

PRIVATE COMPANY LIMITED BY SHARES

NOTICE OF WRITTEN RESOLUTION

OF

GLOAG SERVICED APARTMENTS LIMITED

(Registered No. SC533189)

(the "Company")

Notice is hereby given that in accordance with Chapter 2 of Part 13 of the Companies Act 2006, on *23 September* 2016 the following resolutions were passed by the sole shareholder of the Company, such resolution to have effect as ordinary or special resolutions, as indicated, by way of written resolution:

SPECIAL RESOLUTION

1. THAT the draft articles of association in the form attached and marked 'A' for identification purposes, be adopted as the new articles of association of the Company in place of and to the exclusion of all other articles of association.

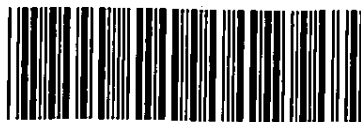
ORDINARY RESOLUTIONS

2. Subject to the passing of resolution 1 above, THAT the directors of the Company be and are hereby are generally and unconditionally authorised, for the purposes of section 551 of the Act to allot relevant shares and grant right to subscribe for, or to convert any security into shares in the Company on the basis that:
 - 2.1. the maximum amount of the relevant securities to be allotted pursuant to his authority shall be:
 - 2.1.1. 81 A Ordinary Shares of £1.00 each;
 - 2.1.2. 9 B Ordinary Shares of £1.00 each;
 - 2.1.3. 9 C Ordinary Shares of £1.00 each; and

this authority shall expire, unless sooner revoked or varied, on the expiry of the period of five years from the date of the passing of this resolution, but provided that the directors may after such revocation, variation or expiry allot shares pursuant to an offer or agreement so to do made by the Company prior to such revocation or variation or expiry which the Company, by this authority, is allowed to make or enter into. This authority is in substitution for all subsisting authorities, to the extent unused.

3. THAT the one Ordinary Share of £1.00 forming the entire issued share capital of the Company be reclassified as one B Ordinary Share of £1.00.

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COMPANIES HOUSE

SPECIAL RESOLUTION

4. THAT the directors be and are hereby empowered pursuant to section 570 of the Act to allot equity securities (within the meaning of section 560 of the Act) pursuant to the authority conferred by resolution 2 as if section 561(1) of the Act does not apply to such allotment, on the basis that this power shall be limited to any allotment made pursuant to the authority conferred on the directors by resolution 2 above. This power shall cease to have effect when the authority conferred by resolution 2 above is revoked or (if not revoked) expires but the Company may make an offer or agreement which would or might require equity securities to be allotted after expiry of this power and the directors may allot equity securities in pursuance of that offer or agreement as if this power had not expired.



For and on behalf of
Gloag Serviced Apartments Limited

Date: 23 September 2016

'A'

COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

GLOAG SERVICED APARTMENTS LIMITED

Registered No. SC533189

Incorporated in Scotland on the 20th day of April 2016

Adopted on the day of 2016

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COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
of
GLOAG SERVICED APARTMENTS LIMITED
(the "Company")
(Registered Number SC533189)

CONSTITUTION

1. The Company is a private company within the meaning of Section 4(1) of the Companies Act 2006 (the "Act") established subject to the provisions of the Act including any statutory modification or re-enactment thereof for the time being in force and the articles contained in the model form articles for private companies limited by shares as set out in the Companies (Model Articles) Regulations 2008 (Statutory Instrument 2008 No. 3229) (the "**Model Articles**") with the exception of articles 2, 14, 17 to 20 (inclusive), 22(2), 24(2)(c), 26, 38, 41, 44(1), 44(2), 52 and 53, and of any other articles which are inconsistent with the additions and modifications hereinafter set forth.
2. The liability of the members is limited to the amount, if any, unpaid on the shares held by them.
3. In accordance with the Act, the objects of the company shall be unrestricted.
4. The name of the Company may be changed by resolution of the Directors.

INTERPRETATION

5. In these Articles, unless the context otherwise requires, words and expressions shall bear the meaning ascribed to them in the Schedule to these Articles and the Schedule shall be part of and construed as one with these Articles.

SHARE CAPITAL

6. The share capital of the Company as at the date of adoption of these Articles is £100 divided into:
 - (a) 81 A ordinary shares of £1.00 each ("**A Ordinary Shares**");
 - (b) 10 B ordinary shares of £1.00 each ("**B Ordinary Shares**"); and
 - (c) 9 ordinary shares of £1.00 each ("**C Ordinary Shares**").

RIGHTS ATTACHING TO THE SHARES

7. The rights and restrictions attaching to the Equity Shares are as follows:

7.1. Income

- 7.1.1. If the Directors determine (acting in accordance with the Act) to distribute any profits in respect of any financial year (the "**Relevant Profits**") then the Relevant Profits shall be distributed amongst the holders of the Equity Shares (irrespective of class) pro rata in relation to the number of Equity Shares held by each such holder as if the same were one class of share.
- 7.1.2. Relevant Profits shall be distributed and/or paid to the holders of Equity Shares disregarding the nominal value (or any premium) credited as paid up on the shares.
- 7.1.3. Dividends accrue on a daily basis and shall be apportioned accordingly.

7.2. Capital

- 7.2.1. If there is a winding-up or other return of capital available for distribution to the members then the capital and assets of the Company (the "**Relevant Capital and Assets**") shall be distributed amongst the holders of the Equity Shares pro rata in relation to the number of Equity Shares held by each such holder.
- 7.2.2. Relevant Capital and Assets shall be distributed and/or paid to the holders of Equity Shares disregarding the nominal value (or any premium) credited as paid up on the shares.

7.3. Exit

- 7.3.1. In the event of an Exit or a Liquidation, the Proceeds shall be distributed (in the case of an Exit, only to the members who have sold shares pursuant to such Exit) amongst the holders of the Equity Shares pro rata in relation to the number of Equity Shares held by each such holder.
- 7.3.2. Proceeds shall be distributed and/or paid to the holders of Equity Shares disregarding the nominal value (or any premium) credited as paid up on the shares.

7.4. Voting

7.4.1. On a written resolution:

- (a) the A Ordinary Shares in issue shall in aggregate have 90 per cent. of the votes; and
- (b) the B Ordinary Shares in issue shall in aggregate have 10 per cent. of the votes.

7.4.2. On a show of hands, every holder of A Ordinary Shares and B Ordinary Shares who (being an individual) is present or (being a corporation) is present by a duly authorised representative (not being himself a member entitled to vote) shall have one vote and on a poll:

- (a) the A Ordinary Shares in issue shall in aggregate have 90 per cent. of the votes; and
- (b) the B Ordinary Shares in issue shall in aggregate have 10 per cent. of the votes.

7.4.3. The holders of the C Ordinary Shares shall be entitled to receive notice of, attend, speak and attend any general meeting of the Company. The holders of the C Ordinary Shares shall not be entitled to a vote.

7.4.4. In the event that and for so long as an Event of Default subsists, the provisions of clause 20.2 of the Subscription and Shareholders' Agreement shall apply.

7.5. Class Rights and Reserved Matters

7.5.1. Class Rights

Whenever the capital of the Company is divided into different classes of shares the special rights attached to any class may only be varied or abrogated either whilst the Company is a going concern or during or in contemplation of a winding up, with the consent in writing of the holders of 75% or more in number of the issued shares of that class or with the sanction of an extraordinary resolution passed at a separate general meeting of the holders of that class of share but not otherwise to every such separate general meeting all the provisions of these articles relating to general meetings of the Company shall apply *mutatis mutandis* except that the necessary quorum shall be at least one person holding or representing by proxy one third in nominal amount of the issued shares of the class.

7.5.2. Consent Rights

The provisions of clause 10 of the Subscription and Shareholders' Agreement shall apply in respect of Reserved Matters.

ISSUES OF SHARES

8. Issues of Shares

- 8.1. Save to the extent authorised from time to time in accordance with the terms of the Subscription and Shareholders' Agreement (and permitted in accordance with Article 8.2), the directors must not exercise any power of the Company to allot shares or to grant rights to subscribe for, or to convert any security into, shares.
- 8.2. No share in the capital of the Company nor any right to subscribe for, or to convert any security into, shares shall be issued or allotted unless either:
- 8.2.1. each shareholder has consented in writing to the issue or allotment and its terms and to the identity of the proposed allottee(s) or recipient(s) of the right within one month prior to the date of issue or allotment; or
- 8.2.2. the issue or allotment satisfies all of the following conditions:
- (a) on each occasion A Ordinary Shares, B Ordinary Shares and C Ordinary Shares are issued or allotted at the same price and on the same terms;
 - (b) shares are issued or allotted to shareholders holding shares of the same class; and
 - (c) shares are issued or allotted to shareholders in proportion to their existing holdings of shares.

Model Article 22(1) shall be modified accordingly.

- 8.3. 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.
- 8.4. For the purposes of Section 551 of the Act, the Directors are authorised generally and unconditionally to allot without the authority of the Company in general meeting those Equity Shares specified in Article 6 (*Share Capital*) at any time or times from the date of adoption of these Articles until the date occurring five years after such date. The aforesaid authority may be revoked or varied by the Company in general meeting and may be renewed by the Company in general meeting for a further period not exceeding five years. The Company may make any offer or agreement before the expiry of this authority which would or might require relevant securities to be allotted after this authority has expired and the Directors may allot relevant securities in pursuance of any such offer or agreement notwithstanding the expiry of this authority. In this Article, references to the allotment of shares shall include the grant of rights to subscribe for, or to convert any security into, shares.

- 8.5. The Company shall not be bound by or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any interest in any fractional part of a share or (except only as otherwise provided by these Articles or by law) any other rights in respect of any share except an absolute right to the entirety thereof held by the registered holder.

LIEN

9. The Company shall have a first and paramount lien on every share for all monies (whether presently payable or not) payable at a fixed time or called in respect of that share and the Company shall also have a first and paramount lien on all shares standing registered in the name of a single person or in the name of any person jointly with another or others for all monies presently payable by him or any of them or his estate or their estates to the Company. The Directors may at any time declare any share to be wholly or in part exempt from the provisions of this Article 9.

TRANSFER OF SHARES

10. **Transfer of Shares**

- 10.1. The Directors shall register any transfer of shares made in accordance with the provisions of Articles 44 to 47 (*Permitted Transfers, Pre-Emptive Transfers, Compulsory Transfers, Drag-Along, Tag-Along*). Save as aforesaid the Directors may, in their absolute discretion and without assigning any reason therefor, decline to register any transfer of any shares, whether or not such shares are fully paid.
- 10.2. Subject to such of the restrictions set out in these Articles and the Subscription and Shareholders' Agreement as may be applicable, any member may transfer all or any of his shares by instrument of transfer in writing in any usual or common form or in any other form which the Directors may approve. The instrument of transfer shall be executed by or on behalf of the transferor and (except in the case of fully paid shares) by or on behalf of the transferee and the transferor shall remain the holder of the shares and as such a member of the Company until the name of the transferee is entered in the Register of Members in respect thereof.

GENERAL MEETINGS

11. No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business. Save as otherwise provided in these Articles, one holder of A Ordinary Shares and one holder of B Ordinary Shares represented by a duly authorised representative shall be a quorum.
12. If a quorum is not present within half an hour of the time appointed for a general meeting the meeting, if convened on the requisition of members, shall be dissolved; in any other case it shall stand adjourned to such day and such time and place as the Directors may determine, and if at the adjourned

meeting a quorum is not present within half an hour from the time appointed for the meeting the members present shall be a quorum.

13. The Chairman shall chair general meetings if present and willing to do so.
14. If the Chairman is unwilling to chair the general meeting or is not present within 10 minutes of the time at which a meeting was due to start, one of the Directors appointed by the holder of A Ordinary Shares that is present and is willing to do so shall chair the general meeting.
15. If no A Director is present within 10 minutes of the time at which the meeting was due to start or no Director appointed by the same shareholder as the Chairman that is present is willing to chair the general meeting:
 - 15.1. the Directors present; or
 - 15.2. (if no Directors are present within 10 minutes of the time at which the meeting was due to start) the meeting,

must appoint a Director or shareholder to chair the meeting, and the appointment of the chairman of the general meeting must be the first business of the meeting. The person chairing a general meeting in accordance with this Article is referred to as the "Chairman of the Meeting".

16. Neither the A Ordinary Shares nor the B Ordinary Shares shall confer any right to vote upon a resolution for the removal from office of a Director appointed by holders of the other class of shares.
17. If at any general meeting any holder of A Ordinary Shares is not present (in person or by proxy), the number of votes attaching to the A Ordinary Shares held by the shareholders who are present (in person or by proxy) shall, on a poll, be increased proportionately (fractions of a vote being permitted) so that those A Ordinary Shares shall together entitle the holder(s) of them to the same aggregate number of votes as could have been cast in respect of all of the A Ordinary Shares if all the holders of them had been present.
18. If at any general meeting any holder of B Ordinary Shares is not present (in person or by proxy), the number of votes attaching to the B Ordinary Shares held by the shareholder(s) who are present (in person or by proxy) shall, on a poll, be increased proportionately (fractions of a vote being permitted) so that those B Ordinary Shares shall together entitle the holder(s) of them to the same aggregate number of votes as could have been cast in respect of all of the B Ordinary Shares if all the holders of them had been present.
19. The Chairman of the Meeting shall not have a casting vote.
20. A poll may be demanded at any general meeting by the Chairman or by any Director or by any member present, in person or by proxy, or, if a corporation, by any representative duly authorised and entitled to vote.
21. No resolution not previously approved by the Directors shall be moved by any member other than a Director at a general meeting unless the member

intending to move the same shall have left a copy thereof with his name and address at the Office at least three clear days prior to such meeting.

22. A notice of every general meeting shall be given to every member whether or not he shall have supplied to the Company an address within the United Kingdom for the giving of notices.

CORPORATE REPRESENTATIVES

23. Where a shareholder that is a corporation has authorised a representative or representatives to act on its behalf at a general meeting or at any separate meeting of the holders of any class of share in accordance with section 323 of the Act:
- 23.1. the corporation shall, for the purposes of these Articles, be deemed to be present in person at any such meeting if any such representative is present at it, and all references to attendance and voting in person shall be construed accordingly;
- 23.2. a Director or the company secretary (if any) may require any such representative to produce a certified copy of such authority before such representative is entitled to exercise any power on behalf of the corporation which he represents; and
- 23.3. a vote given or poll demanded by such representative at a general meeting or adjourned meeting (or at any separate meeting of the holders of any class of share) shall be valid even though his authority has previously terminated unless notice in writing of the termination was received by the Company before the commencement of that meeting.

DIRECTORS AND COMPANY SECRETARY

24. **Number Of Directors**

The minimum number of Directors (other than alternate directors) shall be two, one of whom shall be an A Director and the other of whom shall be a B Director and the maximum number of Directors (other than alternate directors) shall be five (5).

25. **Directors May Delegate**

The Directors may only delegate powers to a committee if the committee is a committee of Directors and it consists of at least one A Director and at least one B Director. Model Article 5(1) shall be modified accordingly and shall be modified by inserting the words "and which are not specifically reserved to the directors only" after the words "which are conferred on them under the articles".

26. **Directors To Take Decisions Collectively**

- 26.1. Decisions of the Directors must be taken by:

26.1.1. a majority decision at a meeting; or

26.1.2. a majority decision by a Directors' written resolution adopted in accordance with Article 27.

26.2. A meeting of the Directors or of a committee of the Directors may consist of a conference between Directors who are not all in one place, but of whom each is able (directly or by telephonic communication) to speak to each of the others, and to be heard by each of the others simultaneously. A Director taking part in such a conference shall be deemed to be present in person at the meeting and shall be entitled to vote or be counted in a quorum accordingly. Subject to the Act, all business transacted in such manner by the Directors or a committee of the Directors shall for the purposes of these Articles be deemed to be validly and effectively transacted at a meeting of the Directors or a committee of the Directors notwithstanding that fewer than two Directors or alternate directors are physically present at the same place. Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the chairman of the meeting then is. The word "**meeting**" in these Articles shall be construed accordingly.

27. Directors' Written Resolutions

27.1. Any Director may propose a Directors' written resolution and the company secretary (if any) must propose a Directors' written resolution if a Director so requests.

27.2. Subject to Article 27.3, a Directors' written resolution is proposed by giving notice in writing of the proposed resolution to each Director.

27.3. Any Director may waive his entitlement to notice of any proposed Directors' written resolution, either prospectively or retrospectively, and any retrospective waiver shall not affect the validity of the Directors' written resolution.

27.4. A proposed Directors' written resolution is adopted when a majority of the Eligible Directors have signed one or more copies of it, provided that those Directors would have formed a quorum at a Directors' meeting had the resolution been proposed at such a meeting.

27.5. Once a Directors' written resolution has been adopted, it must be treated as if it had been a decision taken at a Directors' meeting in accordance with these Articles.

27.6. An alternate director may sign a proposed Directors' written resolution (in addition to signing it in his capacity as a director in his own right, if relevant) on behalf of each of his appointors who:

27.6.1. have not signed or are not to sign the Directors' written resolution; and

27.6.2. are Eligible Directors in relation to the directors' written resolution,

provided that (a) the alternate director is himself an Eligible Director in relation to the Directors' written resolution and (b) those persons actually signing the directors' written resolution would have formed a quorum at a Directors' meeting had the resolution been proposed at such a meeting.

28. Calling A Directors' Meeting

- 28.1. Subject to Article 28.2, notice of a Directors' meeting must be given to each Director. Notice does not need to be in writing. A Director who participates in a meeting shall be deemed to have received proper notice of the meeting.
- 28.2. Any Director may waive his entitlement to notice of any Directors' meeting, either prospectively or retrospectively, and any retrospective waiver shall not affect the validity of the meeting or of any business conducted at it.

29. Quorum For Directors' Meetings

- 29.1. The quorum for Directors' meetings is two directors of which one must be an A Director (or his alternative director) and one must be a B Director (or his alternate director).
- 29.2. Subject to these Articles, a person who is an alternative director, but is not a Director in his own right, may be counted as participating for the purpose of determining whether a quorum is participating in any decision at a Directors' meeting, provided that his appointor (or one of his appointors):
 - 29.2.1. is not participating in the decision at the Directors' meeting; and
 - 29.2.2. would have been an Eligible Director in relation to the decision if he had been participating in it.
- 29.3. No alternate director may be counted as more than one Director for the purposes of determining whether a quorum is participating in any decision at a directors' meeting.

30. Chairing Of Directors' Meetings

- 30.1. The post of Chairman of the directors shall be held by an A Director.
- 30.2. If the Chairman is not participating in a directors' meeting within 10 minutes of the time at which it was to start, one of the participating A Directors shall chair the meeting.
- 30.3. The Chairman, or other Director chairing the meeting, shall not have a casting vote.

31. Voting At Directors' Meetings

- 31.1. A decision is taken at a Directors' meeting by a majority vote of the Eligible Directors participating in the decision at the meeting.
- 31.2. Subject to these Articles, each director participating in a decision at a Directors' meeting has one vote.

31.3. Subject to these Articles, an alternate director shall have one vote (in addition to his own vote in his capacity as a Director in his own right, if relevant) on any decision at a Directors' meeting for each of his appointors who:

31.3.1. are not participating in the decision at the Directors' meeting; and

31.3.2. would have been Eligible Directors in relation to the decision if they had been participating in it.

31.4. If at any Directors' meeting the maximum number of votes that may be cast by the A Directors (and any alternate directors appointed by the A Directors) participating in a decision is less than the maximum number of votes that could have been cast if the maximum number of A Directors that may be appointed in accordance with Article 37.1 had all been participating in the decision, the votes of the A Director(s) (and any alternate directors) appointed by the A Directors) participating in the decision shall be increased proportionately (fractions of a vote being permitted) so that they shall together be entitled to the same aggregate number of votes as could have been cast if the maximum number of A Directors that may be appointed in accordance with Article 37.1 had all been participating in the decision.

31.5. If at any directors' meeting the maximum number of votes that may be cast by the B Directors (and any alternate directors appointed by the B Directors) participating in a decision is less than the maximum number of votes that could have been cast if the maximum number of B Directors that may be appointed in accordance with Article 37.2 had all been participating in the decision, the votes of the B Director(s) (and any alternate directors) appointed by the B Directors) participating in the decision shall be increased proportionately (fractions of a vote being permitted) so that they shall together be entitled to the same aggregate number of votes as could have been cast if the maximum number of B Directors that may be appointed in accordance with Article 37.2 had all been participating in the decision.

32. Participating And Voting When Director Interested

32.1. A Director shall not be counted as participating for quorum and voting purposes in a decision at a Directors' meeting to authorise a matter for the purposes of section 175 of the Act if, in accordance with section 175(6) of the Act, the matter is such that the authorisation would only be effective if:

32.1.1. any requirement as to the quorum at the Directors' meeting at which the matter is considered is met without him counting; and

32.1.2. the matter was agreed to without him voting or would have been agreed to if his vote had not been counted.

32.2. Without prejudice to the obligations of any Director:

32.2.1. to disclose any interest in proposed or existing transactions or arrangements with the Company in accordance with the Companies Acts; and

32.2.2. to disclose any interest in accordance with Article 35.2,

and subject always to Article 32.1 and the terms on which any authorisation for the purposes of section 175 of the Act has been given, a Director shall be counted as participating for quorum and voting purposes in any decision at a directors' meeting that is concerned with a matter in which he has, directly or indirectly, an interest.

33. Records Of Directors' Decisions To Be Kept

Model Article 15 shall be modified by deleting the words "unanimous or majority".

34. Transactions Or Arrangements With The Company

Subject to compliance with the Companies Acts (including sections 177 (Duty to declare interest in proposed transaction or arrangement) and 182 (Declaration of interest in existing transaction or arrangement) of the Act), a Director may be a party to, or otherwise (directly or indirectly) interested in, any transaction or arrangement with the Company.

35. Directors' Conflicts Of Interest

35.1. Subject to Article 35.2, for the purposes of section 175 of the Act:

35.1.1. 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 group undertaking of the Company or any other undertaking in which the Company is otherwise (directly or indirectly) interested;

35.1.2. an A Director (and his alternate 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, the holder(s) of the A Shares from time to time and any group undertaking of such holder(s) or any other undertaking in which such holder(s) are otherwise (directly or indirectly) interested;

35.1.3. a B Director (and his alternate 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, the holder(s) of the B Shares from time to time and any group undertaking of such holder(s) or any other undertaking in which such holder(s) are otherwise (directly or indirectly) interested;

- 35.1.4. a Director shall be authorised to enter into, or otherwise be interested in, whether directly or indirectly, any transaction or arrangement in which the Company is (directly or indirectly) interested (other than a transaction or arrangement with the Company); and
- 35.1.5. a Director shall be authorised to be a party to any transaction or arrangement with any group undertaking of the Company or any other undertaking in which the Company is otherwise (directly or indirectly) interested.
- 35.2. Any authorisation pursuant to Article 35.1 is subject to the relevant Director declaring the nature and extent of his interest (other than a Non-Disclosable Interest) to the other Directors.
- 35.3. For the purposes of this Article 35, a "**Non-Disclosable Interest**" is an interest which cannot reasonably be regarded as likely to give rise to a conflict of interest or one that the other Directors are already aware of or ought reasonably to be aware of.
- 35.4. For the purposes of section 175 of the Act, where an office, employment, engagement, position or interest held by a Director in another person has been authorised pursuant to Article 35.1 and his relationship with that ~~person gives rise to an~~ actual or potential conflict of interest (or any actual or potential conflict of interest may reasonably be expected to arise out of the matter so authorised), a Director (and his alternate director) shall be authorised to:
 - 35.4.1. 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;
 - 35.4.2. receive confidential information and other documents and information relating to the Company, use and apply such information in performing his duties as a Director, officer or employee of, or consultant to such other person and disclose that information to third parties in accordance with these Articles or the Subscription and Shareholders' Agreement;
 - 35.4.3. in the case of an A Director, give or withhold consent or give any direction or approval under the Subscription and Shareholders' Agreement or these Articles on behalf of the holder(s) of the A Shares from time to time; and
 - 35.4.4. in the case of a B Director, give or withhold consent or give any direction or approval under the Subscription and Shareholders' Agreement or these Articles on behalf of the holder(s) of the B Shares from time to time.
- 35.5. The following provisions of this Article apply to any authorisation of a matter by the directors for the purposes of section 175 of the Act:

- 35.5.1. an authorisation may extend to any actual or potential conflict of interest (including a conflict of interest and duty and a conflict of duties) which may reasonably be expected to arise out of the matter so authorised;
 - 35.5.2. 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
 - 35.5.3. a Director must comply with any obligations imposed on him by the Directors pursuant to any authorisation.
- 35.6. If a matter, office, employment, engagement, position, transaction or arrangement or interest has been authorised either pursuant to Article 35.1 or otherwise for the purposes of section 175 of the Act, 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 a director) relating to such matter, office, employment, engagement, position, transaction or arrangement or interest, or to 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, office, employment, engagement, position, transaction or arrangement or interest.
- 35.7. For the purposes of this Article 35, a conflict of interest includes a conflict of interest and duty and a conflict of duties.
- 36. Accounting For Profit When Interested**
- 36.1. Subject always to the obligation of the Director to disclose his interest in proposed or existing transactions or arrangements with the Company in accordance with the Companies Acts:
- 36.1.1. a Director shall not be accountable to the Company for any profit, remuneration or other benefit which he (or a person connected with him as defined in section 252 of the Act) derives from or in connection with any interest (whether directly or indirectly) in any transaction or arrangement with the Company;
 - 36.1.2. no such transaction or arrangement shall be liable to be avoided on the grounds of any such interest, profit, remuneration or benefit; and
 - 36.1.3. the receipt of any such profit, remuneration or other benefit shall not constitute a breach of his duty under section 176 of the Act.
- 36.2. Subject always to the obligation of the Director to disclose his interest in accordance with Article 35.2 and to the terms on which any authorisation for the purposes of section 175 of the Act has been given:
- 36.2.1. a Director shall not be accountable to the Company for any profit, remuneration or other benefit which he (or a person connected with

him as defined in section 252 of the Act) derives from or in connection with anything authorised pursuant to Article 35.1 or otherwise for the purposes of section 175 of the Act;

36.2.2. no such thing authorised shall be liable to be avoided on the grounds of any such interest, profit, remuneration or benefit; and

36.2.3. the receipt of any such profit, remuneration or other benefit shall not constitute a breach of his duty under section 176 of the Act.

37. Appointment And Removal Of Directors

37.1. The holder or holders of a majority in nominal value of the A Ordinary Shares may at anytime, appoint up to three persons (willing to act as directors and permitted by law to do so) as A Directors and may remove or replace any A Director so appointed.

37.2. Subject to the terms of the Subscription and Shareholders' Agreement, the holder or holders of a majority in nominal value of the B Ordinary Shares may at anytime, appoint up to two persons (willing to act as directors and permitted by law to do so) as B Directors and may remove or replace any B Director so appointed.

37.3. Any appointment, removal or replacement of a Director pursuant to this Article 37 must be effected by notice in writing to the Company signed by (or, in the case of a corporation, signed on its behalf by a director or by a person authorised by a decision of the directors or other governing body) the holder or holders of a majority in nominal value of the A Ordinary Shares or the B Ordinary Shares (as the case may be). Such notice may consist of several documents in similar form each signed by or on behalf of one or more holders. Any such appointment, removal or replacement shall take effect when the notice is received by the Company or on such later date (if any) specified in the notice.

37.4. In addition to the circumstances set out in Model Article 18, a person also ceases to be a Director as soon as that person is removed or replaced as a director in accordance with this Article 37.

37.5. No Director shall be entitled to any remuneration in its capacity as a Director.

38. Appointment And Removal Of Alternate Directors

38.1. Any Director (other than an alternate director) ("appointor") may appoint as an alternate any person (except an existing director representing the other class of shares) willing to act to:

38.1.1. exercise that Director's powers; and

38.1.2. carry out that Director's responsibilities,

in relation to the taking of decisions by the Directors in the absence of the alternate's appointor, and may remove from office an alternate so appointed by him.

38.2. Any appointment or removal of an alternate must be effected by notice in writing to the Company signed by the appointor, or in any other manner approved by the directors. The appointment or removal shall take effect when the notice is received by the Company or on such later date (if any) specified in the notice.

38.3. The notice must:

38.3.1. identify the proposed or existing alternate; and

38.3.2. in the case of a notice of appointment, contain (or be accompanied by) a statement signed by the proposed alternate that the proposed alternate is willing to act as the alternate of the director giving the notice.

38.4. A person may act as an alternate for more than one Director, provided that each of his appointors represents the same class of shares.

39. Rights And Responsibilities Of Alternate Directors

39.1. Except as these Articles specify otherwise, alternate directors:

39.1.1. are deemed for all purposes to be Directors;

39.1.2. are liable for their own acts and omissions;

39.1.3. are subject to the same restrictions as their appointors; and

39.1.4. are not deemed to be agents of or for their appointors.

39.2. Subject to these Articles, an alternate director has the same rights in relation to any decision of the Directors and any meetings of committees of Directors as each of the alternate's appointors. In particular, each alternate Director is entitled to receive notice of all proposed Directors' written resolutions and of all Directors' meetings and meetings of committees of Directors which each of his appointors is entitled to receive.

39.3. An alternate director is not entitled to receive any remuneration from the Company for serving as an alternate director.

40. Termination Of Alternate Directorship

An alternate director's appointment as an alternate for an appointor terminates:

40.1. when that appointor removes his alternate director in accordance with Article 38;

- 40.2. on the occurrence in relation to the alternate director of any event which, if it occurred in relation to that appointor, would result in the termination of that appointor's appointment as a director;
- 40.3. on the death of that appointor;
- 40.4. when that appointor's appointment as a Director terminates; or
- 40.5. when notice in writing is received by the Company from the alternate director that he is resigning as an alternate director of that appointor, and such resignation has taken effect in accordance with its terms.

41. Company Secretary's Terms Of Office

The Directors may appoint any person who is willing to act to be the company secretary for such term and on such conditions as they think fit, and may remove any company secretary so appointed.

BORROWING AND OTHER POWERS

- 42. The Directors may exercise all the powers of the Company without limit as to amounts to borrow and raise money and to accept money on deposit and to grant any security, mortgage, charge or discharge as they may consider fit for any debt or obligation of the Company or which is binding on the Company in any manner or way in which the Company is empowered so to grant and similarly as they may consider fit to enter into any guarantee, contract of indemnity or suretyship in any manner or way in which the Company is empowered so to enter into.

INDEMNITY AND INSURANCE

43. Indemnity and Insurance

- 43.1. Without prejudice to any other indemnity which may from time to time be applicable, a relevant officer of the Company or an associated company shall be indemnified out of the assets of the Company against:
 - (a) any liability incurred by that officer in connection with any negligence, default, breach of duty or breach of trust in relation to the Company or an associated company;
 - (b) any liability incurred by that officer in connection with the activities of the Company or an associated company in its capacity as a trustee of an occupational pension scheme (as defined in Section 235(6) of the Act); and
 - (c) any other liability incurred by that officer as an officer of the Company or an associated company,

provided always that this Article 43 does not authorise any indemnity which would be prohibited or rendered void by any provision of the Act or by any other provision of law.

In this Article 43.1:

- (i) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate, and
- (ii) a "**relevant officer**" means any director, former director, company secretary or former company secretary or other officer of the Company or an associated company (but not its auditor).

43.2. The Directors may decide to purchase and maintain insurance at the expense of the Company for the benefit of any relevant officer in respect of any relevant loss. Without prejudice to the generality of Article 32 (*Participating and Voting When Director is Interested*), at a meeting of the Directors where such insurance is under consideration, a Director may form part of the quorum and vote notwithstanding any interest he may have in such insurance.

In this Article 43.2:

- (a) a "**relevant officer**" means any director or former director, company secretary or former company secretary of the Company or an associated company, any other officer or employee or former officer or employee of the company (but not its auditor) or any trustee of an occupational pension scheme (as defined in Section 235(6) of the Act) for the purposes of an employees' share scheme of the Company or an associated company;
- (b) a "**relevant loss**" means any loss or liability which has been or may be incurred by a relevant officer in connection with that relevant officer's duties or powers in relation to the Company, any associated company or any pension fund or employees' share scheme of the Company or associated company; and
- (c) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.

SHARE TRANSFERS

44. Permitted Transfers

44.1. Except as permitted by this Article 44 or in accordance with Article 45 (*Compulsory Transfers*), Article 46 (*Drag-Along*) or Article 47 (*Tag-Along*), no shareholder shall transfer any shares. A share may only be transferred if the whole of the transferor's legal and beneficial interest in such share is so transferred.

44.2. Any share may be transferred:

- 44.2.1. to a Group Company of the transferor, provided that all shares held by the transferor are so transferred and the relevant Group Company enters into a deed of adherence as provided in the Subscription and Shareholders' Agreement;

- 44.2.2. to any other person with the prior consent in writing of all the other shareholders, except as permitted by this Article 44;
 - 44.2.3. by any shareholder at any time provided such transfer is permitted or required under the terms of the Subscription and Shareholders' Agreement and is carried out in accordance with the Subscription and Shareholders' Agreement; or
 - 44.2.4. by any holder of A Ordinary Shares, subject to any restrictions contained in the Subscription and Shareholders' Agreement.
- 44.3. Subject to Article 44.4, the Directors shall not refuse to register a transfer of shares permitted by this Article 44.
- 44.4. The Directors may refuse to register a transfer of a share if the transfer:
- 44.4.1. is not duly stamped (or it is not duly certified or otherwise shown to the satisfaction of the Directors to be exempt from stamp duty);
 - 44.4.2. is not lodged at the Company's registered office or such other place as the Directors have appointed; or
 - 44.4.3. is not accompanied by:
 - (a) the relevant share certificate(s) or such other evidence of title as any Director may reasonably require; or
 - (b) in the case of a transfer pursuant to Article 44.2.1 or 44.2.2, such information and evidence as any Director may reasonably require that the transferee is such a Group Company or person.
- 44.5. If the Directors refuse to register the transfer of a share the instrument of transfer must be returned to the transferee with the notice of refusal unless they suspect that the proposed transfer may be fraudulent.
- 44.6. Where any share or shares have been transferred under Article 44.2.1 (whether directly or by a series of transfers) and the transferee ceases to be a Group Company of the original transferor, it will, on or before the cessation, transfer such shares to the original transferor or to another Group Company of the original transferor. If a shareholder fails or refuses to execute and deliver any transfer in respect of any shares pursuant to its obligations under this Article 44.6, the Directors will, if requested to do so by any Director:
- 44.6.1. authorise any Director to execute and deliver the necessary transfer(s) on the defaulting shareholder's behalf; and
 - 44.6.2. authorise registration of the transfer and of the transferee as the holder of the shares so transferred, once appropriate stamp duty (if any) has been paid.

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.

COMPULSORY TRANSFERS

45. Compulsory Transfers

If a Default Notice is given by the Non-Defaulting Shareholder to the Defaulting Shareholder (the "**Default Transfer Notice**"), the price at which the Sale Property shall be acquired by the Non-Defaulting Shareholder for the purposes of the Default Transfer Notice (the "**Specified Price**") shall be determined in accordance with this Article 45.

- 45.1. The Specified Price for the purposes of the Default Notice in respect of the shares subject to the Default Transfer Notice shall be the Default Price (the "**Sale Price**"), as shall be agreed between the Defaulting Shareholder and the Non-Defaulting Shareholder or, failing agreement within 20 days of the Price Notice being given, as shall be determined by an independent valuation expert ("**Expert**").
- 45.2. The Expert shall be appointed by agreement between the Defaulting Shareholder and the Non-Defaulting Shareholder (the "**parties**") or, failing agreement within 20 days of the Price Notice being given or being deemed to be given, by the Chairman of the Royal Institute of Chartered Surveyors from time to time on the application of either of the parties. The Defaulting Shareholder hereby irrevocably appoints the Non-Defaulting Shareholder as its attorney to agree on his behalf the terms of the Expert's engagement in respect of his appointment as independent valuation expert and to execute and deliver on his behalf all documentation necessary to effect the Expert's engagement, including without prejudice to that generality any letter of engagement to be entered into with the Expert or the Expert's firm. The Expert shall state in writing his opinion of the Sale Price, as determined in accordance with this Article. In so stating his opinion, the Expert shall be deemed to act as an expert and not as an arbitrator and, save in the case of fraud or manifest error, his determination shall be final and binding on all concerned. For this purpose, the Expert shall be given by the Company all information which a prudent prospective purchaser might reasonably require if he were proposing to purchase the Sale Property from a willing seller by private treaty and at arm's length, together with such information as any member of the Company may wish to provide to him and such other information as he may reasonably require. The Expert shall be entitled to determine the procedure to be followed in arriving at this decision and to appoint legal or other advisers and shall instruct a chartered surveyor to value the Company's property assets or advise on any aspect of the business of the Company to assist in valuing the Sale Property. The costs involved in the Expert's determination of the Specified Price (including the Expert's expenses and the costs of any chartered surveyor or other advisers to the Expert) shall, in the absence of any determination by the Expert, be borne as to one half by the Defaulting Shareholder and as to the other half by the Non-Defaulting Shareholder.

- 45.3. The Expert shall be required to determine the Sale Price within 45 days of his appointment and shall notify the Company, the Defaulting Shareholder and the Non-Defaulting Shareholder of his determination in writing.
- 45.4. The Expert (and, for the avoidance of doubt, any chartered surveyor appointed by him) shall value the Sale Property at 95 per cent. of its "fair value". For these purposes, "fair value" is an estimate of the price a party would have received if it had sold the Sale Property as on the date of the Default Notice in an arm's length exchange motivated by normal business considerations.
- 45.5. The Expert (and, for the avoidance of doubt, any chartered surveyor appointed by him) shall determine the "fair value" as follows:
- 45.5.1. the fair value shall not be adjusted to reflect expected costs that will be incurred in transferring the Sale Property; and
- 45.5.2. valuation techniques shall be consistent with accepted economic methodologies for pricing shares, land, rights to overage of the relevant type in place as at the date of the Default Transfer Notice, including, as applicable, those set out in RICS Valuation - Professional Standards. Present value calculations shall include cash flows and discount rates that are free from bias, mutually consistent and reflect the appropriate risk premium. Greater weight should be given to those valuation methodologies considered most appropriate to the particular circumstances of the Company.
- 45.6. The Expert shall rely on the following assumptions:
- 45.6.1. the sale is between a willing seller and a willing purchaser;
- 45.6.2. the Sale Property is sold free of all restrictions, liens, charges and other encumbrances; and
- 45.6.3. the sale is taking place on the date of the Price Notice.
- 45.7. If any difficulty arises in determining the fair value then the Expert shall resolve that difficulty in such manner as he shall in his absolute discretion think fit.

DRAG-ALONG

46. Drag-Along

- 46.1. Subject to the remaining provisions of this Article 46 and the provisions of Article 47 (*Tag-Along*), the holders of 50 per cent. or more of the Equity Shares (the "Seller") may agree to sell or transfer (the "Relevant Sale") shares representing more than 50 per cent. of the Equity Shares to any person whatsoever (together with persons acting in concert therewith) (the "Buyer"). A Relevant Sale shall only be a Relevant Sale for the purposes of this Article 46 if it is a bona fide transaction on arm's length terms.

- 46.2. If such Relevant Sale becomes or is anticipated to become unconditional in all respects, the Buyer may, by written notice to the Company served either before or no later than 60 days after the Relevant Sale becomes unconditional in all respects, require the Company as agent for the Buyer to serve notices (each a "**Compulsory Acquisition Notice**") on some or all of the members specified by the Buyer as being members who are not at that time participating in such Relevant Sale (the "**Remainder Shareholders**") requiring them to sell all (but not some only) of their Equity Shares to the Buyer or a person or entity nominated by the Buyer at a consideration per share (including any contingent or deferred consideration) (insofar as it can be ascertained at the date of the Compulsory Acquisition Notice) which is of equal or greater value to the consideration payable to the Seller in respect of their Equity Shares (as determined in accordance with Article 46.2, if applicable), it being recognised that:
- 46.2.1. such consideration payable to the Seller may have been reduced by the Buyer agreeing to pay some or all of the costs associated with the Relevant Sale and the consideration payable to the Remainder Shareholders shall be the net amount per share received by the Sellers;
 - 46.2.2. the provisions of Article 7 (*Rights Attaching to the Shares*) shall apply (regardless of whether the Relevant Sale constitutes an Exit); and
 - 46.2.3. any costs, fees and expenses incurred in relation to the Relevant Sale which are not borne by the Company or the Buyer shall be borne by the holders of the Equity Shares pro rata to the aggregate consideration payable to each such holder for the Equity Shares held by him and each such holder shall be paid his consideration therefor after deduction of his proportion of such costs.
- 46.3. The Company shall serve the Compulsory Acquisition Notices forthwith upon being required to do so and the Remainder Shareholders shall thereafter not be entitled to transfer their shares to anyone except the Buyer or a person identified by the Buyer. Each Compulsory Acquisition Notice shall specify the same date (being not less than seven and not more than 21 days after the date of the Compulsory Acquisition Notice) for the completion of the relevant transfer of shares to the Buyer (the "**Proposed Compulsory Acquisition Completion Date**"). The "**Compulsory Acquisition Completion Date**" shall be the date on which the Buyer completes the purchase of the Equity Shares with the Remainder Shareholders (being a date on or after the Proposed Compulsory Acquisition Completion Date and being a date on or after (but not before) the date upon which the transfer of shares under the Relevant Sale completes).
- 46.4. The Buyer may, in the Compulsory Acquisition Notices that it requires the Company to serve as its agent pursuant to Article 46.1, specify that the consideration payable to the Remainder Shareholders (in respect of the shares held by them which are the subject of the Compulsory Acquisition Notices) shall comprise a greater proportion of non-cash consideration than that payable to the Seller, provided that a Valuer (appointed by the

Company) has confirmed in writing that the total consideration per share (taking into account both cash and non-cash consideration and the application of Article 7 (*Rights Attaching to the Shares*)) payable to the Remainder Shareholders is of equal value to, or of greater value than, the total consideration per share payable to the Seller.

- 46.5. The Buyer shall be ready and able to complete the purchase of all shares in respect of which a Compulsory Acquisition Notice has been given on the Proposed Compulsory Acquisition Completion Date.
- 46.6. If, in any case, a Remainder Shareholder shall not on or before the Compulsory Acquisition Completion Date have transferred his shares to the Buyer or a person identified by the Buyer against payment of the price therefor (if any):
- 46.6.1. the Directors shall authorise any person to execute and deliver on his behalf any necessary transfer in favour of the Buyer or the person identified by the Buyer;
- 46.6.2. the Company shall receive the consideration (if any) in respect of such shares; and
- 46.6.3. the Company shall (subject to the transfer being duly stamped, to the extent applicable) cause the name of the Buyer or the person identified by the Buyer to be entered into the Register of Members as the holder of the relevant shares.

To the extent applicable, the Company shall hold the consideration in trust for the Remainder Shareholder but shall not be bound to earn or pay interest thereon. The issue of a receipt by the Company for the consideration (if any) shall be a good receipt for the price for the relevant shares. The Company shall apply the consideration received by it (if any) in payment to the Remainder Shareholder against delivery by the Remainder Shareholder of the certificate in respect of the shares transferred (if any has been issued) or an indemnity in respect of the same in form and substance acceptable to the Company. After the name of the Buyer or the person identified by the Buyer has been entered in the Register of Members in purported exercise of the aforesaid powers the validity of the proceedings shall not be questioned by any person.

- 46.7. For the avoidance of doubt, nothing in these Articles shall prevent the issue of a new Compulsory Acquisition Notice immediately prior to or following the lapse or withdrawal of an existing Compulsory Acquisition Notice, in which case such newly served notice shall supersede and revoke any earlier such notice, notwithstanding that the relevant acceptance and purchase period as may be designated in the original Compulsory Acquisition Notice may not have expired.

TAG-ALONG

47. Tag-Along

47.1. Unless the Buyer elects to, and does operate, the provisions of Article 46 (*Drag-Along*) to call for a transfer of the shares held by the Remainder Shareholders, if, at any time, a member (the "**Proposed Seller**") proposes to sell to any bona fide third party, on arm's length terms, in one or a series of transactions, a Compulsory Purchase Interest (a "**Proposed Sale**"), the Proposed Seller shall give written notice to all members (the "**Other Shareholders**") of such Proposed Sale at least 10 Business Days prior to the proposed date of completion thereof. Such notice shall set out, to the extent not described in any accompanying documents, the identity of the proposed buyer (the "**Proposed Buyer**"), the sale price and other terms and conditions of payment, the proposed date of sale and the number of Equity Shares to be acquired by the Proposed Buyer.

47.2. The Proposed Sale may not be completed unless the Proposed Buyer has unconditionally offered to buy the same proportion of Equity Shares held by the Other Shareholders as the proportion that the Equity Shares which are the subject of the Proposed Sale represent of the Proposed Seller's total holding of Equity Shares immediately prior to the Proposed Sale on the same terms and conditions as apply to the Proposed Sale, which shall include:

47.2.1. the Other Shareholders bearing their proportion of any costs, fees and expenses as if the transfer were made under Article 46.1 (*Drag-Along*) above; and

47.2.2. the application of the provisions of Article 7 (*Rights Attaching to the Shares*) (regardless of whether the Proposed Sale constitutes an Exit).

Such offer shall remain open for acceptance for not less than 10 Business Days.

47.3. The consideration shall be payable in full to the Other Shareholders without any set off.

47.4. The Directors shall not register any transfer to the Proposed Buyer and the Proposed Buyer shall not be entitled to exercise or direct the exercise of any rights in respect of any shares to be transferred to the Proposed Buyer until in each case the Proposed Buyer has fulfilled all of its obligations pursuant to this Article 47. If and for so long as the Proposed Buyer fails to comply with the provisions of this Article 47, the shares held by the Proposed Buyer (including any shares held by the Proposed Buyer prior to the operation of this Article 47) shall confer on the Proposed Buyer no right to receive notice of, attend or vote at any general meeting of the Company or at any separate general meeting of the holders of the shares of that class until the obligations of the Proposed Buyer hereunder have been complied with and such shares shall confer no right to receive notice of, attend or vote at any meeting of the Company unless and until the Proposed Buyer has complied with his obligations under this Article 47.

SCHEDULE

DEFINITIONS AND INTERPRETATION

1. In the Articles to which this forms a schedule the following words and expressions shall, unless the context otherwise requires, bear the following meanings:

"**A Director**" means any person appointed as a director in accordance with the provisions of Article 37.1;

"**A Ordinary Shares**" shall bear the meaning given to it in Article 6 (*Share Capital*);

"**Act**" shall bear the meaning given to it in Article 1 (*Constitution*);

"**acting in concert**" shall bear the meaning attributed thereto in the Code;

"**Auditors**" means the auditors of the Company from time to time;

"**B Director**" means any person appointed as a director in accordance with the provisions of Article 37.2;

"**B Ordinary Shares**" shall bear the meaning given to it in Article 6 (*Share Capital*);

"**Business Day**" means a day, other than a Saturday or Sunday, on which banks are open for general banking business in London and Edinburgh;

"**Buyer**" shall bear the meaning given to it in Article 46.1 (*Drag-Along*);

"**C Ordinary Shares**" shall bear the meaning given to it in Article 6 (*Share Capital*);

"**Cash Equivalent**" means, in relation to any deferred consideration, the sum agreed between the holders of not less than 50 per cent. of the A Ordinary Shares and 50 per cent. of the B Ordinary Shares (or, failing such agreement, certified by a Valuer) as being in their opinion the current value of the right to receive that consideration and, in relation to any non-cash consideration, the sum agreed between the holders of not less than 50 per cent. of the A Ordinary Shares and the holders of not less than 50 per cent. of the B Ordinary Shares (or, failing such agreement, certified by a Valuer) as being in their opinion the current market value of that non-cash consideration;

"**Code**" means the City Code on Takeovers and Mergers;

"**Compulsory Acquisition Notice**" shall bear the meaning given to it in Article 46.2 (*Drag-Along*);

"**Compulsory Acquisition Completion Date**" shall bear the meaning given to it in Article 46.3 (*Drag-Along*);

"Compulsory Purchase Interest" means an interest in shares representing more than 50 per cent. of the Equity Shares;

"Default Notice" shall have the meaning ascribed to it in the Subscription and Shareholders' Agreement;

"Default Price" shall have the meaning ascribed to it in the Subscription and Shareholders' Agreement;

"Defaulting Shareholder" shall have the meaning ascribed to it in the Subscription and Shareholders' Agreement;

"Directors" means the directors of the Company from time to time;

"Eligible Director" means:

- (a) in relation to a decision at a Directors' meeting, a Director who is to be counted as participating for quorum and voting purposes in the decision at the meeting; and
- (b) in relation to a Directors' written resolution, a Director who would have been counted as participating for quorum and voting purposes in the decision had the resolution or matter been proposed as a resolution at a Directors' meeting;

"eligible member" shall bear the meaning attributed thereto in Section 289(1) of the Act;

"Equity Shares" means the A Ordinary Shares; the B Ordinary Shares and the C Ordinary Shares taken together as one class;

"Event of Default" shall bear the meaning attributed thereto in the Subscription and Shareholders' Agreement;

"Exit" means a Sale or Listing in respect of the Company;

"Expert" shall have the meaning given to it in Article 45.1;

"Group" means the Company and its (direct and indirect) parent companies from time to time together with any (direct and indirect) subsidiary companies of such parent companies from time to time and **"member of the Group"** shall be construed accordingly;

"Group Company" means a company which is (i) a subsidiary or subsidiary undertaking of the transferor or (ii) a holding company or parent undertaking of which the transferor is a subsidiary or subsidiary undertaking; or (iii) a subsidiary or subsidiary undertaking of any such holding company or parent undertaking of the transferor;

"Liquidation" means the making of a winding up order by the court or the passing of a resolution by the members that the Company be wound up;

"Listing" means the admission of the Company's equity securities to trading on the London Stock Exchange, the Alternative Investment Market or any Recognised Investment Exchange (as such term is defined in Section 285 of the Financial Services and Markets Act 2000) or any investment exchange which meets the criteria specified in Part I or specified in Part II or Part III of Schedule 3 of The Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 becoming effective and **"list"** and **"Listed"** shall be construed accordingly;

"London Stock Exchange" means London Stock Exchange plc or any successor body;

"member" means a person (whether an individual or a corporation) who holds shares;

"Model Articles" shall bear the meaning given to it in Article 1 (*Constitution*);

"Non-Defaulting Shareholder" shall mean each of the other Shareholders who is not at that time a Defaulting Shareholder;

"Office" means the registered office of the Company from time to time;

"Other Shareholders" shall bear the meaning given to it in Article 47.1 (*Tag-Along*);

"Permitted Transfer" means a transfer of shares pursuant to Article 44(*Permitted Transfers*);

"Price Notice" shall have the meaning ascribed to it in the Subscription and Shareholders' Agreement;

"Priority Loan" shall have the meaning ascribed to it in the Subscription and Shareholders' Agreement;

"Proceeds" means:

- (a) in the case of Listing, the market value of the Equity Shares in issue determined by reference to the new issue price of any shares to be issued on Listing or, if there is no new issue, the price at which any such Equity Shares are to be placed or offered for sale for the purposes of Listing (where, if the shares to be issued on Listing are not Equity Shares, a Valuer shall be requested to take account of any reorganisation or recapitalisation which occurs on or immediately prior to Listing and to certify what the value of Equity Shares would be in determining Market Capitalisation) less an amount equal to the market value of new shares to be issued on Listing and less the costs of the Listing (if any) borne by the members (or any of them);
- (b) in the case of a Sale, the aggregate cash consideration payable by the relevant purchasers for either (i) the Equity Shares (on the assumption that the entire issued share capital of the Company is acquired by them pursuant to the Sale); or (ii) in the case of a business sale, the

business and assets of the Company, plus, to the extent that consideration shall be so payable otherwise than in cash or shall be so payable on deferred terms, the Cash Equivalent of that consideration less the costs of the Sale (if any) borne by the members (or any of them); and

- (c) in the case of a Liquidation, the aggregate amount, including the Cash Equivalent of any non-cash consideration, which the holders of Equity Shares will receive on completion of the Liquidation;

"Proposed Buyer" shall bear the meaning given to it in Article 47.1 (*Tag-Along*);

"Proposed Compulsory Acquisition Completion Date" shall bear the meaning given to it in Article 46.3 (*Drag-Along*);

"Proposed Sale" shall bear the meaning given to it in Article 47.1 (*Tag-Along*);

"Proposed Seller" shall bear the meaning given to it in Article 47.1 (*Tag-Along*);

"Register of Members" means the register of members kept by the Company pursuant to Section 113 of the Act;

"Relevant Capital and Assets" shall bear the meaning given to it in Article 7.2 (*Rights Attaching to the Shares*);

"Relevant Profits" shall bear the meaning given to it in Article 7.1 (*Rights Attaching to the Shares*);

"Relevant Sale" shall bear the meaning given to it in Article 46.1 (*Drag-Along*);

"Remainder Shareholders" shall bear the meaning given to it in Article 46.2 (*Drag-Along*);

"Reserved Matters" shall have the meaning given to it in the Subscription and Shareholders' Agreement;

"Sale" means either (i) the acquisition by any person (or persons who in relation to each other are acting in concert) of 50 per cent. or more of the Equity Shares or (ii) a disposal of all or substantially all of the undertaking or assets of the Company;

"Sale Price" has the meaning given to it in Article 45.1;

"Sale Property" shall mean, in the event of a Default Notice, the Defaulting Shareholder's shares and the aggregate of any Shareholder Loans and/or Priority Loans payable to the Defaulting Shareholder;

"Seller" shall bear the meaning given to it in Article 46.1 (*Drag-Along*);

"shares" means shares in the share capital of the Company;

"**Shareholder Loan**" shall have the meaning ascribed to it in the Subscription and Shareholders' Agreement;

"**Specified Price**" shall bear the meaning given to it in Article 45 (*Compulsory Transfers*);

"**Subscription and Shareholders' Agreement**" means the subscription and shareholders' agreement entered into on the date of the adoption of these Articles and made between the Company and the shareholders, as may be amended from time to time; and

"**Valuer**" means the Auditors or, in the event of their being unwilling or unable to act or at the option of the Company, an independent firm of chartered accountants nominated by the Chairman of the Royal Institute of Chartered Surveyors (or his equivalent from time to time) in each case acting as an expert and not as an arbiter.

2. Words and expressions defined in the Act shall, unless the context otherwise requires, bear the same meanings herein.
3. This Schedule shall be deemed to be part of, and shall be construed as one with, the Articles.