

Company No. SC205193

THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES
WRITTEN RESOLUTION
OF
COMPASS BOX DELICIOUS WHISKY LIMITED
(Company)

Pursuant to section 288 of the Companies Act 2006 (CA 2006) we, the undersigned, being eligible members (as defined by section 289 CA 2006) of the Company for this purpose representing not less than 75% of the total voting rights of all such eligible members, signify our agreement to and pass the following written resolution as a special resolutions of the Company:

SPECIAL RESOLUTION

That the regulations contained in the document in the attached form and initialled by the Chairman for the purpose of identification (New Articles) are adopted as the Company's new articles of association in substitution for and to the exclusion of the Company's existing articles of association.

Signature: [Signature]

Name: John Glaser

Date: 26 Oct 2016

Signature:

Name:

Date:

Signature:

Name:

Date:

Signature:

Name:

Date:

Signature:

Name:

Date:

Signature:

Name:

Date:




Company No. SC205193

THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES
WRITTEN RESOLUTION
OF
COMPASS BOX DELICIOUS WHISKY LIMITED
(Company)

Pursuant to section 288 of the Companies Act 2006 (CA 2006) we, the undersigned, being eligible members (as defined by section 289 CA 2006) of the Company for this purpose representing not less than 75% of the total voting rights of all such eligible members, signify our agreement to and pass the following written resolution as a special resolutions of the Company:

SPECIAL RESOLUTION

That the regulations contained in the document in the attached form and initialled by the Chairman for the purpose of identification (New Articles) are adopted as the Company's new articles of association in substitution for and to the exclusion of the Company's existing articles of association.

Signature: 
Name: G. J. A. KESTER
Date: 27-10-2016

Signature:
Name:
Date:

Signature:
Name:
Date:

Signature:
Name:
Date:

Signature:
Name:
Date:

Signature:
Name:
Date:

COMPASS BOX DELICIOUS WHISKY LIMITED (THE "COMPANY")

Minutes of a meeting of the board of directors held at
on 26 October 2016 at 12pm.

Present: Alan Rutherford (in the chair)
Jean-Marc Lambert
Hector Ortiz
Jonathan Driver
John Glaser

02 NOV 2016

In attendance:

1 Preliminary

- 1.1 A quorum being present, the chairman declared the meeting open.
- 1.2 The chairman reminded those present that the meeting had been duly convened to consider and, if thought fit, approve amendments to the articles of association of the Company (**Articles**) in order to allow the Company to nominate a person other than the Company to purchase the AA ordinary shares in the Company offered in accordance with Article 13 of the Articles, and furthermore to approve the nomination of Makoto Takano to purchase six AA shares (**Shares**) following the approval of the amendments to the Articles] (the **Proposal**).
- 1.3 As required by section 177 Companies Act 2006 each director present with an interest in the Proposal declared the nature and extent of that interest to the meeting.
- 1.4 It was noted that, under Article 28 of the Articles, each director present was entitled to vote on the business to be transacted at the meeting and be counted towards the quorum present, notwithstanding any interest in the Proposals provided that the same had been disclosed to the board as required by section 177 Companies Act 2006.

2 Investor Consent and Written Resolution

- 2.1 It was noted that the amendments to the Articles were required in order to allow the Company to nominate a person other than the Company to purchase the AA ordinary shares in the Company offered in accordance with Article 13 of the Articles and that such amendments would require the consent of the members of the Company.
- 2.2 A draft written resolution (in the form attached to these minutes) to be signed by the members of the Company (**Written Resolution**) eligible to sign it was therefore tabled.
- 2.3 It was noted that the consent of Bacardi UK Limited (the **Investor**) would be required before the Written Resolution was put to the members in accordance with Schedule 5 (Negative Covenants) of the shareholders' agreement relating to the Company (dated 1 September 2014).
- 2.4 A draft consent letter (in the form attached to these minutes) to be signed by the Investor (the **Investor Consent**) was therefore tabled.
- 2.5 The directors carefully considered the contents of the Investor Consent and after due and careful consideration it was resolved that the Investor Consent be circulated to the Investor for signature. The meeting was then adjourned for this purpose.

- 2.6 When the meeting reconvened, the chairman reported that the Investor Consent had been signed by a person authorised to so on behalf of the Investor.
- 2.7 As the Investor Consent had been obtained, the directors carefully considered the contents of the Written Resolution and after due and careful consideration it was resolved that the Written Resolution be circulated to the Company's eligible members for signature. It was also resolved to send a copy of the proposed Written Resolution to the auditors (or otherwise notify them of its contents). The meeting was then adjourned for this purpose.
- 2.8 When the meeting reconvened, the chairman reported that the Written Resolution had been circulated to all eligible members and had been signed by the required majority of eligible members and accordingly had been validly passed.

3 Shareholder Majority Consent

- 3.1 It was noted that Gregg Glass intends to transfer six Shares.
- 3.2 The Chairman reported that it is proposed that Makoto Takano be nominated to purchase the Shares.
- 3.3 It was noted that that the consent of the majority of the A and B shareholders (the **Shareholder Majority**) would be required to consent to the proposed transfer of the Shares to Makoto Takano (such person being the person nominated by the Company to purchase the Shares).
- 3.4 A draft consent letter (in the form attached to these minutes) to be signed by the majority of those persons forming the Shareholder Majority (the **Shareholder Majority Consent**) was therefore tabled.
- 3.5 The directors carefully considered the contents of the Shareholder Majority Consent and after due and careful consideration it was resolved that Makoto Takano would be nominated to purchase the Shares and the Shareholder Majority Consent be circulated to the Shareholder Majority for signature. The meeting was then adjourned for this purpose
- 3.6 When the meeting reconvened, the chairman reported that the Shareholder Majority Consent had been signed by the Shareholder Majority.

4 Filing

It was resolved to make all necessary entries in the Company's statutory books to reflect the business transacted at the meeting.

5 Close of meeting

There being no further business, the chairman declared the meeting closed.

.....
Chairman *A.G. Rutherford*
27/10/16.

Our reference

21 October 2016

PRIVATE & CONFIDENTIAL

The Company Secretary
Bacardi UK Limited
Bacardi Brown-Forman House
Kings Worthy
Winchester
Hampshire
SO23 7TW

Dear Sir

COMPASS BOX DELICIOUS WHISKY LTD (the Company) - INVESTOR CONSENT

We refer to the shareholders' agreement relating to the Company, dated 1 September 2014 (the Agreement). Terms defined in the Agreement have the same meaning in this letter.

Pursuant to the Agreement, we write to seek your consent in connection with a proposed resolution to adopt new articles of association of the Company (the Resolution).

Currently the Articles require the Company to acquire AA shares that are put to the Company by an AA Shareholder pursuant to Article 13 of the Articles. The Company wants to be entitled to nominate other persons to acquire AA shares in place of the Company in the event that an AA Shareholder has a put right. This is important because the steps required to be undertaken by the Company to acquire shares in the absence of distributable reserves (which the Company does not currently have) would be complex.

An amendment to the Articles requires a special resolution of the shareholders of the Company. Under paragraph 7.3 of Schedule 5 of the Agreement (Negative Covenants), the Company must first seek the consent of the Investor prior to proposing a resolution to the members of the Company (save for any resolution to appoint or remove a director of the Company) in accordance with the Articles; the Company therefore requests your consent to propose the Resolution.

Action required

Please sign, date and return this letter to consent to the proposed actions by the Company as aforementioned. We would be grateful if you could do this as soon as practicable and in any event by 28 October 2016 as the Company expects an acquisition of AA shares to be made by the end of October.

Yours faithfully

J. Hulehison

For and on behalf of
Compass Box Delicious Whisky Ltd

We, the Investor, hereby consent, for the purposes of Schedule 5 of the Agreement, to the Company proposing a resolution to the members of the Company, as more particularly detailed above.

Signed for and on behalf of the Investor:

Signature: 

Name: G. J. A. KESTER

Date: 27-10-2016

COMPASS BOX DELICIOUS WHISKY LTD

SC205193

ARTICLES OF ASSOCIATION

Adopted on October 27th 2016

CONTENTS

1.	TABLE A	1
2.	DEFINITIONS AND INTERPRETATION	1
3.	LIABILITY OF MEMBERS	7
4.	SHARE RIGHTS	7
5.	VARIATION OF SHARE RIGHTS	7
6.	ISSUE AND ALLOTMENT OF NEW SHARES	8
7.	PROVISIONS ON A REALISATION	9
8.	TRANSFERS OF A, B AND C SHARES - PROHIBITED TRANSFERS	10
9.	PERMITTED TRANSFERS OF A, B AND C SHARES	12
10.	PERMITTED TRANSFERS OF AA SHARES	13
11.	COMPULSORY TRANSFERS OF AA SHARES	13
12.	PRE-EMPTION	14
13.	PUT OPTION FOR AA SHARES	18
14.	TAG ALONG RIGHTS	18
15.	DRAG ALONG OPTION	19
16.	ELECTRONIC COMMUNICATION	20
17.	SHARE CERTIFICATES	20
18.	LIEN	20
19.	GENERAL MEETINGS	21
20.	PROCEEDINGS AT GENERAL MEETINGS	21
21.	VOTES OF MEMBERS	22
22.	NUMBER OF DIRECTORS	23
23.	ALTERNATE DIRECTORS	23
24.	DELEGATION OF DIRECTOR'S POWERS	24
25.	APPOINTMENT AND RETIREMENT OF DIRECTORS	24
26.	DISQUALIFICATION AND REMOVAL OF DIRECTORS	24
27.	DIRECTORS' APPOINTMENTS	24
28.	DIRECTORS' INTERESTS	25
29.	DIRECTOR'S GRATUITIES AND PENSIONS	26
30.	BORROWING POWERS	26
31.	PROCEEDINGS OF DIRECTORS	26
32.	INVESTOR DIRECTOR(S)	27
33.	JOHN GLASER AS DIRECTOR	28
34.	DIVIDENDS AND CAPITALISATION OF PROFITS AND RESERVES	28
35.	NOTICES	28

36.	DIRECTORS' INDEMNITY AND CONFLICTS	30
37.	INVESTOR RIGHTS.....	31

**ARTICLES OF ASSOCIATION
OF
COMPASS BOX DELICIOUS WHISKY LTD**

(adopted by Special Resolution of the Company passed on 27th October 2016)

1. TABLE A

Except as excluded or varied in these articles, Table A (as defined below) will apply to the Company and will be deemed to form part of these articles. Other than Table A (as defined below), no other regulations or articles set out in any statute, or in any statutory instrument or other subordinate legislation made under any statute, concerning companies shall apply as the regulations or articles of the Company.

2. DEFINITIONS AND INTERPRETATION

2.1 In these articles the following words and expressions will have the following meanings:

"**Act**" means the Companies Act 2006;

"**Acting in Concert**" has the meaning given to it in the City Code on Takeovers and Mergers;

"**Allocation Notice**" has the meaning given in Article 12.10;

"**Approved Offer**" has the meaning given in Article 14.2.1;

"**Approved Third Party**" has the meaning given in Article 6.4;

"**A Share**" means an A ordinary share of £1 in the Company;

"**AA Share**" means an AA ordinary share of £1 in the Company;

"**A Shareholder**" means a registered holder of any A Shares;

"**AA Shareholder**" means a registered holder of any AA Shares;

"**Auditors**" means the Company's incumbent auditors;

"**Bad Leaver**" means a Relevant Individual who holds AA Shares and who:

- (a) is party to a Bankruptcy Event; or
- (b) ceases to be a Relevant Individual and who is not a Good Leaver;

"**Bankruptcy Event**" means a Relevant Individual who holds AA Shares and who:

- (a) shall have a bankruptcy order made against him or shall be declared bankrupt by any court of competent jurisdiction; or

(b) shall make an offer to make any arrangement or composition with his creditors generally;

"Board" means the board of Directors from time to time;

"B Share" means a B ordinary share of £1 in the Company;

"B Shareholder" means a registered holder of any B Shares;

"Business Day" means a day (which for these purposes ends at 5.30pm) on which banks are open for commercial business in the City of London other than a Saturday or Sunday;

"Cessation Date" means the date on which a Relevant Individual ceases to be an employee or director or consultant of any Group Member for any reason (including death or bankruptcy) or, if the Relevant Individual is still an employee or director or consultant of a Group Member, the date on which the Relevant Individual becomes eligible for benefits under a permanent health insurance policy;

"Change of Control" means the acquisition whether by purchase, transfer, or otherwise by any person of any interest in any Equity Shares if, upon completion of that acquisition, the person, together with persons acting in concert or connected with him, would hold more than 50 per cent. of the voting rights at a general meeting of the Company attached to the issued Equity Shares for the time being where such person or persons do not, prior to such acquisition, already hold more than 50 per cent. of such voting rights;

"Commencement Date" means 1 September 2014;

"Companies Acts" means every statute for the time being in force concerning companies (including any statutory instrument or other subordinate legislation made under any such statute), so far as it applies to the Company;

"Connected Person" has the meaning given in section 1122 of the Corporation Tax Act 2010;

"C Share" means the one C ordinary share of £1 in the capital of the Company;

"C Shareholder" means the registered holder of the C Share;

"Directors" means the Company's incumbent directors at the relevant time;

"Electronic Communication" means any communication:

(a) sent initially and received at its destination by means of electronic equipment for the processing (which expression includes digital compression) or storage of data and entirely transmitted, conveyed and received by wire, by radio, by optical or by other electromagnetic means; or

(b) sent or supplied by other means but while in electronic form;

"Equity Shareholder" means a registered holder of any Equity Shares;

"Equity Shares" means the issued A Shares, B Shares and AA Shares at any time, and all shares derived from them (and any of them) whether by conversion, consolidation or sub-division or by way of rights or bonus issue or otherwise in issue;

"Extra Shares" has the meaning given in Article 12.7;

"Family Trust" means a trust (whether arising under a settlement, declaration of trust, testamentary disposition or on an intestacy) under which the only persons being (or capable of being) beneficiaries are the individual beneficial owner of the Shares held in trust and/or his Privileged Relations, and no power of control over the voting powers conferred by such Shares is exercisable at any time by or subject to the consent of any person other than the trustees as trustees or such individual beneficial owner or his Privileged Relations;

"Good Leaver" means a Relevant Individual who holds AA Shares and ceases to be a Relevant Individual in the following circumstances:

- (i) death;
- (ii) disability or incapacity as determined to the satisfaction of the Board in its absolute discretion; or
- (iii) any circumstances where the Shareholder Majority determine in their absolute discretion in writing within 30 days of the Cessation Date, that the Relevant Individual should be treated as a Good Leaver;

"Good Leaver Price" means the price per AA Share payable on the transfer of AA Shares pursuant to Article 11.4 where the relevant AA Shareholder is a Good Leaver, as determined in accordance with Article 11.5;

"Group" means the Company and its subsidiaries and subsidiary undertakings (as such terms are defined by sections 1159 and 1162 of the Act) from time to time and references to a **"member of the Group"** or a **"Group Member"** will be construed accordingly;

"Group Undertaking" means, in relation to a company, its subsidiaries, its holding company and any subsidiary of any such holding company;

"Hurdle" means £2,000,000 (two million pounds);

"Initial Period" means the period commencing on the Commencement Date and expiring on the fifth anniversary of the Commencement Date;

"Investor" means the registered holder(s) of a majority of the B Shares;

"Investor Director" means a director appointed as such pursuant to Article 32;

"Listing" means either:

- (i) the admission by the UK Listing Authority to listing on the Official List of any of the issued equity Share capital of the Company, together with admission by the London Stock Exchange to trading, and such admission becoming effective or
- (ii) the admission by the London Stock Exchange of any of the issued equity Share capital of the Company to trading on AIM, and such admission becoming effective or
- (iii) any equivalent admission to any other Recognised Investment Exchange becoming unconditionally effective in relation to any of the issued equity Share capital of the Company;

"Listing Value" means, in the event of a Listing, the market value of the Listing Shares determined by reference to the price per Share at which such Shares are to be offered for sale, placed or otherwise marketed pursuant to the arrangements relating to the Listing, all as determined by the underwriter(s) or placing agent(s) or, if none, the broker appointed by the Company to advise in connection with the Listing;

"Listing Shares" means the issued equity Share capital of the Company (excluding any equity Share capital to be subscribed and issued on such Listing other than new Shares to be paid up by way of capitalisation of reserves or arising from any sub-division, consolidation or conversion of Shares);

"Majority A Shareholders" means at any time one or more persons holding A Shares which represent in aggregate more than 50% of the voting rights attributable to the A Shares at such time;

"Market Value" has the meaning given to it in Article 11.6.

"Material Interest" in relation to a person means the ownership by that person and his or its Connected Persons of Shares carrying the right to exercise:

- (i) where that person is a Member or a Privileged Relation or Family Trust of a Member on the date of adoption of these articles or the Investor, more than 30 per cent; or
- (ii) where that person does not fall within (i) above, more than 15 per cent

of the total number of votes which may be cast on a poll at a general meeting of the Company;

"Member" means a registered holder of any Share as recorded in the Company's register of members;

"Original Member" means a beneficial owner (being an individual) of Shares;

"Privileged Relation" means in relation to any Member (being an individual), the Member's spouse or civil partner (as defined in the Civil Partnership Act 2004) for the time being, parent, and all children (including adopted children and step children) of that Member and any children (including adopted children and step children) of any such person but no person may be a Privileged Relation whilst a minor;

"Proportionate Entitlement" has the meaning given in Article 12.7;

"Proposed Transferee" means a person to whom a Seller proposes to transfer Sale Shares;

"Realisation" means a Sale, Listing or Winding Up;

"Recognised Investment Exchange" shall have the meaning ascribed to it in section 285(1)(a) of the Financial Services and Markets Act 2000;

"Relevant A/B Proportions" means, in respect of each A Shareholder and B Shareholder, the proportion of the total A Shares and B Shares in issue held by that A Shareholder or B Shareholder (as the case may be) from time to time;

"Relevant A/B/AA Proportions" means, in respect of each A Shareholder, B Shareholder and AA Shareholder, the proportion of the total A Shares, B Shares and AA Shares in issue

held by that A Shareholder, B Shareholder or AA Shareholder (as the case may be) from time to time;

"Relevant Individual" means an employee or director or consultant of any Group Member;

"Sale" means the making of one or more agreements (whether conditional or not but which agreement(s) become(s) unconditional) for the disposal, transfer, purchase, subscription or renunciation of any part of the Shares of the Company giving rise to a Change of Control and for the purposes of this definition, disposal shall mean a sale, transfer, assignment or other disposition whereby a person ceases to be the absolute beneficial owner of the Shares in question or of voting rights attached thereto or an agreement to enter into such disposal or the grant of a right to compel entry into such an agreement provided that, for the avoidance of doubt, the Option as defined in the Shareholders Agreement shall not constitute a Sale, but completion of exercise of the Option shall constitute a Sale;

"Sale Shares" means Shares which a Seller wishes to transfer;

"Seller" means any Member who wishes to transfer any Shares;

"Share" means a share in the Company;

"Shareholders Agreement" means the shareholders' agreement dated on the Commencement Date and made between (1) the Company (2) the shareholders other than the Investor and (3) the Investor;

"Shareholder Majority" means together the majority of the A Shareholders and the majority of the B Shareholders;

"Table A" means Table A in the schedule to the Companies (Tables A to F) Regulations 1985 (SI 1985 No. 805) (as amended by the Companies (Tables A to F) (Amendment) Regulations 1985 (SI 1985 No. 1052), the Companies Act 1985 (Electronic Communications) Order 2000 (SI 2000 No. 3373), the Companies (Tables A to F) (Amendment) Regulations 2007 (SI 2007 No. 2541) and the Companies (Tables A to F) (Amendment) (No. 2) Regulations 2007 (SI 2007 No. 2826));

"Tag Buyer" has the meaning give in Article 14.1.1;

"Third Party Buyer" means any person who is neither:

- (i) a party to the Shareholders Agreement from time to time; nor
- (ii) a person who is a Connected Person with any such party from time to time;

"Transfer Notice" means a notice in writing by a Seller of his wish to transfer any Shares;

"Transfer Price" has the meaning given in Article 12.4;

"UK Listing Authority" means the Financial Conduct Authority or its successors as the competent authority for listing in the United Kingdom under Part VI of the Financial Services and Markets Act 2000;

"Valuers" means the Auditors unless the Auditors give notice to the Company that they are unable or unwilling to take an instruction to report on the matter in question, in which event the Valuers shall be a firm of chartered accountants as selected by the Board;

"Winding Up" means the passing of any resolution for the winding up of the Company, or any other return of capital to the Equity Shareholders (on an asset sale, liquidation, capital reduction or otherwise).

2.2 Words and phrases which are defined or referred to in or for the purposes of the Companies Acts (excluding any statutory modification of that meaning not in force when these articles become binding on the Company) or Table A have the same meanings in these articles unless a contrary intention appears.

2.3 In these articles, unless a contrary intention appears:

2.3.1 words which refer to the singular number include the plural number and vice versa, words which refer to one gender include all genders, and words which refer to persons include bodies corporate and unincorporated associations;

2.3.2 reference to a statute or a statutory provision includes reference to:

2.3.2.1 the statute or statutory provision as modified or re-enacted or both from time to time; and

2.3.2.2 any subordinate legislation made under the statutory provision (as modified or re-enacted as set out above);

2.3.3 reference to a Regulation is to a regulation of Table A, and reference to an Article is to a provision of these articles;

2.3.4 reference to a **"transfer"** of Shares or any similar expression will be deemed to include (without limitation):

2.3.4.1 any sale or other disposition of the legal or equitable interest in a Share (including any voting right attached to a Share) (**"Interest"**);

2.3.4.2 the creation of any mortgage, charge, pledge or other encumbrance over any Interest;

2.3.4.3 any direction by a Member entitled to an allotment or issue of Shares that a Share be allotted or issued to some person other than himself; and

2.3.4.4 any grant of an option to acquire either or both of the legal and equitable ownership of any Share by any Member entitled to any such Share;

2.3.4.5 reference to a **"group undertaking"** means, in relation to any undertaking, its parent undertaking (if any) and its subsidiary undertakings (as such terms are defined by section 1162 of the Act) and any other subsidiary undertakings of its parent undertaking; and

2.3.4.6 reference to **"written"** or **"in writing"** includes any method of representing or reproducing words in a legible form.

2.4 Any consent or approval or notice required to be given by the Investor pursuant to these Articles may be given by any Investor Director and any consent or approval or notice to be

given by an Investor Director pursuant to these Articles may be given by any Investor Director.

2.5 The headings in these articles are included for convenience only and do not affect the meaning of these articles.

2.6 Where, for any purpose, an ordinary resolution of the Company is required, a special resolution is also effective for that purpose.

3. 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.

4. SHARE RIGHTS

4.1 The A Shares, B Shares and AA Shares shall rank *pari passu* (as if one class) with regards to all dividends and distributions (whether on a liquidation or otherwise) which will belong to and be paid to the holders of Shares pro rata according to their holdings of Shares.

4.2 The C Share shall have no right to vote and shall entitle the holder of such C Share to receive a dividend of £1 per C Share in any year in which the aggregate of all dividends declared and paid in respect of all A Shares, B Shares and AA Shares then in issue is not less than £1,000,000 for each such share. On a return of assets on liquidation, the holder of the C Share shall be entitled only to the return of the nominal value of the C Share held.

4.3 The AA Shareholders shall have no right to receive notice of a general meeting of the Company and/or to attend, speak or vote at it in respect of their AA Shares.

5. VARIATION OF SHARE RIGHTS

5.1 The rights attached to the A Shares, B Shares and AA Shares may, in each case, be altered or abrogated (whether or not the Company is being wound up) only with the prior consent of the holders of the issued Shares of that class given in accordance with Article 5.2.

5.2 The consent of the holders of a class of Shares may be given by:

5.2.1 a special resolution passed at a separate general meeting of the holders of that class; or

5.2.2 a written resolution in any form signed by or on behalf of the holders of not less than 75 per cent in nominal value of the issued Shares of that class.

5.3 Without prejudice to the general effect of Article 5.1, the following will be deemed to constitute a variation of the rights attached to the B Shares:

5.3.1 any variation of the rights attaching to the A Shares and/or the B Shares and/or the AA Shares;

5.3.2 the passing of any resolution to reduce the Company's share capital or any amount standing to the credit of its share premium account or capital redemption reserve fund, or to reduce any uncalled liability in respect of partly paid shares;

5.3.3 the passing of any resolution to alter the Company's articles of association;

- 5.3.4 the capitalisation of any undistributed profits (whether or not the same are available for distribution, and including profits standing to the credit of any reserve) or of any sums standing to the credit of the Company's share premium account or capital redemption reserve fund;
- 5.3.5 the payment of any distribution or return of an income nature to any shareholder otherwise than in accordance with these articles;
- 5.3.6 any variation of the issued share capital of any Group Member;
- 5.3.7 the creation or grant of any option or other right to subscribe for, convert into or issue any shares or other securities in the capital of any Group Member; or
- 5.3.8 the taking of any steps to wind up or dissolve any Group Member.

6. ISSUE AND ALLOTMENT OF NEW SHARES

- 6.1 Subject to these Articles, but without prejudice to the rights attached to any existing Share, the Company may issue Shares with such rights or restrictions as may be determined by ordinary resolution. Regulation 2 shall not apply to the Company.
- 6.2 Save to the extent authorised from time to time by ordinary resolution and with the consent of the Investor (and without prejudice to Article 5.3.6), the Directors shall not exercise any power of the Company to allot Shares or to grant rights to subscribe for, or to convert any security into, Shares.
- 6.3 Subject to Article 6.8 and unless the Company by special resolution directs otherwise, any new Shares (other than AA Shares) will be offered by the Directors for subscription to the holders of the Equity Shares (other than AA Shareholders) in such proportions as is equal (as nearly as possible) to the proportion of Equity Shares (other than AA Shares) held by them respectively at that time. For the purpose of this Article, the Equity Shares (other than AA Shares) will be treated as one class of Share.
- 6.4 The offer will be made by notice specifying the number and class of Shares offered, the price per Share, and a time (being not less than 14 days) within which the offer, if not accepted, will be deemed to be declined. The notice will specify either:
 - 6.4.1 the name of any third party or third parties which have been approved in writing by the Investor to acquire any offered Shares in the event that such Shares are not subscribed for in full by the Members (any such person being an "**Approved Third Party**"); or
 - 6.4.2 that there is no such Approved Third Party.
- 6.5 At the end of the period or, if earlier, on the receipt of an indication from the person(s) to whom such notice is given that he/they decline(s) to accept some or all of the Shares so offered, the Directors will offer any declined Shares to the Investor (except that, during the Initial Period only, in the event that a Member other than John Glaser declines to take up some or all of the Shares offered to him, such declined Shares shall be offered to the Approved Third Party (if any) in accordance with Article 6.6 before being offered to the Investor in accordance with this Article 6.5). This further offer will be made in the same manner as the original offer but may, at the discretion of the Directors, be limited to a period of seven days after which it will (to the extent that any Shares remain unaccepted) be deemed to have been withdrawn.

6.6 Any Shares not taken up at the end of the procedure set out in Articles 6.3 and 6.4 may be offered and any Shares which fall to be offered to an Approved Third Party pursuant to Article 6.5 shall be offered, by the Directors, to an Approved Third Party, and, subject to these articles and the provisions of section 551 of the Act such Shares will be at the disposal of the Directors who may allot, grant options over or otherwise dispose of them to the Approved Third Party at such times and generally on such terms as they think fit. However:

6.6.1 no Shares will be issued at a discount;

6.6.2 no Shares will be issued more than three months after the end of the period for acceptance of the offer of such Shares under Articles 6.3 and 6.4 unless the procedure set out in those Articles is repeated in respect of such Shares; and

6.6.3 no Shares will be issued on terms which are more favourable than those on which they were offered to the Members pursuant to Articles 6.3 and 6.4.

6.7 The provisions of Articles 6.3 to 6.6 (inclusive) will apply (as if they were set out in full in this Article 6.7) to all equity securities (as defined in section 560 of the Act) of the Company which may be created from time to time, save for the AA Shares.

6.8 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 (within the meaning of section 560 of the Act) by the Company.

6.9 If, due to any inequality between the number of new Shares to be issued and the number of Shares held by Members entitled to have the offer of new Shares made to them, any difficulty arises in the apportionment of any such new Shares amongst the Members, such difficulties will be determined by the Board with the consent of the Investor.

7. PROVISIONS ON A REALISATION

7.1 On a Realisation, the provisions of this Article 7 shall apply to determine the allocation of the proceeds of such Realisation.

7.2 On a Realisation (other than a Listing) the proceeds from the Realisation ("**Proceeds**") receivable direct by the Equity Shareholders shall be paid into a joint account at such branch of such UK clearing bank as may be nominated by the Board immediately prior to the Realisation and such Proceeds shall be allocated and paid out as follows:

7.2.1 first in paying the C Shareholder(s) an amount equal to the nominal value of the C Share together with any declared but unpaid dividends thereon;

7.2.2 next, in paying the A Shareholder(s) and the B Shareholder in the Relevant A/B Proportions any Proceeds available up to an amount equal to the Hurdle; and

7.2.3 next, in paying to the Equity Shareholder in the Relevant A/B/AA Proportions any surplus Proceeds,

provided that on a Sale the Proceeds shall be divided only among those holders who sell their shares and the Relevant A/B Proportions and Relevant A/B/AA Proportions shall be calculated such that only shares that are sold are taken into account.

7.3 In the event of the whole or any part of any Proceeds being:

- 7.3.1 deferred, or offered in any form other than in cash, then the Proceeds applied amongst the Equity Shareholders in accordance with the provisions of Article 7.2 shall likewise include the deferred and/or in non-cash form on a like basis and so far as practicable in the same proportions as set out in Article 7.2 and it shall not be necessary in determining the application of the Proceeds to specify a cash value for any part of the Proceeds which is deferred or offered in any form other than cash; or
- 7.3.2 contingent, then, unless otherwise agreed by an Investor, the Proceeds applied amongst the Equity Shareholders in accordance with the provisions of Article 7.2 shall not include the contingent element until such amount is realised at which point such contingent amount shall be applied in accordance with the provisions of Article 7.2 taking into account the Proceeds previously applied amongst the Equity Shareholders, whether such contingent element is in cash or in any form other than cash (and in which case it shall not be necessary in determining the application of the non-cash element of such contingent Proceeds to specify a cash value).
- 7.4 Immediately prior to and conditionally upon a Listing the Members shall enter into such reorganisation of the share capital of the Company as they may agree or, in default, as the Board may reasonably specify, to ensure that the Listing Value is allocated between the Members in the same proportions as the preceding provisions of this Article 7 would provide on a Sale or Winding Up at that Listing Value.
- 7.5 In the event of a Realisation occurring where the whole or any part of the Proceeds are to be received by the Members in a form other than cash, the Members shall enter into such arrangements in relation to such Proceeds as they may agree or, in default of such agreement, as the Shareholder Majority may reasonably specify, to ensure that such non-cash consideration is allocated amongst the holders of Equity Shares so as to achieve the same commercial effect as would be the case pursuant to Article 7.2 if such consideration had actually been received in cash (and as between such holders of Shares, such non-cash consideration shall be apportioned between the different classes of Shares in the same proportions as those proportions in which they are entitled to receive the overall Proceeds, unless they should otherwise agree).
- 7.6 In the event that the application of any provision of this Article 7 cannot be agreed between the Members, any such matters in dispute shall be referred by the Board to the Valuers whose costs shall be borne by the Company and whose decision shall be final and binding on all Members (save in the case of manifest error).
- 7.7 For the purposes of this Article 7, where any agreement is required to be reached as between the Members, then the agreement of the holders of over 75 per cent. (by reference to nominal value) of any one class of Shares for the time being in issue shall be binding on all of the holders of Shares in such class.

8. TRANSFERS OF A, B AND C SHARES - PROHIBITED TRANSFERS

Application

- 8.1 This Article 8 shall not apply to the AA Shares.

General Prohibitions

8.2 The Directors will not register any transfer of Shares to any of the following:

8.2.1 any person who, in the opinion of either (a) an Investor Director or (b) a majority of the Directors is carrying on business directly or indirectly in competition with the Company or any member of the Group, except that this restriction shall not apply to:

8.2.1.1 any transfer of Shares pursuant to Article 14 (Tag Along Rights); or

8.2.1.2 any transfer of shares to the Investor; or

8.2.2 any person who does not have legal capacity to transfer such Shares or otherwise to comply fully with the provisions of these articles.

Prohibition unless in accordance with these articles

8.3 Subject to Article 8.2, no transfer of Shares is permitted and the Directors will not register a transfer of Shares unless the transfer is:

8.3.1 permitted by Article 9, (Permitted Transfers); or

8.3.2 made in accordance with Article 12 (Pre-emption); or

8.3.3 made by any Member pursuant to and in accordance with Article 14 (Tag Along Rights); or

8.3.4 made by an A Shareholder with the prior written consent of the Investor,

and the proposed transferee (if it is not already a party to the Shareholders' Agreement) has entered into a deed of adherence to, and in the form required by, the Shareholders' Agreement.

8.4 For the purpose of ensuring that:

8.4.1 a transfer of shares is permitted under these articles;

8.4.2 no circumstances have arisen whereby a Transfer Notice is required to be or ought to have been given; or

8.4.3 no circumstances have arisen whereby the tag along provisions are required to be or ought to have been triggered pursuant to Article 14

the Board may, and will if so requested by an Investor Director, require any Member to furnish the Company with such information as is relevant to such purpose. Pending the provision of such information the Board will be entitled to refuse to register any relevant transfer.

8.5 Regulations 24, 25 and 26 shall not apply to the Company.

9. PERMITTED TRANSFERS OF A, B AND C SHARES

Application

9.1 This Article 9 shall not apply to the AA Shares.

Permitted transfers

9.2 Subject to Articles 9.4 to 9.7 inclusive:

- 9.2.1 all of the A Shares in issue at the relevant time may be transferred to the Investor,
- 9.2.2 (and subject to Article 14 (Tag Along Rights)) A Shares may be transferred to Members, Privileged Relations and Family Trusts;
- 9.2.3 the entire issued share capital of the Company may be sold to a third party pursuant to and in accordance with the Shareholders' Agreement;
- 9.2.4 any Share may be transferred to a Buyer in acceptance of an Approved Offer pursuant to Article 14 (Tag Along Rights));
- 9.2.5 any Shares held by the Investor may be transferred to a Group Undertaking of the Investor; or
- 9.2.6 by a B Shareholder to one or more A Shareholders pursuant to and in accordance with the Shareholders' Agreement,

in each case, at any time, without restriction.

9.3 Where any Shares are the subject of a Transfer Notice, no transfers of any such Shares shall be permitted pursuant to this Article 9 without the prior written consent of the Investor and the Board.

Transfers by privileged relatives, etc.

9.4 Where Shares are held by a trustee or trustees of a Family Trust or by one or more Privileged Relations of an Original Member and any such person ceases to be:

- 9.4.1 a trustee of the Family Trust of the beneficial owner of the Shares; or
- 9.4.2 a Privileged Relation of the Original Member,

such person will on or before the cessation transfer such Shares to the Original Member, provided that this Article 9.4 shall not apply where such Privileged Relation is a spouse, such spouse ceases to be a Privileged Relation by reason of divorce and that such spouse (if not already a party to the Shareholders' Agreement) enters into a deed of adherence to, and in the form required by the Shareholders' Agreement, within 10 Business Days of being requested to do so by the Board and/or an Investor Director.

9.5 Where Shares have been transferred under Article 9.2.4 (transfers to group undertakings) and the transferee ceases to be a Group Undertaking of the transferor, it will, on or before the cessation, transfer such Shares to the original transferor or to another group undertaking of the original transferor;

- 9.6 If a Member fails or refuses to execute and deliver any transfer in respect of any Shares pursuant to its obligations under Article 9.4 or Article 9.5, the Board may (and will if requested by an Investor Director) authorise any Director to execute and deliver the necessary transfer(s) on the defaulting Member's behalf. The Board will authorise registration of the transfer, and of the transferee as the holder of the Shares so transferred, subject (where applicable) to stamping of the relevant transfer. After registration, the title of the transferee as registered holder of such Shares will not be affected by any irregularity in or invalidity of such proceedings, which, will not be questioned by any person.
- 9.7 B Shares will, if so required by an Investor Director by notice served on the Company, immediately and without resolution of the Directors or the Members be converted into A Shares upon being transferred or transmitted to or held by any person who is not a holder of any other B Shares.

10. PERMITTED TRANSFERS OF AA SHARES

An AA Shareholder may only transfer his AA Shares with the consent of the Shareholder Majority.

11. COMPULSORY TRANSFERS OF AA SHARES

- 11.1 In this Article 11, a transfer event ("**AA Transfer Event**") occurs in relation to any AA Shares if that relevant AA Shareholder:

11.1.1 is party to a Bankruptcy Event; or

11.1.2 is at any time a Relevant Individual and ceases to hold such office or employment.

- 11.2 Upon the occurrence of a AA Transfer Event, the relevant AA Shareholder shall be deemed to have immediately served a written notice offering for purchase all of the AA Shares then held by such AA Shareholder in accordance with this Article 11.

- 11.3 Any AA Shares shall be offered for sale ("**AA Transfer Sale**") in accordance with the following:

11.3.1 The AA Shares will, at the Board's absolute discretion, be:

11.3.1.1 offered to each of the A Shareholders and the B Shareholder in the Relevant A/B Proportions;

11.3.1.2 offered to an employee benefit trust established by the Company; or

11.3.1.3 bought back by the Company in accordance with the provisions of the Act.

- 11.4 The price for the AA Transfer Sale will be:

11.4.1 where the AA Shareholder is a Bad Leaver, the lower of the nominal value for each AA Share or £2,500 in aggregate; or

11.4.2 where the AA Shareholder is a Good Leaver, the Good Leaver Price.

- 11.5 The Good Leaver Price shall be the greater of:

- 11.5.1 £2,500 in aggregate; and
- 11.5.2 the price per AA Share calculated as though the AA Transfer Event was a Realisation, save that the Proceeds as defined in Article 7.2 shall, for the purpose of determining the Good Leaver Price only, be the Market Value of the Company.
- 11.6 The Market Value of the Company for the purposes of this Article 11 shall mean the market valuation of the Company as agreed between the Equity Shareholders or, in default of such agreement by the end of the fifteenth Business Day after the AA Transfer Event, the market valuation of the Company reported on by the Valuers as their written opinion of the open market value of the Company as at the date of the AA Transfer Event.
- 11.7 If instructed to report on their opinion of Market Value, the Valuers shall act as expert and not as arbitrator and their written determination shall be final and binding on the Members.
- 11.8 The Company will use its reasonable endeavours to procure that the Valuers deliver their written opinion of the market value to the Board and the Members within 28 days if being requested to do so.
- 11.9 The Valuers' fees for reporting on their opinion of the Market Value shall be borne as the Valuers specify in the valuation having regard to the conduct of the parties and the merit of their arguments in respect of the matters in dispute or otherwise in the absence of any such specification by the Valuation, by the Company.
- 11.10 Where AA Shares are acquired by an A Shareholder or a B Shareholder pursuant to Article 11.3.1.1, such Shares shall, upon completion of such acquisition, automatically convert into A Shares or B Shares (as the case may be).

12. PRE-EMPTION

Application

- 12.1 This Article 12 shall not apply to the AA Shares.

Transfer Notices

- 12.2 Except in the case of a transfer pursuant to Article 9 (Permitted Transfers), and subject to the prohibitions on transfers set out in Article 8, a Seller must give a Transfer Notice to the Company which is copied to the Investor.
- 12.3 Each Transfer Notice will relate to one class of Shares only and will specify:
 - 12.3.1 the number and class of Sale Shares;
 - 12.3.2 the identity of the Proposed Transferee (if any); and
 - 12.3.3 the price per Share at which the Seller wishes to transfer the Sale Shares.

Transfer Price

- 12.4 The Transfer Notice will constitute the Company as the agent of the Seller for the transfer of the Sale Shares in accordance with this Article 12 at the price specified in the Transfer Notice ("**Transfer Price**").

Offer to Members

- 12.5 Within 10 Business Days after its receipt of a Transfer Notice, the Company (in its capacity as agent for the Seller) will give notice in writing to each of the Members (other than the Seller and any other Member who has served a Transfer Notice in respect of his entire holding of Shares pursuant to which the sale of such Shares has not then been concluded) offering the Sale Shares for sale at the Transfer Price in accordance with Article 12.6. The notice will specify that the relevant Members will have a period of up to 20 Business Days from the date of such notice within which to apply for some or all of the Sale Shares.

Pre-emption Procedure

- 12.6 It will be a term of any offer made pursuant to Article 12.5 that, if Members holding Shares of more than one class apply for some or all of the Sale Shares, the Sale Shares of a particular class specified in column (1) in the table below will be treated as offered:

12.6.1 in the first instance to all persons in the category set out in the corresponding line in column (2) in the table below; and

12.6.2 to the extent not accepted by persons in column (2) (whether as part of their Proportionate Entitlement or as Extra Shares) to all persons in the category set out in the corresponding line in column (3) in the table below:

(1)	(2)	(3)
Class of Sale Shares	First Priority	Second Priority
B Shares	B Shareholders	A Shareholders
A Shares	B Shareholders	A Shareholders

- 12.7 It will be a further term of the offer that, if there is competition within any class of shareholder for the Sale Shares offered to that class, such Sale Shares will be treated as offered among the holders of such class in proportion (as nearly as possible) to their existing holdings of Shares of that class ("**Proportionate Entitlement**"). However, the offer will also invite Members to indicate in their applications for Sale Shares, whether they would be willing to buy Shares in excess of their Proportionate Entitlement should any such Shares be available and, if so, how many ("**Extra Shares**").

Allocation of Shares

- 12.8 After the expiry of the offer period specified in Article 12.5, (or, if sooner, upon valid applications being received for all of the Sale Shares in accordance with that Article) and subject to Article 12.9, the Board will allocate the Sale Shares as follows:

12.8.1 if the total number of Sale Shares applied for (including Extra Shares) is equal to or less than the available number of Sale Shares, each offeree will be allocated the number applied for in accordance with his application (subject to Article 12.12); or

12.8.2 if the total number of Sale Shares applied for is greater than the available number of Sale Shares, each offeree will be allocated his Proportionate Entitlement, or, if less, the number of Sale Shares which he has applied for; and

12.8.3 applications for Extra Shares will be allocated in accordance with such applications or, in the event of competition within any class of shareholder, among those applying for Extra Shares in such proportions as equal (as nearly as possible) the proportions of all the Shares of the same class held by such offerees,

provided that, where a Transfer Notice relates to all of the B Shares held by the Investor, none of such Shares shall be allocated without Investor Consent unless all of such Shares are allocated.

12.9 Allocations of Sale Shares made by the Company pursuant to this Article 12 will constitute the acceptance by the persons to whom they are allocated of the offer to purchase those Sale Shares on the terms offered to them, provided that no person will be obliged to take more than the maximum number of Sale Shares which he has indicated to the Company he is willing to purchase.

Completion of sale and purchase of Sale Shares

12.10 The Company will immediately upon allocating any Sale Shares pursuant to Article 12.8 give notice in writing ("**Allocation Notice**") to the Seller and to each person to whom Sale Shares have been allocated specifying:

12.10.1 the number of Sale Shares so allocated;

12.10.2 the aggregate price payable for them; and

12.10.3 the place and time (being not later than five Business Days after the date of the Allocation Notice) at which the sale of the Sale Shares will be completed.

12.11 Completion of the sale and purchase of Sale Shares in accordance with the Allocation Notice will take place at the place and time specified in the Allocation Notice when the Seller will, upon payment of the due price, transfer those Sale Shares specified in the Allocation Notice and deliver the relevant Share certificates to the persons to whom they have been allocated.

Default by the Seller

12.12 If the Seller fails by the due completion date to execute and deliver transfers in respect of any of the Sale Shares which he is due to transfer, the Board may (and will if requested by an Investor Director) authorise any Director to:

12.12.1 execute the necessary transfer(s) on the Seller's behalf; and

12.12.2 against receipt by the Company of the Transfer Price payable for the relevant Sale Shares (to be held on trust for the Seller without interest) (the receipt being a good discharge to the offeree who will not be bound to see to the application of it), deliver such transfer(s) to the relevant offeree(s).

The Board will authorise registration of the transfer(s), and of the offeree(s) as the holder(s) of the Sale Shares so transferred subject (where applicable) to the transfer having been duly stamped. After registration, the title of such offeree(s) as registered holder(s) of such Sale Shares will not be affected by any irregularity in, or invalidity of such proceedings, which will not be questioned by any person.

Exhaustion of pre-emption rights

- 12.13 Immediately after the exhaustion of any pre-emption process followed in accordance with these articles, if any Sale Shares remain unallocated, the Company will notify the Seller by notice of that fact. The Seller may, at any time following the expiration (such Shares being "**Unallocated Shares**") of one calendar month after receiving such notice either:
- 12.13.1 sell of all the Unallocated Shares to a third party which is approved in advance by the Investor and the Board at a price per Share which is not less than the Transfer Price; or
 - 12.13.2 elect to repeat the pre-emption procedure set out in these articles in respect of any unsold Sale Shares and/or any other shares then held by that Seller; or
 - 12.13.3 provided that, subsequent to issuing the notice referred to in this clause 12.13, the Company (as agent for the Seller) first offers all of the Unallocated Shares to the Investor at the Transfer Price and, within the period of 20 Business Days immediately following such offer the Investor either: (a) indicates that it does not wish to purchase any such Unallocated Shares: or (b) does not respond, sell such Unallocated Shares at a price which is not lower than the Transfer Price to a third party.

Transmission of Shares

- 12.14 Regulations 29 to 31 shall take effect subject to Articles 12.15 and 12.16.
- 12.15 A person entitled to a Share or Shares in consequence of the death, bankruptcy, receivership or liquidation of a Member or otherwise by operation of law shall promptly notify the Directors that he has become so entitled and:
- 12.15.1 shall not be registered by the Directors as the holder of such shares until he has entered into a deed of adherence to, and in the form required by, the Shareholders' Agreement; and
 - 12.15.2 shall be bound at any time, if called upon in writing to do so by the Directors (with the consent of an Investor Director) not later than 90 days after the Directors receive notice from the person concerned that he has become so entitled, to give a Transfer Notice in respect of all of the Shares then registered in the name of the deceased or insolvent Member in accordance with the provisions of this Article 12.
- 12.16 If any such person fails to give a Transfer Notice in accordance with Article 12.15 within 10 Business Days after being called upon to do so:
- 12.16.1 the Board may (and will if requested by an Investor Director) authorise any Director to execute and deliver a transfer of the Shares concerned at such price as the Board shall determine to a person appointed by the Directors as a nominee for the person entitled to the Shares; and
 - 12.16.2 the Company may give a good receipt for the purchase price of such Shares, register the purchaser or purchasers as the holders of them and issue certificates for the same to such purchasers. After registration, the title of such purchaser or purchasers as registered holder(s) of such Shares will not be affected by any irregularity in, or invalidity of, such proceedings, which will not be questioned by

any person. In any such case the person entitled to the Shares as a consequence of the death, bankruptcy or otherwise by operation of law will be bound to deliver up the certificates for the Shares concerned to the Company whereupon he will become entitled to receive the purchase price. In the meantime, the purchase price will be held by the Company on trust for such person without interest.

13. PUT OPTION FOR AA SHARES

- 13.1 Each AA Shareholder shall have the right (but not the obligation) to require the Company (or such person as the Company nominates) to acquire all (but not a portion only) of the AA Shares held by him (a **"Put Holder"**) for an aggregate consideration of £2,500 (sterling) by delivering written notice (a **"Put Notice"**) to the Company, setting forth the number of the AA Shares to be sold (the **"Put Interests"**) and the time and place of the closing of such purchase. Any purchase by the Company (or such person as the Company nominates) of the Put Interests shall be subject to compliance with the requirements of the Law.
- 13.2 The closing of the put option contemplated by Article 13.1 (a **"Put Option Closing"**) will take place on the date designated by the Put Holder in the Put Notice, which date shall not be less than 21 nor more than 28 days after the date of delivery of such notice when the Put Holder shall deliver to the Company (or such person as the Company nominates) a duly executed share acquisition agreement with the Company (or such person as the Company nominates) in a form provided by the Company following the Put Notice (accompanied by the related share certificate). Subject to delivery of the duly executed share acquisition agreement and the related share certificate, the Company (or such person as the Company nominates) shall pay for the Put Interests (at its option) either by electronic transfer in immediately available funds to an account designated by the Put Holder in the Put Notice or by delivery of a cheque in the amount of £2,500. No representations or warranties will be given by the Put Holder in the share buy back agreement in respect of such Put Interests save for full title guarantee to the Put Interests free from any claims, liens or encumbrances.

14. TAG ALONG RIGHTS

- 14.1 Other than as permitted Articles 9.2.1, 9.2.3 or 9.2.5, no transfer of Shares which would result, if made and registered, in: (i) a person or persons Acting in Concert obtaining a Material Interest; or (ii) John Glaser's shareholding comprising less than 15% (by nominal value) of the Equity Shares, will be made or registered unless:
- 14.1.1 an Approved Offer is made by the proposed transferee(s) (**"Tag Buyer"**) or, at the Buyer's written request, by the Company as agent for the Tag Buyer; and
- 14.1.2 the Tag Buyer complies in all respects with the terms of the Approved Offer at the time of completion of the sale and purchase of Shares pursuant to it.
- 14.2 For the purposes of this Article 14:
- 14.2.1 **"Approved Offer"** means an offer in writing served on all Members offering to purchase all the Shares held by such Members (including any Shares which may be allotted pursuant to the exercise or conversion of options, rights to subscribe for or securities convertible into Shares in existence at the date of such offer) which:
- 14.2.1.1 is stipulated to be open for acceptance for at least 20 Business Days;

- 14.2.1.2 offers the same or equivalent consideration for each Share (whether in cash, securities or otherwise in any combination), provided that a reduction, withholding or retention of consideration to take account of tax payable or which might be payable by a Member or by his employing company in relation to the conversion of securities, the exercise of an option over Shares and/or the disposal of Shares shall not prejudice the application of this paragraph;
 - 14.2.1.3 includes an undertaking by or on behalf of the Tag Buyer that, subject to compliance by the Tag Buyer with Article 14.2.1.2, no other consideration, (whether in cash or otherwise) is to be received or receivable by any Member which, having regard to the substance of the transaction as a whole, can reasonably be regarded as an addition to the price paid or payable for the Shares to be sold by such Member, and that neither the Tag Buyer nor any person acting by agreement or understanding with it has otherwise entered into more favourable terms or has agreed more favourable terms with any other Member for the purchase of Shares; and
 - 14.2.1.4 is on terms that the sale and purchase of Shares in respect of which the offer is accepted will be completed at the same time.
- 14.3 In the event of a proposed sale of A Shares pursuant to the Option (as defined in the Shareholders Agreement, and in the event of a sale of Shares pursuant to an Auction Sale (as defined in the Shareholders Agreement) or any other sale of all of the Shares of the Company (other than the AA Shares) in accordance with the Shareholders Agreement then no such sale shall be made or registered unless (i) the proposed transferee(s) ("**Relevant Purchaser**") offers to buy the AA Shares and the provisions of clause 14.2.1 shall apply mutatis mutandis to such offer and (ii) the Relevant Purchaser complies in all respects with the terms of such offer. The rights of pre-emption and other restrictions contained in these Articles shall not apply on any sale and transfer of AA Shares pursuant to this Article 14.3.
- 14.4 On any sale effected under this Article 14 then, notwithstanding Article 14.2.1.2, the provisions of Article 7 (Provisions on Realisation) shall apply in determining how the proceeds from the sale of any Shares shall be distributed.

15. DRAG ALONG OPTION

- 15.1 In circumstances where the AA Shareholders have a tag along right pursuant to Article 14.3, then the Relevant Purchaser shall have the option ("**Drag Along Option**") to require all of the holders of AA Shares to transfer all their AA Shares with full title guarantee to the Relevant Purchaser.
- 15.2 The Relevant Purchaser may exercise the Drag Along Option at any time before the registration of the transfer of other Shares in the Company to the Relevant Purchaser ("**Drag Along Notice**") to all AA Shareholders. A copy of the Drag Along Notice shall, for information only, also be given to the Company at its registered office (but so that any failure or delay in giving such copy shall in no way prejudice the operation of this Article 15).
- 15.3 A Drag Along Notice shall specify that the AA Shareholders are required to transfer all their AA Shares pursuant to Article 15.1 to the Relevant Purchaser, the purchase price for such AA Shares (which shall be determined in accordance with clause 14.2.1.2), the proposed date of transfer (if known), and the identity of the Relevant Purchaser. A Drag Along Notice served by post shall be deemed served upon the envelope containing it being placed in the post and

the applicable notice provisions of these Articles shall in the context of a Drag Along Notice be amended accordingly. The notice provisions of these Articles shall otherwise apply to the service of a Drag Along Notice as if it were a notice to be given under these Articles by the Company.

- 15.4 A Drag Along Notice may be revoked by the Relevant Purchaser at any time prior to completion of the sale of the AA Shares and any such revocation notice shall be served in the manner prescribed for a Drag Along Notice in Article 15.3.
- 15.5 Completion of the sale of the AA Shares shall take place on the same date as the date of actual completion of the sale of the other Shares to the Relevant Purchaser unless all of the AA Shareholders and the Relevant Purchaser agree otherwise.
- 15.6 Each AA Shareholder shall on service of the Drag Along Notice be deemed to have irrevocably appointed each officer of the Company severally to be his attorney to execute any stock transfer form and covenant for full title guarantee in respect of the AA Shares registered in the name of such AA Shareholders and to do such other things as may be necessary or desirable to accept, transfer and complete the sale of the AA Shares pursuant to this Article 15.6.
- 15.7 The rights of pre-emption and other restrictions contained in these Articles shall not apply on any sale and transfer of AA Shares pursuant to this Article 15.
- 15.8 Notwithstanding Article 15.3, in connection with any Sale the provisions of Article 7 (Provisions on Realisation) shall apply to determine if, and the extent to which, the proceeds from any sale of Shares may be re-allocated amongst the sellers of the other Shares and the AA Shareholders and any other Members.

16. ELECTRONIC COMMUNICATION

Regulation 1 is modified by:

- 16.1 deleting the definitions given of "electronic communication" and "Act" and substituting in their place the respective definitions given in these articles; and
- 16.2 deleting the words "communication" means the same as in the Electronic Communications Act 2000."

17. SHARE CERTIFICATES

Regulation 6 is modified by adding after "Every certificate shall be sealed with the seal" the words "or executed in such other manner as the Directors authorise, having regard to the Act,".

18. LIEN

- 18.1 Regulation 8 is modified by the deletion of the words "(not being a fully paid share)".
- 18.2 The lien conferred by Regulation 8 will apply to all Shares, whether fully paid or not, and to all Shares registered in the name of any person under a liability to the Company (whether actual or contingent), whether he is the sole registered holder of such Shares or one of two or more joint holders of such Shares.

19. GENERAL MEETINGS

19.1 Regulation 37 is modified by the insertion of the words "or an Investor Director acting alone" after the second word of that Regulation.

19.2 A general meeting may consist of a conference between Members, some or all of whom are in different places if each Member who participates is able:

19.2.1 to hear each of the other participating Members addressing the meeting; and

19.2.2 if he so wishes, to address all of the other participating Members simultaneously,

whether directly, by conference telephone or by any other form of communications equipment (whether in use when these articles are adopted or not) or by a combination of those methods.

A quorum is deemed to be present if those conditions are satisfied in respect of at least the number of Members required to form a quorum. A meeting held in this way is deemed to take place at the place where the largest group of participating members is assembled or, if no such group is readily identifiable, at the place from where the chairman of the meeting participates. A resolution put to the vote of a meeting will be decided by each Member indicating to the chairman (in such manner as the chairman may direct) whether the Member votes in favour of or against the resolution or abstains. References in this Article 19 to Members includes their duly appointed proxies and, in the case of corporate members, their duly authorised representatives.

20. PROCEEDINGS AT GENERAL MEETINGS

20.1 Regulation 40 is modified so that the quorum for any general meeting (other than a separate class meeting) will include at least one Member present in person or by proxy from each class of Equity Shareholder (excluding AA Shareholders in respect of their AA Shares).

20.2 If any meeting is adjourned pursuant to Regulation 41 because a quorum is not present, and at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the shareholders present will form a quorum. Regulation 41 is modified accordingly.

20.3 Regulation 46 is modified so that a poll may be demanded by the chairman or by any Member present in person or by proxy and entitled to vote at the meeting.

20.4 A corporation which is a member of the Company may, by resolution of its directors or other governing body, authorise such a person or persons as it thinks fit to act as its representative or representatives at any meeting of the Company or at any meeting of any class of Members. The provisions of the Act shall apply to determine the powers that may be exercised at any such meeting by any person so authorised. The corporation shall, for the purposes of these articles, be deemed to be present in person at any such meeting if any person so authorised is present at it, and all references to attendance and voting in person shall be construed accordingly.

20.5 Regulation 51 is amended by replacing the first and second sentences with the following words: "A poll demanded will be taken immediately".

21. VOTES OF MEMBERS

- 21.1 Regulation 56 shall be modified by the deletion of the words "instruments of proxy, not less than 48 hours before the time appointed for holding" and substituting instead the words "forms of proxy, within the time limits prescribed by these articles for deposit of forms of proxy for use at" and by including the words "or poll" after the words "adjourned meeting".
- 21.2 Regulation 57 is modified by the inclusion after the word "shall" of the phrase", unless the Directors otherwise determine,".
- 21.3 When two or more valid but different forms of proxy or appointments of proxy by electronic means are delivered or received in respect of the same share for use at the same meeting, the one which is last validly delivered or received (regardless of its date or the date of its execution) shall be treated as replacing and revoking the other(s) as regards that share. If the Company is unable to determine which was last delivered or received, none of them shall be treated as valid in respect of that share. Deposit or delivery of an appointment of proxy will not preclude a Member from attending and voting at the meeting or at any adjournment of the meeting.
- 21.4 Subject to Article 21.5 a form appointing a proxy shall be in writing in the usual form, or in such other form which the directors may approve, and shall be executed by or on behalf of the appointor.
- 21.5 Subject to the Act, the directors may resolve to allow a proxy to be appointed by an Electronic Communication subject to such limitations, restrictions or conditions as the Directors think fit (including, without limitation, the ability to require such evidence as they consider appropriate to decide whether the appointment of a proxy in such manner is effective).
- 21.6 In order for the appointment of proxy to be valid:
- 21.6.1 (in the case of an appointment of proxy by hard copy) the form of the proxy, together with the relevant documents, if any, must be:
- 21.6.1.1 left at or sent by post to the office (or such other place within the United Kingdom as is specified in the notice convening the meeting and/or in any form of proxy or other accompanying document sent out by the Company in relation to the meeting) by the relevant time; or
- 21.6.1.2 duly delivered in accordance with Article 21.8;
- 21.6.2 (in case of an appointment of proxy by Electronic Communication) the communication appointing the proxy, together with the relevant evidence, must be received at the address by the relevant time.
- 21.7 For the purposes of Article 21.6;
- 21.7.1 for the purpose of appointing a proxy by Electronic Communication the "address" means the number or address which has been specified by the Company for the purpose of receiving Electronic Communications appointing proxies;

- 21.7.2 **"relevant documents"** means either (i) the power of attorney or other authority relied on to sign the form of proxy, or (ii) a copy of such document certified as a true copy of the original by a notary or solicitor or certified in some other way approved by the Directors;
- 21.7.3 **"relevant evidence"** means any evidence required by the Directors in accordance with the provisions of Article 21.5; and
- 21.7.4 **"relevant time"** means 48 hours before the time appointed for the commencement of the meeting or adjourned meeting to which the proxy appointment relates.
- 21.8 If a meeting is adjourned for less than 48 hours, a form of proxy may also be delivered in hard copy form at the adjourned meeting to the chairman or to the secretary or to any Director.
- 21.9 Regulations 60 to 62 (inclusive) shall not apply to the Company.

22. NUMBER OF DIRECTORS

Unless and until otherwise determined by ordinary resolution of the Company, the number of Directors (other than alternate directors) shall not exceed five, and no more than three of such Directors may not be an Investor Director. Regulation 64 shall be modified accordingly.

23. ALTERNATE DIRECTORS

- 23.1 Any Director may each appoint any person willing to act, whether or not he is a director of the Company, to be an alternate director. Regulation 65 is modified so that any such appointment does not need to be approved by resolution of the Directors. In Regulation 67 the words "but, if" and the words which follow to the end of the Regulation are deleted.
- 23.2 Regulation 66 is modified so that an alternate director who is absent from the United Kingdom is entitled to receive notice of all meetings of Directors and of committees of Directors of which his appointor is a member. An alternate director may waive the requirement that notice be given to him of a meeting of Directors or of a committee of Directors of which his appointor is a member, either prospectively or retrospectively.
- 23.3 The first sentence of Regulation 66 is modified so that an alternate director will not be entitled as such to receive any remuneration from the Company although he may be paid by the Company such part (if any) of the remuneration otherwise payable to his appointor as his appointor may direct by notice in writing to the Company.
- 23.4 An alternate director will be entitled to be reimbursed by the Company such expenses as might properly be reimbursed to him if he were a Director.
- 23.5 An alternate director's appointment will determine if he resigns by written notice left at or sent to the registered office of the Company.
- 23.6 A director, or any other person mentioned in Regulation 65, may act as an alternate director to represent more than one Director, and an alternate director will be entitled at any meeting of the Board to one vote for every Director whom he represents in addition to his own vote (if any) as a Director, but he will count as only one person for the purpose of determining whether a quorum is present.

24. DELEGATION OF DIRECTOR'S POWERS

Regulation 72 is modified by the addition at the end of the Regulation of the following sentence: "Where a provision of these articles refers to the exercise of a power, authority or discretion by the Directors and that power, authority or discretion has been delegated by the Directors to a committee, the provision must be construed as permitting the exercise of the power, authority or discretion by the committee."

25. APPOINTMENT AND RETIREMENT OF DIRECTORS

25.1 A Director will not retire by rotation. Regulations 76 and 77 shall not apply to the Company and reference in Regulations 67, 78 and 84 to retirement by rotation will be disregarded.

25.2 Regulation 81 shall not apply to the Company.

25.3 The holder or holders of such number of Shares as give the right to a majority of votes at general meetings of the Company may, by giving notice on the Company, remove any Director from office and/or appoint any person to be a Director. The notice must be signed by or on behalf of such holder or holders (and may consist of several documents in similar form each signed by or on behalf of one or more holders) and must be left at or sent by post or fax to the registered office or such other place designated by the Directors for the purpose. Such removal or appointment will take effect when the notice is received by the Company or on such later date (if any) as may be specified in the notice. This Article 25.3 shall not apply to the appointment or removal of an Investor Director(s). This Article 25.3 is not to be taken as depriving a person removed under it of compensation or damages payable to him in respect of the termination of his appointment as Director or of any appointment terminating with that as Director.

26. DISQUALIFICATION AND REMOVAL OF DIRECTORS

The office of a Director will be vacated if:

26.1 he ceases to be a Director by virtue of any provision of the Act or he becomes prohibited by law from being a director;

26.2 he becomes bankrupt or makes any arrangement or composition with his creditors generally;

26.3 he becomes, in the opinion of all his co-Directors, incapable by reason of mental or physical ill health of discharging his duties as Director;

26.4 he resigns his office by notice in writing to the Company;

26.5 (other than in the case of John Glaser, for so long as he holds at least 15% of the Shares by nominal value,) being an executive Director he ceases, for whatever reason, to be employed by any member of the Group.

27. DIRECTORS' APPOINTMENTS

Regulation 84 is modified by the addition of the words: "with the consent of the Investor" after the words "the directors" and before the words "may appoint" in the first sentence, and after the words "the directors" and before the word "determine" and after the words "as they" and before the words "think fit" in the second sentence.

28. DIRECTORS' INTERESTS

28.1 For the purposes of section 175 of the Act:

28.1.1 a Director shall be authorised to hold office as a director or other officer of, be employed or engaged by, hold shares or other securities in, or otherwise be interested in, whether directly or indirectly, any other Group Member; and

28.1.2 an Investor Director shall be authorised to hold office as a director or other officer of, be employed or engaged by, hold shares or other securities in, or otherwise be interested in, whether directly or indirectly:

28.1.2.1 the Investor;

28.1.2.2 any Connected Person of the Investor or in the same group as the Investor (each an "**Investor Associate**").

28.2 For the purposes of section 175 of the Act, where an office, employment, engagement or interest held by an Investor Director in another entity has been authorised pursuant to Article 28.1.2 and his relationship with that entity gives rise to an actual or potential conflict of interest, an Investor Director shall be authorised to:

28.2.1 attend and vote at meetings of the Directors (or any committee thereof) at which any matter relating to the actual or potential conflict of interest will or may be discussed and receive board papers or other documents relating thereto;

28.2.2 receive confidential information and other documents and information relating to the Group, use and apply such information in performing his duties as a director, officer or employee of, or consultant to an Investor or Investor Associate and disclose that information to third parties in accordance with these Articles or the Shareholders' Agreement; and

28.2.3 give or withhold consent or give any direction or approval under the Shareholders' Agreement or these Articles on behalf of an Investor.

28.3 For the purposes of section 175 of the Act, the Directors shall have the power to authorise any matter which would or might otherwise constitute or give rise to a breach of the duty of a director under that section to avoid a situation in which he has, or can have, an actual or potential conflict of interest, provided that authorisation of such a matter shall be effective only if:

28.3.1 any requirement as to the quorum at the meeting of the Directors at which the matter is considered is met without counting the Director in question and any other interested Director (together the "**Interested Directors**"); and

28.3.2 the matter was agreed to without the Interested Directors voting or would have been agreed to if the votes of the Interested Directors had not been counted.

28.4 The following provisions of this article apply to any authorisation of a matter by the Directors pursuant to Article 28.3:

28.4.1 an authorisation may extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter so authorised;

- 28.4.2 an authorisation shall be subject to such conditions or limitations as the Directors may determine, whether at the time such authorisation is given or subsequently, and may be terminated by the Directors at any time; and
- 28.4.3 a Director shall comply with any obligations imposed on him by the Directors pursuant to any authorisation.
- 28.5 If a matter, office, employment, engagement or interest, has been authorised pursuant to Articles 28.1 or 28.3, then the Director in question shall not be required to disclose to the Company any confidential information received by him (other than by virtue of his position as Director) relating to such matter, or such office, employment, engagement or interest, or use such information in relation to the Company's affairs if to do so would result in a breach of a duty or obligation of confidence owed by him in relation to or in connection with that matter, or that office, employment, engagement or interest.
- 28.6 A Director shall not be accountable to the Company for any remuneration or other benefit which he (or a person connected with him) derives from any office, employment, engagement or interest authorised in or pursuant to Articles 28.1 or 28.3, nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act.
- 28.7 Regulation 85 is modified by the addition of the words: "and except in the case of an Investor Director, to the consent of the Investor" after the words "provisions of the Act" and before the words ", and provided that he has disclosed" in the first sentence.
- 28.8 For the purposes of this Article 28, a conflict of interest includes a conflict of interest and duty and a conflict of duties, and interest includes both direct and indirect interests.

29. DIRECTOR'S GRATUITIES AND PENSIONS

Regulation 87 is modified by the addition of the words: "with the consent of the Investor" after the words "The directors" and before the words "may provide benefits" in the first sentence.

30. BORROWING POWERS

The Directors may exercise all the powers of the Company (whether express or implied) to borrow and/or secure the payment of money, to guarantee the payment of money, the fulfilment of obligations and the performance of contracts and to mortgage or charge the property, assets and uncalled capital of the Company, and (subject to section 551 of the Act) to issue debentures, debenture stock and all other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party not exceeding an aggregate sum of £1,000,000.

31. PROCEEDINGS OF DIRECTORS

- 31.1 In the case of an equality of votes, the chairman will not have a second or casting vote. Regulation 88 will be modified accordingly.
- 31.2 Regulation 88 is modified by the exclusion of the third sentence and the substitution for it of the following sentences: "Every Director will receive notice of a meeting, whether or not he is absent from the United Kingdom. A Director may waive the requirement that notice be given to him of a meeting of Directors or a committee of Directors, either prospectively or retrospectively".

- 31.3 The quorum necessary for the transaction of business at any meeting of the Directors will be two of which one, subject to article 28.3, will be an Investor Director (unless otherwise agreed in writing by the Investor) and one will be a director who is not an Investor Director and Regulation 89 will be modified accordingly. If any meeting of the Directors is inquorate then it will be adjourned for the consideration of the same business until the same time and place the next following week when those Directors present will constitute a quorum.
- 31.4 A majority of Directors may appoint one of their number to be chairman of the Board, and a majority of Directors may at any time remove him from that office. The Director so appointed will preside at every meeting of Directors at which he is present, but if he is unwilling to preside or is not present within five minutes after the time appointed for the meeting the Directors present at the meeting will elect a Director to act as Chairman of the meeting. Regulation 91 shall not apply to the Company.
- 31.5 Any Director or alternate may participate in a meeting of the Board or a committee of the Directors by means of conference telephone or similar communications equipment if all persons participating in the meeting can hear and speak to each other throughout the meeting, and any Director or member of a committee participating in a meeting in this manner is deemed to be present in person at such meeting and will be counted when reckoning a quorum.
- 31.6 Without prejudice to the obligation of any Director to disclose his interest in accordance with the Companies Acts and subject always to Article 28.3 and the terms on which any such authorisation is given, a Director may vote at a meeting of Directors or of a committee of Directors on any resolution concerning a matter in which he has, directly or indirectly, an interest or duty which may or does conflict with that of the Company provided that he has first obtained the consent of the Investor (unless the director concerned is an Investor Director, in which case no such consent will be required). The Director will be counted in the quorum present when any such resolution is under consideration and if he votes, his vote will be counted. Regulations 94 to 97 (inclusive) shall not apply to the Company.

32. INVESTOR DIRECTOR(S)

- 32.1 The Investor will have the right to appoint up to two people as non-executive directors of the Company ("**Investor Directors**" and each an "**Investor Director**") but:
- 32.1.1 any such appointment must be effected by notice in writing to the Company by the Investor who may in a similar manner remove from office any Investor Director appointed pursuant to this Article, and appoint any person in place of any Investor Director so removed or who has died or otherwise vacated office as such;
- 32.1.2 subject to section 168 of the Act, on any resolution to remove an Investor Director, the Shares held by the Investor will together carry one vote in excess of fifty per cent of all the other votes exercisable at the general meeting at which such resolution is to be proposed, and if any such Investor Director is removed pursuant to section 168 of the Act or otherwise, the Investor may reappoint him or any other person as an Investor Director.
- 32.2 The Investor Director(s) will be entitled to be appointed to the board of directors of any member of the Group and to any committee of the board of any member of the Group.

33. JOHN GLASER AS DIRECTOR

For so long as he holds shares which together comprise 15% or more (by nominal value) of the Shares, John Glaser shall have the right to appoint himself as a non-executive director of the Company but:

- 33.1.1 any such appointment must be effected by notice in writing to the Company by John Glaser who may in a similar manner remove himself from office; and
- 33.1.2 subject to section 168 of the Act and for so long as he holds 15% or more (by nominal value) of the Shares, on any resolution to remove John Glaser as a director, the Shares held by John Glaser will together carry one vote in excess of fifty per cent of all the other votes exercisable at the general meeting at which such resolution is to be proposed, and if such a director is removed pursuant to section 168 of the Act or otherwise, John Glaser may reappoint himself as a director.

34. DIVIDENDS AND CAPITALISATION OF PROFITS AND RESERVES

- 34.1 Regulation 103 is modified by the addition of the following words: "with the consent of the Investor" after the words "the directors" in the first sentence.
- 34.2 Regulation 110(b) is modified by the deletion of the words "unissued shares" in the fifth and tenth lines and substituting instead the words "new shares".

35. NOTICES

- 35.1 Any notice or other document to be given to or by any person pursuant to these articles (other than a notice calling a meeting of the Directors) shall be in writing and shall be delivered in accordance with Article 35.2.
- 35.2 Any notice or other document may only be served on, or delivered to, any Member by the Company or by any other Member:
 - 35.2.1 personally;
 - 35.2.2 by sending it through the post in a prepaid envelope addressed to the Member at his registered address (whether such address is in the United Kingdom or otherwise);
 - 35.2.3 by delivery of it by hand to or leaving it at that address in an envelope addressed to the Member; or
 - 35.2.4 except in the case of a share certificate and only if an electronic address has been specified by the Member for such purpose, by Electronic Communication.
- 35.3 Nothing in Article 35.2 shall affect any provision of the Act requiring offers, notices or documents to be served on or delivered to a Member in a particular way.
- 35.4 In the case of joint holders of a Share:
 - 35.4.1 all notices and other documents shall be given to the person named first in the register in respect of the joint holding, and notice so given shall be sufficient notice to all joint holders; and

- 35.4.2 any request for consent to the receipt of Electronic Communications shall be sent to the person named first in the register in respect of the joint holding and any express consent given by such holder to the receipt of communications in such manner shall bind all joint holders.
- 35.5 Any notice or other document may only be served on, or delivered to, the Company by anyone:
- 35.5.1 by sending it through the post in a prepaid envelope addressed to the Company or any officer of the Company at its registered office or such other place in the United Kingdom as may from time to time be specified by the Company;
- 35.5.2 by delivering it by hand to its registered office or such other place in the United Kingdom as may from time to time be specified by the Company; or
- 35.5.3 if an address has been specified by the Company for such purpose by Electronic Communication.
- 35.6 Any notice or other document (other than any notice or other document given to the Company including, for the avoidance of doubt, the appointment of a proxy):
- 35.6.1 addressed to the recipient in the manner prescribed by these articles shall, if sent by post, be deemed to have been served or delivered:
- 35.6.1.1 (if prepaid as first class) 24 hours after it was posted; and
- 35.6.1.2 (if prepaid as second class) 48 hours after it was posted;
- 35.6.1.3 (if prepaid as airmail) 72 hours after it was posted
- and in proving such service, it shall be sufficient to prove that the envelope containing such notice or document was properly addressed, prepaid and posted;
- 35.6.2 not sent by post, but delivered by hand to or left at an address in accordance with these articles, shall be deemed to have been served or delivered on the day it was so delivered or left;
- 35.6.3 sent by Electronic Communication shall be deemed to have been served or delivered:
- 35.6.3.1 in the case of a notice or other document sent in an electronic form but by a manner authorised by Articles 35.2.2 or 35.2.3, in accordance with the provisions of Articles 35.6.1 or 35.6.2, as appropriate;
- 35.6.3.2 otherwise at the time 24 hours after the Electronic Communication it was sent, and in proving such service, it shall be sufficient to produce (in the case of a fax) a transaction report or log generated by a fax machine which evidences the fax transmission and (in any other case) a confirmation setting out either the total number of recipients to whom or each recipient to whom the message was sent.
- 35.7 Regulations 111, 112 and 115 shall not apply to the Company.

36. DIRECTORS' INDEMNITY AND CONFLICTS

- 36.1 Subject to Article 23 any Director and any Director's firm or partner and any company with whom any Director is associated, may act in any capacity for, be employed by or render services to the Company and such Director or such Director's firm, partner or company shall be entitled to remuneration as if such Director were not a Director. Nothing herein contained shall authorise a Director or Director's firm, partner or company to act as Auditor to the Company.
- 36.2 Subject to the provisions of, and so far as may be consistent with, the Act, the Company shall indemnify every Director or other officer of the Company against all costs, charges, losses, expenses and liabilities incurred by him in the execution and/or discharge of his duties and/or the exercise of his powers and/or otherwise in relation to or in connection with his duties, powers or office, including any liability incurred by him in defending any proceedings, whether civil or criminal, provided that in the case of any Director of the Company such indemnity shall not apply to any liability of that Director:
- 36.2.1 to the Company or to any of its associated companies;
 - 36.2.2 to pay any fine imposed in criminal proceedings or any sum payable to a regulatory authority by way of penalty in respect of non-compliance with any requirement of a regulatory nature (however arising); or
 - 36.2.3 incurred:
 - 36.2.3.1 in defending any criminal proceedings in which he is convicted or any civil proceedings brought by the Company or any of its associated companies in which judgment is given against him; or
 - 36.2.3.2 in connection with any application under any statute for relief from liability in respect of any such act or omission in which the Court refuses to grant him relief, in each case where the conviction, judgment or refusal by the Court is final within the meaning stated in section 234 of the Act.
- 36.3 Subject to the provisions of, and so far as may be consistent with, the Act, the Company may, if the Board shall so determine, indemnify every person engaged by the Company as an auditor against all costs, charges, losses, expenses and liabilities incurred by him in the execution and/or discharge of his duties and/or the exercise of his powers and/or otherwise in relation to or in connection with his duties, powers or office as an auditor including (without prejudice to the generality of the foregoing) any liability incurred by him in defending any proceedings, civil or criminal, which relate to anything done or omitted or alleged to have been done or omitted by him as an auditor of the Company and in which judgment is given in his favour (or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part) or in which he is acquitted or in connection with any application under any statute for relief from liability in respect of any such act or omission in which relief is granted to him by the Court.
- 36.4 The directors shall have power to purchase and maintain for any director (including an alternate director) or officer of the Company insurance against any such liability as is referred in sections 234 and 532 and 533 of the Act, subject to the provisions of the Act, against any other liability which may attach to him or loss or expenditure which he may incur in relation to anything done or alleged to have been done or omitted to be done as a director (including as an alternate director) or officer. The directors may authorise the directors of companies

within the same group of companies as the Company to purchase and maintain insurance at the expense of the Company for the benefit of any director (including an alternate director) or other officer of such company in respect of such liability, loss or expenditure as is referred to in this Article 31.

37. INVESTOR RIGHTS

Upon the number of B Shares in issue at any time comprising less than 20% of the issued share capital of the Company:

- 37.1 any third party purchaser which is identified in a notice to which Article 6.4 relates shall be deemed to have been approved by the Investor;
- 37.2 article 8.2.1(a), 8.2.1.2 and 8.3.4 shall cease to have effect;
- 37.3 the Board shall not be obliged to act on the request of an Investor Director given pursuant to Articles 8.4 9.6 or 12.12; and
- 37.4 Article 9.3 shall be read as if it did not include the words "the Investor and";
- 37.5 the provisions of Articles 9.4, 9.7, 28 and 32 shall cease to confer any rights on the Investor.
- 37.6 Articles 2.4, 5.3.2, 5.3.3, 5.3.4, 5.3.6, 5.3.7, 6.9, 0, 19.1, 22, 27, 29 and 34.1 shall be deemed to have been deleted;
- 37.7 Article 6.2 shall be deemed to be amended by deletion of the words "and with the consent of the Investor (and without prejudice to Article 5.3.6)";
- 37.8 Article 6.5 shall be deemed to be deleted and Article 6.6 shall be deemed to be amended by deletion of the words ", and any shares which fall to be offered to an Approved Third Party pursuant to Article 6.5 shall be offered,";
- 37.9 the table in Article 12.6.2 shall be deemed to be amended by replacing the words "B Shareholders" in column (2) in the final row with the words "A Shareholders";
- 37.10 Article 12.13.1 shall be deemed to be amended by deletion of the words "the Investor and";
- 37.11 Article 12.13.3 shall be deemed to have been deleted;
- 37.12 Article 12.15.2 shall be deemed to be amended by deletion of the words "(with the consent of an Investor Director)";
- 37.13 Article 12.16.1 shall be deemed to be amended by deletion of the words "(and will if requested by an Investor Director)";
- 37.14 Article 31.3 shall be deemed to be amended by deletion of the first sentence thereof; and
- 37.15 Article 31.6 shall be deemed to be amended by deletion of the words "provided that he has first obtained the consent of the Investor (unless the director concerned is an Investor Director, in which case no such consent will be required)".