to all shareholders on the date of the offer on the same terms, and at the same price, as those Equity Securities are being offered to other persons on a pari passu and pro-rata basis to the number of shares held by those holders (as nearly as possible without involving fractions). The offer:
- 10.2.1 shall be in writing, (made in hard copy or electronic form) shall be open for a period of 10 business days from the date of the offer and shall give details of the number and subscription price of the relevant Equity Securities; and

- 10.2.2 shall stipulate that any shareholder who wishes to subscribe for a number of Equity Securities in excess of the proportion to which he is entitled shall, in his acceptance, state the number of excess Equity Securities ("**Excess Securities**") for which he wishes to subscribe.
- 10.3 Any Equity Securities not accepted by shareholders pursuant to the offer made to them in accordance with Article 10.2 shall be used for satisfying any requests for Excess Securities made pursuant to Article 10.2.2. If there are insufficient Excess Securities to satisfy such requests, the Excess Securities shall be allotted to the applicants pro-rata to the number of shares held by the applicants immediately before the offer was made to shareholders in accordance with Article 10.2 (as nearly as possible without involving fractions or increasing the number of Excess Securities allotted to any shareholder beyond that applied for him). After that allotment, any Excess Securities remaining shall be offered to any other person as the directors may determine, at the same price and on the same terms as the offer to the shareholders.
- 10.4 Subject to Articles 10.2, 10.3 and to section 551 of the Act, any Equity Securities shall be at the disposal of the directors who may allot, grant options over or otherwise dispose of them to any persons at those times and generally on the terms and conditions they think proper.
- 10.5 No shares shall be allotted to any employee, director, prospective employee or director unless such person has entered into a joint election with the company under section 431 of the Income Tax (Earnings and Pensions) Act 2003.

11 TRANSFERS OF SHARES – GENERAL

- 11.1 In Articles 11 to 17 (inclusive), reference to the transfer of a Share includes the transfer or assignment of a beneficial or other interest in that Share or the creation of a trust or Encumbrance over that Share and reference to a Share includes a beneficial or other interest in a Share.
- 11.2 No Share may be transferred unless the transfer is made in accordance with these Articles.
- 11.3 If a Shareholder transfers or purports to transfer a Share otherwise than in accordance with these Articles he will be deemed immediately to have served a Transfer Notice in respect of all Shares held by him.
- 11.4 Any transfer of a Share by way of sale which is required to be made under Articles 13 to 17 (inclusive) will be deemed to include a warranty that the transferor sells with full title guarantee.
- 11.5 Unless express provision is made in these Articles to the contrary, no Employee Shares shall be transferred without consent of the Board (acting with A Shareholder Consent).
- 11.6 The directors may only, and in their absolute discretion, refuse to register a transfer of shares to an infant, bankrupt or person in respect of whom, by reason of that person's mental health, a court has made an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have. Paragraph 26(5) of the Model Articles shall be modified accordingly. If the Directors refuse to register a transfer, the instrument of transfer must be returned to the transferee with the notice of refusal unless they suspect that the proposed transfer may be fraudulent.
- 11.7 The Directors may, as a condition to the registration of any transfer of shares in the Company, require the transferee to execute and deliver to the Company a deed agreeing to be bound by the terms of any shareholders' agreement or similar document in force between some or all of

the Shareholders and the Company in any form as the Directors may reasonably require (but not so as to oblige the transferee to have any obligations or liabilities greater than those of the proposed transferor under any such agreement or other document) and if any condition is imposed in accordance with this Article 11.7 the transfer may not be registered unless that deed has been executed and delivered to the Company's registered office by the transferee.

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

11.9 If a Transfer Notice is required to be given by the Board or is deemed to have been given under these Articles, the Transfer Notice, unless otherwise specified in the Articles, will be treated as having specified that:

11.9.1 the Transfer Price for the Sale Shares will be as agreed between the Board (any director who is a Seller or with whom the Seller is connected (within the meaning of section 252 of the Act) not voting) and the Seller, or, failing agreement within five Business Days after the date on which the Board becomes aware that a Transfer Notice has been deemed to have been given, will be the Fair Value of the Sale Shares;

11.9.2 it does not include a Minimum Transfer Condition (as defined in Article 13.2.4); and

11.9.3 the Seller wishes to transfer all of the Shares held by it.

11.10 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:

11.10.1 the transferor; and

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

12 PERMITTED TRANSFERS

A holder of B Ordinary Shares and/or C Ordinary Shares may transfer all or any of his or its Shares to any person with the prior written consent of the Board (acting with A Shareholder Consent). The prior consent of the Board is not required for any transfer of A Ordinary Shares.

13 TRANSFERS OF SHARES SUBJECT TO PRE-EMPTION RIGHTS

13.1 Save where the provisions of Articles 12, 16 or 17 applies, any transfer of B Ordinary Shares or C Ordinary Shares by a Shareholder shall be subject to the pre-emption rights contained in this Article 13.

13.2 A holder of B Ordinary Shares and/or C Ordinary who wishes to transfer B Ordinary Shares or C Ordinary Shares (a "Seller") shall, except as otherwise provided in these Articles, before transferring or agreeing to transfer any B Ordinary Shares or C Ordinary Shares give notice in writing (a "Transfer Notice") to the Company specifying:

13.2.1 the number of B Ordinary Shares or C Ordinary Shares which he wishes to transfer (the "Sale Shares");

13.2.2 If he wishes to sell the Sale Shares to a third party, the name of the proposed transferee;

13.2.3 the price at which he wishes to transfer the Sale Shares; and

13.2.4 whether the Transfer Notice is conditional on all or a specific number of the Sale Shares being sold to Shareholders (a "**Minimum Transfer Condition**").

If no cash price is specified by the Seller, the price at which the Sale Shares are to be transferred (the "**Transfer Price**") must be agreed by the Board. In addition, if the price is not specified in cash, an equivalent cash value price must be agreed between the Seller and the Board. In both cases, the price will be deemed to be the Fair Value of the Sale Shares if no price is agreed within 5 Business Days of the Company receiving the Transfer Notice.

13.3 Except with the consent of the Board (acting with A Shareholder Consent) or as otherwise specified in these Articles, no Transfer Notice once given or deemed to have been given under these Articles may be withdrawn.

13.4 A Transfer Notice constitutes the Company the agent of the Seller for the sale of the Sale Shares at the Transfer Price.

13.5 As soon as practicable following the later of:

13.5.1 receipt of a Transfer Notice; and

13.5.2 in the case where the Transfer Price has not been agreed, the determination of the Transfer Price under Article 14,

the Board may resolve, subject at all times to the provisions of the Act, that the Company shall purchase the Sale Shares at the Transfer Price. If the Company is unable to purchase the Sale Shares or if the Board otherwise resolves that the Sale Shares shall not be purchased by the Company, the Board shall offer the Sale Shares for sale to the Shareholders in the manner set out in Article 13.6.

13.6 **Transfers: Offer**

13.6.1 To the extent any Sale Shares are not purchased by the Company pursuant to Article 13.5, the Board shall offer such remaining Sale Shares to all holders of Ordinary Shares other than the Seller (the "**Continuing Shareholders**") inviting them to apply in writing within the period from the date of the offer to the date 10 Business Days after the offer (inclusive) (the "**Offer Period**") for the maximum number of Sale Shares they wish to buy. Each offer must be in writing and give details of the number and Transfer Price of the Sale Shares offered.

13.6.2 If the Sale Shares are subject to a Minimum Transfer Condition then any allocation made under Article 13.6 will be conditional on the fulfilment of the Minimum Transfer Condition.

13.6.3 If, at the end of the Offer Period, the number of Sale Shares applied for is equal to or exceeds the number of Sale Shares, the Board shall allocate the Sale Shares to each Continuing Shareholder who have applied for Sale Shares in the proportion (fractional entitlements being rounded to the nearest whole number) which his existing holding of the relevant class(es) of Shares bears to the total number of the relevant class(es) of Shares held by those Continuing Shareholders who has applied for Sale Shares which procedure shall be repeated until all Sale Shares have been allocated but no allocation shall be made to a Shareholder of more than the maximum number of Sale Shares which he has stated he is willing to buy.

- 13.6.4 If, at the end of the Offer Period, the number of Sale Shares applied for is less than the number of Sale Shares, the Board shall allocate the Sale Shares to the Continuing Shareholders in accordance with their applications and the balance will be dealt with in accordance with Article 13.7.5.

13.7 Completion of transfer of Sale Shares

- 13.7.1 If the Transfer Notice includes a Minimum Transfer Condition and the total number of Shares applied for does not meet the Minimum Transfer Condition the Board shall notify the Seller and all those to whom Sale Shares have been conditionally allocated under Article 13.6 stating the condition has not been met and that the relevant Transfer Notice has lapsed with immediate effect.

- 13.7.2 If:

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

the Board shall, when no further offers are required to be made under Article 13.6, give written notice of allocation (an "**Allocation Notice**") to the Seller and each Shareholder to whom Sale Shares have been allocated (an "**Applicant**") specifying the number of Sale Shares allocated to each Applicant and the place and time (being not less than 5 Business Days nor more than 10 Business Days after the date of the Allocation Notice) for completion of the transfer of the Sale Shares.

- 13.7.3 Upon service of an Allocation Notice, the Seller must, against payment of the Transfer Price, transfer the Sale Shares in accordance with the requirements specified in it.

- 13.7.4 If the Seller fails to comply with the provisions of Article 13.7.3:

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

13.7.5 If an Allocation Notice does not relate to all the Sale Shares then, subject to Article 13.7.6, the Seller may, within eight weeks after service of the Allocation Notice, transfer the unallocated Sale Shares to any person at a price at least equal to the Transfer Price.

13.7.6 The right of the Seller to transfer Shares under Article 13.7.5 does not apply if the Board is of the opinion on reasonable grounds that:

- i the transferee is a person (or a nominee for a person) who the Board determine in their absolute discretion is a competitor with (or an Associate of a competitor with) the business of the Company or with a Subsidiary Undertaking of the Company;
- ii the sale of the Sale Shares is not bona fide or the price is subject to a deduction, rebate or allowance to the transferee; or
- iii the Seller has failed or refused to provide promptly information available to it or him and reasonably requested by the Board for the purpose of enabling it to form the opinion mentioned above.

14 VALUATION OF SHARES

14.1 If no Transfer Price can be agreed between the Seller and the Board in accordance with provisions of Articles 11.9 or 13.2 or otherwise then, on the date of failing agreement, the Board shall either:

14.1.1 appoint an expert valuer in accordance with Article 14.2 (the "**Expert Valuer**") to certify the Fair Value of the Sale Shares; or

14.1.2 (if the Fair Value has been certified by an Expert Valuer within the preceding 19 weeks) specify that the Fair Value of the Sale Shares will be calculated by dividing any Fair Value so certified by the number of Sale Shares to which it related and multiplying such Fair Value by the number of Sale Shares the subject of the Transfer Notice.

14.2 The Expert Valuer will be either:

14.2.1 the Auditors; or

14.2.2 (if otherwise agreed by the Board and the Seller) an independent firm of Chartered Accountants to be agreed between the Board and the Seller or failing agreement not later than the date 10 Business Days after the date of service of the Transfer Notice to be nominated by the then President of the Institute of Chartered Accountants in England and Wales on the application of either party and approved by the Company.

14.3 The "**Fair Value**" of the Sale Shares shall be determined by the Expert Valuer on the following assumptions and bases:

14.3.1 valuing the Sale Shares as on an arm's-length sale between a willing seller and a willing buyer;

14.3.2 if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;

- 14.3.3 that the Sale Shares are capable of being transferred without restriction and no discount applied as a result of the Sale Shares constituting a minority shareholding;
- 14.3.4 ignoring the fact that the Sale Shares can be subject to compulsory transfer requirements or conversion into Deferred Shares pursuant to these Articles or otherwise; and
- 14.3.5 valuing the Sale Shares as a rateable proportion of the total value of all the issued Shares (excluding any Shares held as Treasury Shares) without any premium or discount being attributable to the percentage of the issued share capital of the Company which they represent but taking account of the rights attaching to the Sale Shares;
- 14.3.6 reflect any other factors which the Expert Valuer reasonably believes should be taken into account; and
- 14.3.7 when considering EBITDA of the Group for such valuation, shall exclude and not take into account:
 - a) any management fees applied or charged to the Company or any other Group Company, whether by the holder of A Ordinary Shares, any persons connected to the holders of A Ordinary Shares, or otherwise; and
 - b) the costs of any shared services centre between the Group and any other company, whether a holder of A Ordinary Shares or otherwise.
- 14.4 If any difficulty arises in applying any of these assumptions or bases then the Expert Valuer shall resolve that difficulty in whatever manner they shall in their absolute discretion think fit.
- 14.5 The Expert Valuer shall be requested to determine the Fair Value within 20 Business Days of their appointment and to notify the Board of their determination.
- 14.6 The Expert Valuer shall act as experts and not as arbitrators and their determination shall be final and binding on the parties (in the absence of fraud or manifest error).
- 14.7 The Board will give the Expert Valuer access to all accounting records or other relevant documents of the Company subject to them agreeing to such confidentiality provisions as the Board may reasonably impose.
- 14.8 The Expert Valuer shall deliver their certificate to the Company. As soon as the Company receives the certificate it shall deliver a copy of it to the Seller. Unless the Sale Shares are to be sold under a Transfer Notice, which is deemed to have been served, the Seller may by notice in writing to the Company within 5 Business Days of the service on him of the copy certificate, cancel the Company's authority to sell the Sale Shares.
- 14.9 The cost of obtaining the certificate shall be paid by the Company unless:
 - 14.9.1 the Seller cancels the Company's authority to sell; or
 - 14.9.2 the Sale Price certified by the Expert Valuer is less than the price (if any) offered by the directors to the Seller for the Sale Share before Expert Valuer was instructed,in which case the Seller shall bear the cost.

15 DEPARTING EMPLOYEES

15.1 Unless the Board (acting with A Shareholder Consent) determine that this Article 15.1 shall not apply, if at any time an Employee ceases to be an Employee, by reason of being:

15.1.1 a Bad Leaver, the Leaver's Proportion shall be all of the Employee Shares held by that Employee;

15.1.2 a Good Leaver, the Leaver's Proportion shall be as set out below (provided always that in the case of a Good Leaver the Leaver's Proportion shall be zero on the first day of the 37th month after the Commencement Date and thereafter):

on the first day of the 13th month after the Commencement Date up to and including the last day of the 24th month, two thirds (2/3);

on the first day of the 25th month after the Commencement Date up to and including the last day of the 36th month, one third (1/3); and

on the first day of the 37th month after the Commencement Date and thereafter, zero.

and the Leaver's Proportion of the Employee Shares relating to such Employee (as calculated above) shall automatically convert into Deferred Shares (on the basis of one Deferred Share for each Ordinary Share held) on the Effective Termination Date (rounded down to the nearest whole share), save that if an Employee ceases to be an Employee within 12 months of the Commencement Date, all of such Employee Shares shall so convert.

15.2 Upon such conversion into Deferred Shares, the Company shall be entitled to enter the holder of the Deferred Shares on the register of members of the Company as the holder of the appropriate number of Deferred Shares as from the Deferred Conversion Date. Upon the Deferred Conversion Date, the Employee shall deliver to the Company at its registered office the shares certificate(s) (to the extent not already in the possession of the Company) (or an indemnity for lost certificate in a form acceptable to the Board) for the Unvested Shares so converting and upon such delivery there shall be issued to him share certificate(s) for the number of Deferred Shares resulting from the relevant conversion and any remaining Ordinary Shares.

15.3 All voting rights attached to Employee Shares held by an Employee (the "**Restricted Member**"), if any, shall at the time he ceases to be an Employee be suspended unless the Board notify him otherwise.

15.4 Any Employee Shares whose voting rights are suspended pursuant to Article 15.3 ("**Restricted Shares**") shall confer on the holders of Restricted Shares the right to receive a notice of and attend all general meetings of the Company but shall have no right to vote either in person or by proxy or to vote on any proposed written resolution. Voting rights suspended pursuant to Article 15.3 shall be automatically restored immediately prior to an IPO. If a Restricted Member transfers any Restricted Shares in accordance with these Articles all voting rights attached to the Restricted Shares so transferred shall upon completion of the transfer (as evidenced by the transferee's name being entered in the Company's register of members) automatically be restored.

16 TAG ALONG

16.1 If any member (on his own or acting in concert with one or more other members) (the "**Selling Party**") proposes to sell or transfer Shares equal to or greater than 50% of all the issued Shares of the Company at the time of the proposed sale or transfer to any person or persons

other than another member or pursuant to a Permitted Transfer, the Selling Party shall procure, before the sale or transfer that each proposed buyer makes a bona fide written offer (a "**Tag Along Offer**") to each of the other members (each a "**Tag Along Shareholder**") to buy that proportion of the Shares held by each Tag Along Shareholder which is equal to the proportion represented by the number of Shares which the Selling Party is proposing to sell as against all the Shares held by the Selling Party at the time of the proposed sale or transfer for the same price per Share and otherwise on the same terms and conditions as those applying to the proposed sale or transfer by the Selling Party of his Shares.

16.2 Each Tag Along Offer shall specify:

16.2.1 the price for the relevant Shares and any other principal terms and conditions of the sale or transfer; and

16.2.2 the period (being not less than 10 Business Days from the service of the Tag Along Offer) for acceptance by each Tag Along Shareholder).

16.3 If, within the period specified in the Tag Along Offer any Tag Along Shareholder accepts the offer in writing, then the Selling Party shall procure that the sale by that Tag Along Shareholder of his relevant Shares shall proceed on the same financial terms (including price per share) and at the same time as the sale of the Selling Party's Shares.

16.4 Any acceptance by a Tag Along Shareholder of a Tag Along Offer shall be irrevocable. But no sale of that Tag Along Shareholder's Shares pursuant to its acceptance shall take place unless and until the sale of the Selling Party's Shares is completed.

16.5 The expression **price per Share** used in Articles 16.1 and 16.3 shall be deemed to include an amount equal to the relevant proportions of any other consideration (in cash or otherwise) received or receivable by the holders of the Shares in question which, having regard to the substance of the transaction as a whole can reasonably be regarded as an addition to the price paid or payable for the specified Shares and, in the event of disagreement, the calculation of the price shall be referred to a chartered accountant or other expert (acting as an expert and not as arbitrator) nominated by the parties concerned (or in the event of disagreement as to nomination, appointed by the President for the time being of the Institute of Chartered Accountants in England and Wales) whose decision shall, in the absence of fraud or manifest error, be final and binding.

17 DRAG-ALONG

17.1 Notwithstanding anything to the contrary in these Articles, if any member (on his own or acting in concert with one or more other members) (the "**Proposing Shareholder(s)**") proposes to sell or transfer Shares (the "**Selling Shares**") equal to or greater than 51% of all the issued Shares of the Company at the time of the proposed sale or transfer to an independent third party for full market value (other than a Permitted Transferee) who is a Proposed Purchaser the following provisions of this Article 17 shall apply.

17.2 The Proposing Shareholder(s) shall have the right to give the Company not less than 10 days prior written notice (the "**Selling Notice**") of the proposed sale or transfer. The Selling Notice will include details of:

17.2.1 the Selling Shares;

17.2.2 the proposed price for each Selling Share to be paid by the Proposed Purchaser;

17.2.3 details of the Proposed Purchaser; and

- 17.2.4 the place, date and time of completion of the proposed sale (being a date not less than 25 days from the service of the Selling Notice) (the "**Drag Along Completion**").
- 17.3 Immediately on receipt of a Selling Notice, the Company shall give notice in writing (the "**Drag Along Notice**") to each of the members other than the Proposing Shareholder(s) (the "**Drag Along Shareholders**") giving the details contained in the Selling Notice and requiring each of them at the Drag Along Completion to sell to the Proposed Purchaser all Shares held by them.
- 17.4 A Proposing Shareholder may withdraw a Selling Notice any time prior to actual Drag Along Completion by written notice to the Company to that effect and, on service of that notice, each Drag Along Notice shall no longer be binding and shall cease to have any effect.
- 17.5 Each Drag Along Shareholder who is given a Drag Along Notice shall, in the event of the proposed sale or transfer proceeding, sell (or procure the sale of) all the Shares held by him to the Proposed Purchaser at the time of the Drag Along Completion (or at such other time as the Proposing Shareholders and the Drag Along Shareholders shall agree) at the price per Selling Share as set out in the Drag Along Notice and otherwise on the same terms as the sale of Selling Shares.
- 17.6 If any of the Drag Along Shareholders shall fail to comply with the terms of Article 17.5 in any respect (each a "**Defaulting Shareholder**"):
- 17.6.1 the Company shall be unconditionally constituted the agent of each Defaulting Shareholder for the sale of the Shares referred to in his Drag Along Notice in accordance with that notice and shall be authorised to transfer, and complete the transfer of, those Shares (including, without limitation of the generality of the foregoing, to execute and deliver any stock transfer form in respect thereof);
- 17.6.2 the Company may receive the necessary purchase money in trust for each Defaulting Shareholder and the receipt by the Company of that purchase money shall constitute a good and valid discharge to the Proposed Purchaser;
- 17.6.3 against receipt by the Company of the purchase money (in trust for the Defaulting Shareholder), and notwithstanding (if such is the case) that the Defaulting Shareholder has failed to deliver up the relevant share certificate(s), the Company shall cause the Proposed Purchaser to be registered as the holder of the relevant Shares and, after such registration, the validity of the proceedings shall not be questioned by any person; and
- 17.6.4 the Company shall not be required to pay the purchase monies to a Defaulting Shareholder until he shall, in respect of the Shares subject to the Drag Along Notice, have delivered a share certificate or suitable indemnity and necessary transfers to the Company.
- 17.7 The expression **price per Selling Share** used in Articles 17.2 and 17.5 shall be deemed to include an amount equal to the relevant proportions of any other consideration (in cash or otherwise) received or receivable by the holders of the Shares in question which, having regard to the substance of the transaction as a whole can reasonably be regarded as an addition to the price paid or payable for the specified Shares and, in the event of disagreement, the calculation of the price shall be referred to a chartered accountant or other expert (acting as an expert and not as arbitrator) nominated by the parties concerned (or in the event of disagreement as to nomination, appointed by the President for the time being of the Institute of Chartered Accountants in England and Wales) whose decision shall, in the absence of fraud or manifest error, be final and binding.

18 GENERAL MEETINGS

- 18.1 If the Directors are required by the Shareholders under section 303 of the Act to call a general meeting, the Directors shall convene the meeting for a date not later than 28 days after the date on which the Directors became subject to the requirement under section 303 of the Act.
- 18.2 The provisions of section 318 of the Act shall apply to the Company.
- 18.3 If any two or more Shareholders (or Qualifying Persons representing two or more Shareholders) attend the meeting in different locations, the meeting shall be treated as being held at the location specified in the notice of the meeting, save that if no one is present at that location so specified, the meeting shall be deemed to take place where the largest number of Qualifying Persons is assembled or, if no such group can be identified, at the location of the chairman.
- 18.4 If a demand for a poll is withdrawn under article 44(3) of the Model Articles, the demand shall not be taken to have invalidated the result of a show of hands declared before the demand was made and the meeting shall continue as if the demand had not been made.
- 18.5 Polls must be taken in such manner as the chairman directs. A poll demanded on the election of a chairman or on a question of adjournment must be held immediately. A poll demanded on any other question must be held either immediately or at such time and place as the chairman directs not being more than 14 days after the poll is demanded. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded.
- 18.6 No notice need be given of a poll not held immediately if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken.
- 18.7 If the poll is to be held more than 48 hours after it was demanded the Shareholders shall be entitled to deliver Proxy Notices in respect of the poll at any time up to 24 hours before the time appointed for taking that poll. In calculating that period, no account shall be taken of any part of a day that is not a working day.

19 PROXIES

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

19.2.2 be delivered at the meeting or adjourned meeting at which the person named in the instrument proposes to vote to the chairman or to the company secretary or to any Director; or

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

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

20 DIRECTORS' BORROWING POWERS

The Directors may exercise all the powers of the Company to borrow or raise money and to mortgage or charge its undertaking, property and uncalled capital and to issue debentures, debenture stock and other securities as security for any debt, liability of obligation of the Company or of any third party. For the avoidance of doubt, such action may be taken with the approval of a majority of the Board.

21 ALTERNATE DIRECTORS

21.1 Notwithstanding any provision of these Articles to the contrary, any person appointed as a Director (the "**Appointer**") may appoint any director or any other person as he thinks fit to be his alternate Director to:

21.1.1 exercise that Director's powers; and

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

The appointment of an alternate Director shall require the prior approval of the Board.

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

21.3 The notice must:

21.3.1 identify the proposed alternate; and

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

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

21.5 Except as these Articles specify otherwise, alternate directors:

21.5.1 are deemed for all purposes to be Directors;

21.5.2 are liable for their own acts and omissions;

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

21.5.4 are not deemed to be agents of or for their Appointors,

and, in particular (without limitation), each alternate director shall be entitled to receive notice of all meetings of Directors and of all meetings of committees of Directors of which his Appointor is a member.

21.6 A person who is an alternate Director but not a Director:

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

21.6.2 may sign a Directors' written resolution (but only if his Appointor is an Eligible Director in relation to that decision, but does not participate).

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

21.7 A Director who is also an alternate Director is entitled, in the absence of his Appointor, to a separate vote on behalf of each Appointor, in addition to his own vote on any decision of the Directors (provided that his Appointor is an Eligible Director in relation to that decision).

21.8 An alternate Director is not entitled to receive any remuneration from the company for serving as an alternate Director, except such part of the alternate's Appointor's remuneration as the Appointor may direct by notice in writing made to the Company.

21.9 An alternate Director's appointment as an alternate shall terminate:

21.9.1 when the alternate's Appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;

21.9.2 on the occurrence in relation to the alternate of any event which, if it occurred in relation to the alternate's Appointor, would result in the termination of the Appointor's appointment as a Director;

21.9.3 on the death of the alternate's Appointor; or

21.9.4 when the alternate's Appointor's appointment as a Director terminates.

22 NUMBER OF DIRECTORS

22.1 Unless and until the Company shall otherwise determine by ordinary resolution, the number of Directors shall be one

22.2 In addition to the powers of appointment under article 17(1) of the Model Articles, the holders of A Ordinary Shares shall collectively be entitled to nominate three persons to act as Directors (the "**A Directors**") by notice in writing addressed to the Company from time to time and the other holders of Shares shall not vote their Shares so as to remove those Directors from office. The holders of A Ordinary Shares shall collectively be entitled to remove their nominated Directors so appointed at any time by notice in writing to the Company served at its registered office and appoint another person to act in his place.

22.3 In addition to the powers of appointment under article 17(1) of the Model Articles, any holder of at least 10% of the B Ordinary Shares shall be entitled to be appointed as a Director (the "**B Directors**") by notice in writing addressed to the Company from time to time and the other holders of Shares shall not vote their Shares so as to remove those Directors from office. On such B Director ceasing to hold at least 10% of the B Ordinary Shares, unless otherwise

agreed with the Board (acting with A Shareholder Consent) the B Director shall immediately resign from the office as director and shall indemnify and keep indemnified the Company in respect of any such resignation.

- 22.4 An appointment or removal of a Director under Articles 22.2 will take effect at and from the time when the notice is received at the registered office of the Company or produced to a meeting of the directors of the Company.

23 DISQUALIFICATION OF DIRECTORS

In addition to that provided in article 18 of the Model Articles, the office of a Director shall also be vacated if:

23.1.1 he is convicted of a criminal offence (other than a minor motoring offence) and the Directors resolve that his office be vacated; or

23.1.2 in the case of Directors, if a majority of his co-Directors serve notice on him in writing, removing him from office.

24 PROCEEDINGS OF DIRECTORS

- 24.1 The quorum for Directors' meetings shall be two Directors, save where the Company has only one Director the quorum shall be one Director. If such a quorum is not present within half an hour from the time appointed for the meeting, or if during a meeting such quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week at the same time and place or at such time and place as determined by the Directors present at such meeting. If a quorum is not present at any such adjourned meeting within half an hour from the time appointed, then the meeting shall proceed.

- 24.2 In the event that a meeting of the Directors is attended by a Director who is acting as alternate for one or more other Directors, the Director or Directors for whom he is the alternate shall be counted in the quorum despite their absence, and if on that basis there is a quorum the meeting may be held despite the fact (if it is the case) that only one Director is physically present.

- 24.3 If all the Directors participating in a meeting of the Directors are not physically in the same place, the meeting shall be deemed to take place where the largest group of participators in number is assembled. In the absence of a majority the location of the chairman shall be deemed to be the place of the meeting.

- 24.4 Notice of a Directors' meeting need not be given to Directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the Company at any time before or after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.

- 24.5 Provided (if these Articles so require) that he has declared to the Directors, in accordance with the provisions of these Articles, the nature and extent of his interest (and subject to any restrictions on voting or counting in a quorum imposed by the Directors in authorising a Relevant Interest), a Director may vote at a meeting of the Directors or of a committee of the Directors on any resolution concerning a matter in which he has an interest, whether a direct or an indirect interest, or in relation to which he has a duty and shall also be counted in reckoning whether a quorum is present at such a meeting.

- 24.6 Questions arising at any meeting of the Directors shall be decided by a Director acting with A Shareholder Consent.

- 24.7 A decision of the Directors may take the form of a resolution in writing, where each Eligible Director has signed one or more copies of it, or to which each Eligible Director has otherwise indicated agreement in writing (including confirmation given by electronic means). Reference in article 7(1) of the Model Articles to article 8 of the Model Articles shall be deemed to include a reference to this article also.

25 DIRECTORS' INTERESTS

Specific interests of a Director

- 25.1 Subject to the provisions of the Act and provided (if these Articles so require) that he has declared to the Directors in accordance with the provisions of these Articles, the nature and extent of his interest, a Director may (save as to the extent not permitted by law from time to time), notwithstanding his office, have an interest of the following kind:

25.1.1 where a Director (or a person connected with him) is party to or in any way directly or indirectly interested in, or has any duty in respect of, any existing or proposed contract, arrangement or transaction with the Company or any other undertaking in which the Company is in any way interested;

25.1.2 where a Director (or a person connected with him) is a director, employee or other officer of, or a party to any contract, arrangement or transaction with, or in any way interested in, any body corporate promoted by the Company or in which the Company is in any way interested;

25.1.3 where a Director (or a person connected with him) is a shareholder in the Company or a shareholder in, employee, director, member or other officer of, or consultant to, a Parent Undertaking of, or a Subsidiary Undertaking of a Parent Undertaking of, the Company;

25.1.4 where a Director (or a person connected with him) holds and is remunerated in respect of any office or place of profit (other than the office of auditor) in respect of the Company or body corporate in which the Company is in any way interested;

25.1.5 where a Director is given a guarantee, or is to be given a guarantee, in respect of an obligation incurred by or on behalf of the Company or any body corporate in which the Company is in any way interested;

25.1.6 where a Director (or a person connected with him or of which he is a member or employee) acts (or any body corporate promoted by the Company or in which the Company is in any way interested of which he is a director, employee or other officer may act) in a professional capacity for the Company or any body corporate promoted by the Company or in which the Company is in any way interested (other than as auditor) whether or not he or it is remunerated for this;

25.1.7 an interest which cannot reasonably be regarded as likely to give rise to a conflict of interest; or

25.1.8 any other interest authorised by ordinary resolution.

Interests of which a Director is not aware

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

Accountability of any benefit and validity of a contract

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

Terms and conditions of Board authorisation

- 25.4 Other than in respect of interests of a Director relating to his position as a shareholder in, employee, director, member or other officer of, or consultant to, a Parent Undertaking of, or a Subsidiary Undertaking of a Parent Undertaking of, the Company, any authority given in accordance with section 175(5)(a) of the Act in respect of a Director ("**Interested Director**") who has proposed that the Directors authorise his interest ("**Relevant Interest**") pursuant to that section may, for the avoidance of doubt:

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

- a) restricting the Interested Director from voting on any resolution put to a meeting of the Directors or of a committee of the Directors in relation to the Relevant Interest;
- b) restricting the Interested Director from being counted in the quorum at a meeting of the Directors or of a committee of the Directors where such Relevant Interest is to be discussed; or
- c) restricting the application of the provisions in Articles 25.5 and 25.6, so far as is permitted by law, in respect of such Interested Director;

- 25.4.2 be withdrawn, or varied at any time by the Directors entitled to authorise the Relevant Interest as they see fit from time to time; and

an Interested Director must act in accordance with any such terms, conditions or limitations imposed by the authorising Directors pursuant to section 175(5)(a) of the Act and this Article 25.

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

- 25.5 Subject to Article 25.6 (and without prejudice to any equitable principle or rule of law which may excuse or release the Director from disclosing information, in circumstances where disclosure may otherwise be required under this Article 25), if a Director, otherwise than by virtue of his position as director, receives information in respect of which he owes a duty of confidentiality to a person other than the Company, he shall not be required:

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

- 25.5.2 otherwise to use or apply such confidential information for the purpose of or in connection with the performance of his duties as a Director.

- 25.6 Where such duty of confidentiality arises out of a situation in which a Director has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of

the Company, Article 25.5 shall apply only if the conflict arises out of a matter which falls within Article 25.1 or has been authorised under section 175(5)(a) of the Act.

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

- 25.7 Where a Director has an interest which can reasonably be regarded as likely to give rise to a conflict of interest, the Director shall take such additional steps as may be necessary or desirable for the purpose of managing such conflict of interest, including compliance with any procedures laid down from time to time by the Directors for the purpose of managing conflicts of interest generally and/or any specific procedures approved by the Directors for the purpose of or in connection with the situation or matter in question, including without limitation:

25.7.1 absenting himself from any discussions, whether in meetings of the Directors or otherwise, at which the relevant situation or matter falls to be considered; and

25.7.2 excluding himself from documents or information made available to the Directors generally in relation to such situation or matter and/or arranging for such documents or information to be reviewed by a professional adviser to ascertain the extent to which it might be appropriate for him to have access to such documents or information.

Requirement of a Director to declare an interest

- 25.8 Subject to section 182 of the Act, a Director shall declare the nature and extent of any interest permitted by Article 25.1 at a meeting of the Directors, or by general notice in accordance with section 184 (notice in writing) or section 185 (general notice) of the Act or in such other manner as the Directors may determine, except that no declaration of interest shall be required by a Director in relation to an interest:

25.8.1 falling under Article 25.1.7;

25.8.2 if, or to the extent that, the other Directors are already aware of such interest (and for this purpose the other Directors are treated as aware of anything of which they ought reasonably to be aware); or

25.8.3 if, or to the extent that, it concerns the terms of his service contract (as defined by section 227 of the Act) that have been or are to be considered by a meeting of the Directors, or by a committee of Directors appointed for the purpose under these Articles.

Shareholder approval

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

- 25.10 For the purposes of this Article 25:

25.10.1 a conflict of interest includes a conflict of interest and duty and a conflict of duties;

25.10.2 the provisions of section 252 of the Act shall determine whether a person is connected with a Director;

25.10.3 a general notice to the Directors that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or

arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the Director has an interest in any such transaction of the nature and extent so specified.

26 NOTICES

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

26.1.1 in hard copy form;

26.1.2 in electronic form; or

26.1.3 (by the Company) by means of a website (other than notices calling a meeting of Directors),

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

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

Notices in hard copy form

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

26.2.1 to the Company or any other company at its registered office; or

26.2.2 to the address notified to or by the Company for that purpose; or

26.2.3 in the case of an intended recipient who is a member or his legal personal representative or trustee in bankruptcy, to such member's address as shown in the Company's register of members; or

26.2.4 in the case of an intended recipient who is a Director or alternate, to his address as shown in the register of Directors; or

26.2.5 to any other address to which any provision of the Companies Acts (as defined in the Act) authorises the document or information to be sent or supplied; or

26.2.6 where the Company is the sender, if the Company is unable to obtain an address falling within one of the addresses referred to in 26.2.1 to 26.2.5 above, to the intended recipient's last address known to the Company.

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

26.3.1 if delivered, at the time of delivery;

26.3.2 if posted, on receipt or 48 hours after the time it was posted, whichever occurs first.

Notices in electronic form

- 26.4 Subject to the provisions of the Act, any notice or other document in electronic form given or supplied under these Articles may:
- 26.4.1 if sent by fax or email (provided that a fax number or an address for email has been notified to or by the Company for that purpose), be sent by the relevant form of communication to that address;
 - 26.4.2 if delivered or sent by first class post (airmail if overseas) in an electronic form (such as sending a disk by post), be so delivered or sent as if in hard copy form under Article 26.2; or
 - 26.4.3 be sent by such other electronic means (as defined in section 1168 of the Act) and to such address(es) as the Company may specify:
 - a) on its website from time to time; or
 - b) by notice (in hard copy or electronic form) to all members of the Company from time to time.
- 26.5 Any notice or other document in electronic form given or supplied under these Articles shall be deemed to have been served and be effective:
- 26.5.1 if sent by facsimile or email (where a fax number or an address for email has been notified to or by the Company for that purpose), on receipt or 48 hours after the time it was sent, whichever occurs first;
 - 26.5.2 if posted in an electronic form, on receipt or 48 hours after the time it was posted, whichever occurs first;
 - 26.5.3 if delivered in an electronic form, at the time of delivery; and
 - 26.5.4 if sent by any other electronic means as referred to in Article 26.4.3, at the time such delivery is deemed to occur under the Act.
- 26.6 Where the Company is able to show that any notice or other document given or sent under these Articles by electronic means was properly addressed with the electronic address supplied by the intended recipient, the giving or sending of that notice or other document shall be effective notwithstanding any receipt by the Company at any time of notice either that such method of communication has failed or of the intended recipient's non-receipt.

Notice by means of a website

- 26.7 Subject to the provisions of the Act, any notice or other document or information to be given, sent or supplied by the Company to Shareholders under these Articles may be given, sent or supplied by the Company by making it available on the Company's website.

General

- 26.8 In the case of joint holders of a share all notices shall be given to the joint holder whose name stands first in the register of members of the Company in respect of the joint holding (the "**Primary Holder**"). Notice so given shall constitute notice to all the joint holders.
- 26.9 Anything agreed or specified by the Primary Holder in relation to the service, sending or supply of notices, documents or other information shall be treated as the agreement or

specification of all the joint holders in their capacity as such (whether for the purposes of the Act or otherwise).

27 SECRETARY

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