

FILING PRINT OF WRITTEN RESOLUTIONS

Company No. 01829759

THE COMPANIES ACTS 2006

PRIVATE COMPANY LIMITED BY SHARES

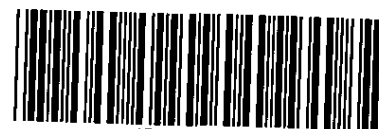
WRITTEN RESOLUTION

of

JOHN HEATHCOAT & COMPANY (HOLDINGS) LIMITED
(the "Company")

PASSED ON: 28 JULY 2017

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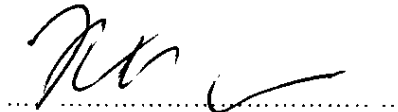
Pursuant to Chapter 2 of Part 13 of the Companies Act 2006 (the "Act"), the following Written Resolutions were passed by written resolution, in the case of resolutions 1 and 2, as an Ordinary Resolution and in the case of 3 and 4, as Special Resolutions:

ORDINARY RESOLUTIONS

- 1 THAT, in accordance with section 551 of the Act, the Directors be generally and unconditionally authorised to exercise all the powers of the Company to allot shares in the Company or to grant rights to subscribe for, or convert any securities into, shares in the Company up to an aggregate nominal amount of £2.00. This authority is in addition to any existing authority to allot shares or grant rights in accordance with section 551 of the Act and shall expire on the fifth anniversary of the date of the passing of this resolution save that the Company may before that expiry make offers or agreements which would or might require equity securities to be allotted after that expiry.
- 2 THAT subject to adoption of the new articles of association of the Company pursuant to resolution 4 below, the Company re-designate part of its issued share capital such that:
 - (a) 206,343 Ordinary Shares of £1.00 in the Company in the name of George Harvie be and they are hereby re-designated as 206,343 "A" Ordinary Shares of £1.00 in the Company;
 - (b) 81,814 Ordinary Shares of £1.00 in the Company in the name of George, Elspeth, Cameron, Gregor and Shona Harvie be and they are hereby re-designated as 81,814 "A" Ordinary Shares of £1.00 in the Company;
 - (c) 200,000 Ordinary Shares of £1.00 in the Company in the name of Elspeth Harvie be and they are hereby re-designated as 200,000 "A" Ordinary Shares of £1.00 in the Company;
 - (d) 488,157 Ordinary Shares of £1.00 in the Company in the name of Simon, Jeremy and Andrea Waddington be and they are hereby re-designated as 488,157 "B" Ordinary Shares of £1.00 in the Company, and
 - (e) 99,643 Ordinary Shares of £1.00 in the Company in the name of John Heathcoat Trustee Company Limited be and they are hereby re-designated as 99,643 "C" Ordinary Shares of £1 00 in the Company.

SPECIAL RESOLUTIONS

- 3 THAT the members of the Company hereby consent to the waiver of any rights of pre-emption under article 9 of the existing articles of association of the Company or otherwise and/or under the Companies Act 2006 (as the case may be) and agree that such rights of pre-emption shall not apply to the allotment of two (2) Z Ordinary shares in the Company pursuant to the authority conferred by resolution 1 above.
- 4 THAT the new articles of association attached to these Written Resolutions be adopted as the articles of association of the Company in substitution for and to the exclusion of the existing articles of association.

A handwritten signature in black ink, consisting of stylized initials and a surname, positioned above a horizontal dotted line.

Director

ARTICLES OF ASSOCIATION

of

JOHN HEATHCOAT & COMPANY (HOLDINGS) LIMITED

(As adopted by special resolution passed on 28th July 2017)

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THE COMPANIES ACT 2006

PRIVATE COMPANY

LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

JOHN HEATHCOAT & COMPANY (HOLDINGS) LIMITED (THE "COMPANY")
(No. 01829759)

(As adopted by special resolution passed on 28th July 2017)

1 DEFINITIONS AND INTERPRETATION

1.1 In these Articles, unless the context otherwise requires:

"A Director" means a Director appointed by the "A" Shareholder(s) pursuant to Article 15.2;

"A Shares" means the A ordinary shares of £1.00 each in the capital of the Company having the rights set out in Articles 3, 4 and 5;

"A Shareholder" means any registered holder or holders of "A" Shares for the time being;

"Act" means the Companies Act 2006 as amended, re-enacted or replaced from time to time whether before or after the adoption of these Articles;

"acting in concert" has the meaning ascribed to it by the City Code on Takeovers and Mergers as amended,

"Adoption Date" means 28th July 2017

"Asset Sale" means the disposal by the Company of all or substantially all of its undertaking and assets;

"Auditors" means the auditors for the time being of the Company;

"B Director" means a Director appointed by the "B" Shareholder(s) pursuant to Article 15.3;

"B Shares" means the B ordinary shares of £1.00 each in the capital of the Company having the rights set out in Articles 3, 4 and 5;

"B" Shareholder" means any registered holder or holders of "B" Shares for the time being;

"Board" means the board of Directors for the time being or the Directors present at a duly convened meeting of the Directors at which a quorum is present;

"Business Day" means a day on which clearing banks are open for ordinary banking business in London excluding Saturdays, Sundays and any day which is a public holiday in England and Wales;

"Cash Equivalent" means.

- (a) where the consideration comprises listed securities, the average of the middle market prices at which transactions took place over the five dealing days prior to the sale;
- (b) where the consideration comprises loan notes or other debt instrument guaranteed unconditionally by a person which has a permission under Part IV of the Financial Services and Markets Act 2000 to carry on one or more of the regulated activities provided thereunder the face value thereof (where the rate of interest is at least equivalent to the three month London Inter Bank Bid Rate and if less it shall be discounted by reference to the discount rate implied in the flow of money from a gilt of equivalent maturity);
- (c) where the consideration comprises unlisted securities or other instruments not guaranteed as aforesaid, such amount as the Shareholders shall agree to be the value thereof;

where the consideration comprises future, fixed or contingent payments, such amount as the Shareholders shall agree to be the present value thereof.

"C" Shares" means the C ordinary shares of £1.00 each in the capital of the Company having the rights set out in Articles 3, 4 and 5;

"C" Shareholder" means any registered holder or holders of "C" Shares for the time being;

"Change of Control" means the acquisition by any person who is not a member of the Company on the Adoption Date (or a Permitted Transferee of a member of the Company on the date of adoption of these Articles) and any other person who is not a member of the Company on the Adoption Date (or a Permitted Transferee of a member of the Company on the date of adoption of these Articles) acting in concert with or connected with such person of a Controlling Interest in the Company;

"Compensation" means such amount as may be determined to be due to the Z Shareholders or either of them pursuant to any Compensation Agreement;

"Compensation Agreement" any written agreement relating to compensation payable by the Company to the "Z" Shareholders, as entered into between the "Z" Shareholders and the Company from time to time,

"Controlling Interest" means control of more than 50 per cent of the voting rights in the Company;

"Connected with" has the meaning ascribed to that expression in section 1122 of the Corporation Tax Act 2010 (save that there shall be deemed to be control for that purpose whenever either section 450 to 451 or section 1124 of that act would so require);

"Deemed Transfer Notice" shall have the meaning given in Article 13.2;

"Deferred Shares" means the redeemable deferred shares of £1.00 each of the Company having the rights set out in Articles 3, 4 and 5 (if any);

"Directors" means the directors of the Company for the time being (and **"Director"** shall mean any of them);

"Encumbrance" means any mortgage, charge, pledge, assignment, title retention, lien, hypothecation or other form of security, trust, right of set off or other third party right, claim or encumbrance including any right of option or pre-emption howsoever created or arising or any other arrangement having similar effect (or an agreement or commitment to create any of them);

"Equity Shares" means the A Shares, B Shares and C Shares;

"Exit" means a Share Sale or an Asset Sale;

"Group" means the Company and all its subsidiaries and subsidiary undertakings for the time being and **"member of the Group"** shall be construed accordingly;

"IPO" means the admission of all or any of the Shares or securities representing those shares to or the grant of permission by any like authority for the same to be admitted to or traded or quoted on the Official List of the United Kingdom Listing Authority or the AIM Market operated by the London Stock Exchange Plc or any other recognised investment exchange (as defined in section 285 of the Financial Services and Markets Act 2000);

"Issue Price" means the amount paid to the Company or credited as paid to the Company (including any premium on issue) on the Shares concerned;

"Liquidation" means a distribution of assets on a liquidation of the Company;

"Model Articles" means the model articles set out in Schedule 1 to the Companies (Model Articles) Regulations 2008 as in force on the date when these Articles become binding on the Company,

"Permitted Distribution Amount" means an amount of cash that can be distributed by the Company on an annual basis calculated with regard to.

- (a) the amount of cash in the Group and the amount of cash which is budgeted to be generated in the relevant year;
- (b) any legal or contractual limitations restricting each Group Company from making a distribution;
- (c) the cash required by the Group to meet the debts of the Group as they fall due; and
- (d) withholdings or other deductions for tax.

"Permitted Transfer" means any transfer of Shares permitted under Article 9;

"Permitted Transferee" has the meaning given in Article 9.1;

"Preference Shares" means the Cumulative Preference Shares of £1.00 each having the rights set out in Article 3, 4 and 5;

"Proceeds of Sale" means the consideration payable (including any deferred consideration) whether in cash or otherwise to those Shareholders selling Equity Shares under a Share Sale;

"Qualifying Event" means an Exit or IPO or a Liquidation;

"Relevant Period" means the period of 7 years starting on the Adoption Date;

"Relevant Person" mean a holder of "C" Shares (whether solely or jointly with any other person);

"Restructure" means an offer made by any body corporate (including any limited or unlimited company) (the **"New Holdco"**) in writing to the holders of Equity Shares to acquire all the Equity Shares in the capital of the Company in existence at the date of such offer which:

- (a) is made on the basis that:
 - (i) the consideration payable by the New Holdco to each holder of Equity Shares shall be a matching number of shares in the capital of the New Holdco (**"New Holdco Shares"**) of the same class and having the same

rights and being subject to the same restrictions as are, at the date of the offer, held by such holder of Shares,

- (ii) the New Holdco Shares shall be credited as fully paid; and
- (b) does not materially prejudice the taxation position of the Shareholders, or to the extent it does, the Restructure has been approved by those Shareholders;

"Sale" means the sale of any of the Equity Shares in the capital of the Company (in one transaction or as a series of transactions) which will result in a Change of Control (but shall not, for the avoidance of doubt include a transfer of Equity Shares made in accordance with Article 9 (*Permitted Transfers*) or pursuant to any Restructure);

"Seller" has the meaning ascribed to it in Article 10.1;

"Share" or **"Shares"** means any share or shares of any class in the capital of the Company;

"Share Sale" means the sale of any of the Equity Shares in the capital of the Company (in one transaction or as a series of transactions) which will result in a Change of Control (but shall not, for the avoidance of doubt include a transfer of Equity Shares made in accordance with Article 9 (*Permitted Transfers*) or pursuant to any Restructure);

"Shareholder" or **"Shareholders"** means any registered holder or holders of Shares for the time being;

"Third Party Buyer" means any bona fide third party who is not a Shareholder of the Company at the date of adoption of these Articles (or a Permitted Transferee of such a Shareholder);

"Transfer Event" has the meaning given in Article 13.1;

"Transfer Notice" has the meaning ascribed to it in Article 10.1;

"Trustee Company" means John Heathcoat Trustee Company Limited (No. 6391645);

"Z1" Share means the convertible Z1 Ordinary Share of £1.00 in the capital of the Company having the rights set out in Articles 3, 4 and 5;

"Z2" Share means the convertible Z2 Ordinary Share of £1.00 in the capital of the Company having the rights set out in Articles 3, 4 and 5;

"Z" Shares means the "Z1" Share and the "Z2" Share; and

"Z" Shareholder" means any registered holder of any "Z1" Share or "Z2" Share for the time being (and **"Z" Shareholders"** shall be construed accordingly).

- 1.2 The Articles contained in the Model Articles shall, except where they are excluded or modified by these Articles, apply to the Company. Model Articles 2, 11(2), 13, 14, 26(5), 41(1), 42, 52 and 53 shall not apply to the Company but the Articles hereinafter contained and the remaining Model Articles, subject to any modifications hereinafter expressed, shall constitute the articles of association of the Company.
- 1.3 In these Articles, words importing a gender include every gender and references to persons shall include bodies corporate, unincorporated associations and partnerships.
- 1.4 Save as expressly stated otherwise, words and expressions defined in or for the purposes of the Act or the Model Articles shall, unless the context otherwise requires, have the same meaning in these Articles.
- 1.5 Any reference in these Articles to the transfer of any Share means the transfer of either or both of the legal and beneficial ownership in such Share and/or the grant of an option to acquire either of the same, and any grant of a legal or equitable mortgage or charge over any Share.
- 1.6 The headings in these Articles shall not affect their construction or interpretation.

2 LIABILITY OF MEMBERS

- 2.1 The liability of the members is limited to the amount, if any, unpaid on the shares in the Company held by them

3 SHARE CAPITAL

3.1 Preference Shares

The rights attached to the Preference Shares are as follows.

(a) Income

The Company shall pay to each of the Members holding Preference Shares, in priority to the holders of any other class of Share, a fixed cumulative preferential net cash dividend at a rate of 3.5 per cent. per annum (exclusive of any associated tax credit) on the amounts paid up on the Preference Shares for the time being issued, such dividend to be payable half yearly on 31st May and 30th November in each year in respect of the half years ending on those dates.

(b) Capital

As regards capital, the holders of Preference Shares shall have the rights set out in Article 4.

(c) Voting

The holders of the Preference Shares shall not be entitled to receive notice of, attend and speak at any general meetings of the Company and shall not be entitled to vote on any resolution at any general meeting of the Company or on any written resolution of the Company (other than a written resolution of the holders of Preference Shares as a class) in respect of their holdings of Preference Shares

3.2 Ordinary Shares

The rights attached to the "A" Shares, the "B" Shares and the "C" Shares are as follows:

(a) Income

Subject to the payment of the Preference Dividend or any payment due in respect of the "Z" Shares which may become due pursuant to Article 3.3(d) any remaining profits which the Company determines to distribute shall be distributed amongst the holders of "A" Shares, the "B" Shares and the "C" Shares in proportion to the number of Shares held by each of them and pari passu as if the "A" Shares, the "B" Shares and the "C" Shares constituted a single class of share.

(b) Capital

As regards capital, the holders of the "A" Shares, the "B" Shares and the "C" Shares shall have the rights set out in Article 4.

(c) Voting

- (i) The holders of the "A" Shares and the "B" Shares shall be entitled to receive notice of and attend any general meetings of the Company.
- (ii) The holders of the "C" Shares shall have no right to receive notice of, or attend, speak or vote at any general meeting or on any written resolution of the shareholders of the Company in respect of their holdings of "C" Shares.
- (iii) Subject to the provisions of Article 3.2(c)(iv), the holders of the "A" Shares and the "B" Shares shall, subject to any special rights or restrictions attached to any Shares by or in accordance with these Articles have the following rights in respect of their holdings of "A" Shares and the "B" Shares:
 - (A) at a general meeting, every holder of such Shares who (being an individual) is present in person or by proxy (whether by one or more proxies) or (being a corporation) is present by a duly

authorised representative or by proxy (whether by one or more proxies) shall, on a show of hands, have one vote and, on a poll, have one vote for each such Share of which he is the holder;

(B) on a vote on a written resolution, every holder of such Shares shall have one vote in respect of each such Share of which he is the holder.

(iv) Notwithstanding any other provision of these Articles, any resolution to be passed at a general meeting of the Company or by written resolution of the members of the Company, regardless of the nature and type of such resolution, shall only be approved by the "A" Shareholders or "B" Shareholders as the case may be if the subject of such resolution has previously been approved by a majority of the members of that class passed either at a separate meeting of that class of shareholders or by a written resolution of that class of shareholders.

3.3 **Z Shares and Deferred Shares**

The rights and restrictions attached to each of the "Z" Shares will be as follows:

(a) Income

The "Z" Shares shall not be entitled to any dividend nor to participate in any profits available for distribution save as set out in this Article 3.3.

(b) Voting

The "Z" Shareholders shall not be entitled to receive notice of, attend or vote at any general meetings of the Company or to vote on any written resolution of the Company.

(c) Transfers

The "Z" Shares shall not be transferrable save pursuant to Article 3.3(f) below and for the avoidance of doubt shall not be subject to the provisions of Articles 9 – 12 inclusive

(d) Compensation

If a Qualifying Event occurs during the Relevant Period, the Company shall subject to the provisions of the Act pay the Compensation (if any) to the "Z" Shareholders in accordance with any Compensation Agreement and these Articles.

(e) Conversion

If either:

- (i) no Qualifying Event has occurred on or before the expiry of the Relevant Period; or
- (ii) if a Qualifying Event has occurred on or before the expiry of the Relevant Period and either no Compensation is due to the "Z" Shareholders or any Compensation which is due to the "Z" Shareholders has been duly paid; or
- (iii) a Restructure takes place pursuant to which:
 - (A) new shares in New Holdco are issued to the "Z" Shareholders at par value with rights materially identical to the "Z" Shares; and
 - (B) New Holdco enters into a new agreement with the "Z" Shareholders materially identical to the Compensation Agreement, or the Compensation Agreement is novated to New Holdco

each of the "Z" Shares shall, without any further resolution being required, immediately be converted into one Deferred Share which shall have no right to receive a dividend nor to participate in any profits available for distribution nor to receive any Compensation, nor to be entitled to receive notice of, nor to attend general meetings of the Company nor to vote on any resolutions of the Company.

(f) Redemption

- (i) Subject to the provisions of the Companies Act 2006 and to the remaining provisions of this Article 3.3, the Company shall have the right to redeem any Deferred Share at any time following the conversion of such Share from a "Z" Share into a Deferred Share pursuant to Article 3.3(e).
- (ii) The Company shall pay on each Deferred Share so redeemed in accordance with this Article 3.3(f), as a debt of the Company, the amount of £1 per Deferred Share.
- (iii) Upon receipt of the sum payable in accordance with this article 3.3(f), the holder shall deliver to the Company for cancellation the certificate(s) for those Deferred Shares or an indemnity in a form reasonably satisfactory to the Company in respect of any missing share certificate.

4 CAPITAL

- 4.1 On a return of capital on Liquidation or capital reduction or otherwise (other than a redemption of the Deferred Shares) the surplus assets of the Company remaining after payment of its liabilities shall be applied (to the extent that the Company is lawfully permitted to do so):
- (a) first, in paying to each holder of Preference Shares, in priority to the holders of any other class of Share:
 - (i) all unpaid arrears, deficiencies, accruals and interest on late payments of any dividend due on the Preference Shares held by him, calculated down to and including the date on which the return of capital is made (such arrears, deficiencies, accruals and any interest on late payments being payable irrespective of whether the relevant dividend has become due and payable in accordance with these Articles), then
 - (ii) an amount equal to the Issue Price of all the Preference Shares held by him,
 - (b) second, in paying to each holder of the Equity Shares (*pari passu* as if they constituted one class of Share) any dividends thereon which have been declared but are unpaid;
 - (c) third, in the event of a Liquidation, in paying to each holder of "Z" Shares, in priority to the holders of the Equity Shares, the Compensation (if any) payable in consequence of such Liquidation;
 - (d) fourth, in paying to each holder of the Equity Shares (*pari passu* as if they constituted one class of Share) an amount equal to the Issue Price of all the Equity Shares held by him;
 - (e) fifth, in distributing cash or assets with a value of up to £100,000,000 per Equity Share among the holders of the Equity Shares (*pari passu* as if they constituted one class of Share) in proportion to the numbers of such Equity Shares held by them;
 - (f) sixth, in paying to each holder of any "Z" Share or Deferred Share an amount equal to the aggregate nominal value of all of the "Z" Shares or Deferred Shares held by him; and
 - (g) finally, in distributing the balance of such assets amongst the holders of the Equity Shares (*pari passu* as if they constituted one class of Share) in proportion to the numbers of such Equity Shares held by them.

4.2 Any sums payable under Article 4.1 shall be payable on the date of the relevant Liquidation or other return of capital, provided that, in the case of a dispute concerning whether any Compensation is payable in accordance with Article 4.1 or the value of it no sum shall be payable until the Compensation (if any)

(a) has been agreed in writing between the holder(s) of 75 per cent. of the Equity Shares and the "Z" Shareholders; or

(b) has been determined in accordance with any Compensation Agreement,

in which case such payments shall be made within 10 Business Days after the date of such agreement or determination.

5 EXIT

5.1 On a Share Sale involving a sale of 100 per cent. of the Equity Shares the Proceeds of Sale shall be distributed as follows:

(a) first, to the extent not already paid, in paying to each holder of Preference Shares, in priority to the holders of any other class of Share:

(i) all unpaid arrears, deficiencies, accruals and interest on late payments of any dividend due on the Preference Shares held by him, calculated down to and including the date on which the return of capital is made (such arrears, deficiencies, accruals and any interest on late payments being payable irrespective of whether the relevant dividend has become due and payable in accordance with these Articles); then

(ii) an amount equal to the Issue Price of all the Preference Shares held by him;

(b) second, in paying to each holder of the Equity Shares (*pari passu* as if they constituted one class of Share) any dividends thereon which have been declared but are unpaid;

(c) third, in paying to each holder of "Z" Shares, in priority to the holders of any other class of Share, the Compensation (if any) payable in consequence of such Share Sale;

(d) finally, in the order of priority set out in paragraphs (d) to (g) of Article 4.1;

and, subject to Article 5.3, the Directors shall not register any transfer of Shares if the Proceeds of Sale are not so distributed.

5.2 On a Share Sale of less than 100 per cent. of the Equity Shares the Proceeds of Sale shall be received by the Company which shall procure that the Compensation (if any)

payable in consequence of such Share Sale shall be paid to each holder of "Z" Shares and the balance of the Proceeds of Sale shall be paid to the seller(s) of such Equity Shares and the Directors shall not register any transfer of shares if the Proceeds of Sale are not so distributed.

5.3 If the Proceeds of Sale are not settled in their entirety upon completion of the Share Sale:

- (a) the Directors shall not be prohibited from registering the transfer of the relevant Shares so long as the Proceeds of Sale that are settled have been distributed in the order of priority set out in Article 5.1 or Article 5.2 (as applicable) and provided that payment of the Compensation (if any) shall be deferred in the same proportion that payment of the Proceeds of Sale is deferred;
- (b) the Company and the Shareholders shall take any action reasonably required to ensure that the Proceeds of Sale in their entirety are distributed in the order of priority set out in Article 5.1 or Article 5.2 (as applicable).

5.4 On an Asset Sale the surplus assets of the Company remaining after payment of its liabilities shall be distributed (to the extent that the Company is lawfully permitted to do so) in the order of priority set out in Article 5.1 provided always that if it is not lawful for the Company to distribute its surplus assets in accordance with the provisions of these Articles, the Shareholders shall take any reasonable and lawful action reasonably required to enable the Company to pay the Compensation (including, but without prejudice to the generality of this Article 5.4, actions that may be necessary to put the Company into voluntary liquidation so that Article 4 applies).

5.5 Any sums payable under this Article 5 shall be payable on the date of the relevant Qualifying Event, provided that in the case of a dispute concerning whether any Compensation is payable in accordance with this Article 5 or the value of it, no sum shall be payable until the Compensation (if any):

- (a) has been agreed in writing between the holder(s) of 75 per cent of the Equity Shares and the "Z" Shareholders; or
- (b) has been determined in accordance with any Compensation Agreement,

in which case such payments shall be made within 20 Business Days after the date of such agreement or determination.

6 VARIATION OF CLASS RIGHTS

6.1 Whenever the capital of the Company is divided into different classes of shares, the special rights attached to any class may (unless otherwise provided by the terms of issue of the shares of that class) only be varied or abrogated, either while the Company is a going concern or during or in contemplation of a winding up, with the consent in writing

of the holders of three quarters in nominal value of the issued shares of that class, but not otherwise, provided that.

- (a) no amendment to these Articles other than an amendment to Article 3.3 (*Z Shares and Deferred Shares*) shall be taken to be a variation of the rights attached to the "Z" Shares or the Deferred Shares; and
- (b) an amendment to these Articles which varies or abrogates the rights attaching to the "A" Shares, the "B" Shares and the "C" Shares equally may be approved with the consent in writing of the holders of three quarters in nominal value of the issued "A" Shares, "B" Shares and "C" Shares treated for this purpose as a single class.

7 ISSUE OF SHARES

7.1 Subject to the Act, any offer of unissued Shares in the Company shall before allotment or issue to any person on any terms first be offered on no less favourable terms to the holders of the "A" Shares and the "B" Shares in proportion (as nearly as practicable) to the nominal value of the existing Equity Shares held by them respectively.

7.2 Such offer pursuant to Article 7.1 above shall be in writing, shall give details of the number of Shares to be issued and shall invite each holder of "A" Shares and "B" Shares to apply in writing within such period (the "**Initial Period**") as shall be specified (being a period expiring not less than 15 Business Days from the date of dispatch of the offer) for such number of the Shares as he wishes to take. The Shares so offered (or as many of them as the Shareholder shall have applied for) shall be allotted, subject to Article 7.4, on the same terms to and amongst the holders of Equity Shares who shall have applied for them on the earlier of:

- (a) the date of expiry of the Initial Period; or
- (b) the date the Company receives notice of the acceptance or refusal of every offer so made.

7.3 Any shares not applied for in accordance with the provisions of Article 7.2 shall then be offered to those Shareholders who shall have applied for their full entitlement of shares and such additional offers shall invite each such Shareholder to apply in writing within such further period (the "**Further Period**") as shall be specified (being a period expiring not less than 10 Business Days from the date of dispatch of the additional offer) for such maximum number of the shares remaining to be issued as he wishes to take. The shares so offered (or so many of them as shall have been applied for) shall be allotted on the same terms to and amongst the Shareholders who have applied for them on the earlier of:

- (a) the date of expiration of the Further Period; or
- (b) the date on which the Company receives notice of the acceptance or refusal of every further offer so made.

7.4 The following provisions shall apply to the allotment and issue of any Shares pursuant to Article 7.1, 7.2 and 7.3 if more than one Shareholder shall have so applied, and the aggregate of such applications represents more than the remaining Shares available for allotment, the Shares shall be divided between them in proportion (so far as possible) to the nominal value of the existing Equity Shares held by each of them respectively provided that no Shareholder shall be obliged to take more than the maximum number of Shares applied for by him as aforesaid.

7.5 The Directors may within the period of six months from the expiry of the Further Period dispose of any unissued Shares in the Company not allotted to the Shareholders pursuant to Article 7.4 subject to such disposal being at a price and on terms no more favourable than those at which such Shares were initially offered to the Shareholders.

7.6 Any Shares to be issued to an existing Shareholder shall be designated as being of the same class of Shares already held by such Shareholder (for example where further Shares were to be issued to an "A" Shareholder such Shares would be designated as "A" Shares).

7.7 Sections 561 and 562 of the Act shall not apply to the Company.

8 TRANSFER OF SHARES - GENERAL

8.1 The Board shall not register the transfer of any Share or any interest in any Share unless the transfer is permitted by Article 9 (*Permitted Transfers*) or made in accordance with Article 10 (*Voluntary Transfers*), Article 11 (*Drag Along Option*), Article 12 (*Tag Along Option*) or Article 13 (*Compulsory Transfers*). For the avoidance of doubt:

- (a) the "Z" Shares shall not be transferable; and
- (b) the Preference Shares shall be freely transferable.

8.2 For the purpose of ensuring that a transfer of Shares is made in accordance with these Articles or that no circumstances have arisen whereby a Shareholder may be bound to give or be deemed to have given a Transfer Notice, the Board may from time to time require a Shareholder or any person named as transferee in any transfer lodged for registration to provide the Board with such information and evidence as the Board may deem relevant to such purpose

- 8.3 If such information or evidence requested by the Board under Article 8.2:
- (a) is not provided within a reasonable time after such a request the Board may in its absolute discretion refuse to register the transfer in question or (where no transfer is in question) require by notice in writing to the Shareholder(s) concerned that a Transfer Notice be given in respect of the Shares concerned;
 - (b) discloses to the satisfaction of the Board in its absolute discretion that circumstances have arisen whereby a Shareholder may be bound to give or be deemed to have given a Transfer Notice the Board may in its absolute discretion by notice in writing to the Shareholder(s) concerned require that a Transfer Notice be given in respect of the Shares concerned.
- 8.4 An obligation to transfer a Share under these Articles shall be deemed to be an obligation to transfer the entire legal and beneficial interest in such Share with full title guarantee free from any Encumbrance and together with all rights then attaching thereto.
- 8.5 Unless otherwise agreed in writing between the "A" Shareholders and the "B" Shareholders any Equity Share transferred to a Shareholder holding Equity Shares of any class other than the same class as the Equity Share transferred shall (without further authority than is contained in these Articles being necessary) forthwith on such transfer be deemed to have been converted into an Equity Share of the same class as the Equity Shares already held by that transferee member having all the rights, privileges and restrictions attaching to that class of Equity Shares.
- 8.6 In respect of the transmission of shares, Model Article 27 shall be amended so that the following words are added at the end of Model Article 27(2)(a): "Where the transmittee chooses to have the shares transferred to another person he shall execute an instrument of transfer of the shares to that person and all of the articles relating to the transfer of shares shall apply to the notice or instrument of transfer as if it were an instrument of transfer executed by the member and the death or bankruptcy of the member had not occurred.

9 PERMITTED TRANSFERS

- 9.1 Any "A" Shareholder or "B" Shareholder may transfer any of the Shares held by him to his, grandparents, parents, children, grandchildren or step-children adopted children/grandchildren (each a "**Family Member**") or to a trust for the benefit of himself and/or his Family Members ("**Family Trust**") (each, (including the trustees of any such Family Trust) being a "**Permitted Transferee**") provided that the constitution and terms of such trust and powers of the trustees only permit any of the settled property or income from it to be applied for the benefit of that Shareholder or any Family Member and under which no power of control over the voting powers conferred by any Shares the subject of

the trust is capable of being exercised by, or being subject to the consent of, any person other than the trustees or such Shareholder or his Family Members and also provided that.

- (a) the Board has been provided with an irrevocable power of attorney by the Permitted Transferee, appointing such attorney as the Board directs to be the Permitted Transferee's attorney to execute any transfer and to do such other things as may be necessary or desirable to ensure that the provisions of subparagraph (b) below are complied with; and
- (b) if any person has acquired Shares as a Family Member of a Shareholder by way of one or more Permitted Transfers and that person dies or otherwise ceases to be a Family Member of that Shareholder, that person or his successors in title or legal personal representatives (as appropriate) shall forthwith transfer all the Shares then held by him back to that Shareholder (or another Permitted Transferee of that Shareholder).

9.2 The trustees of a Family Trust may transfer Shares held by them in their capacity as trustees:

- (a) on a change of trustees to any new trustee of that Family Trust;
- (b) to the settlor of that Family Trust;
- (c) to any beneficiary who is a Family Member of the settlor to whom a transfer could have been made by the settlor under Article 9.1; or
- (d) to any other Family Trust for the benefit of the settlor and/or his Family Members to which a transfer could have been made by the settlor under Article 9.1.

10 VOLUNTARY TRANSFERS

10.1 Except as permitted under Article 9 (*Permitted Transfers*), Article 11 (*Drag Along Option*), Article 12 (*Tag Along Option*) or Article 13 (*Compulsory Transfers*) any Shareholder who wishes to transfer any Share or Shares (a "**Seller**") shall, before transferring or agreeing to transfer such Shares or any interest in them, serve notice in writing (a "**Transfer Notice**") on the Company of his wish to make that transfer.

10.2 In the Transfer Notice the Seller shall specify.

- (a) the number of Shares (the "**Sale Shares**") which he wishes to transfer;
- (b) the identity of the person (if any) to whom the Seller wishes to transfer the Sale Shares;

- (c) the price per Share at which the Seller wishes to transfer the Sale Shares (the "**Proposed Sale Price**"),
- (d) any other terms relating to the transfer of the Sale Shares; and
- (e) whether the Transfer Notice is conditional upon all (and not part only) of the Sale Shares being sold pursuant to the following provisions of this Article (a "**Total Transfer Condition**").

10.3 Each Transfer Notice shall:

- (a) relate to one class of Shares only,
- (b) constitute the Company as the agent of the Seller for the sale of the Sale Shares on the terms of this Article;
- (c) save as provided in Article 10.5, be irrevocable; and
- (d) not contain or be deemed to contain a Total Transfer Condition unless it states that a Total Transfer Condition applies.

10.4 Subject to Article 10.5 and the remainder of this Article 10.4 the Sale Shares shall be offered for purchase in accordance with this Article at a price per Sale Share (the "**Sale Price**") which is, in the case of the "C" Shares to be determined by the Board at its complete discretion to be market value or, in the case of the "A" Shares, "B" Shares or Preference Shares, equivalent to the Proposed Sale Price.

10.5 In the case of any "C" Shares, if the Sale Price determined by the Board is less than the Proposed Sale Price, the Seller may revoke the Transfer Notice by written notice given to the Board within the period ("**the Withdrawal Period**") of 15 Business Days after the date the Board serves on the Seller of the Board's decision as to the Sale Price.

10.6 Subject, in the case of any "C" Shares, to the Transfer Notice not being withdrawn in the Withdrawal Period in accordance with Article 10.5, the Board shall offer the Sale Shares for purchase at the Sale Price by a written offer notice (the "**Offer Notice**") served on those persons to whom the same are to be offered pursuant to Article 10.8 within 21 days after the Sale Price is agreed or determined, or if the Transfer Notice is capable of being revoked, within 15 Business Days after the expiry of the Withdrawal Period.

10.7 An Offer Notice shall expire 40 Business Days after its service and shall:

- (a) specify the Sale Price in respect of the Sale Shares,
- (b) contain the other details included in the Transfer Notice; and

- (c) invite the relevant Shareholders to apply in writing, before expiry of the Offer Notice, to purchase the numbers of Sale Shares specified by them in their application.

10.8 Sale Shares of a particular class specified in column (1) in the table below shall be treated as offered:

- (a) in the first instance to all persons in the category set out in the corresponding line in column (2) in the table below;
- (b) to the extent not accepted by persons in column (2), to all persons in the category set out in the corresponding line in column (3) in the table below, and
- (c) to the extent not accepted by persons in columns (2) and (3), to all persons set out in the corresponding line in column (4) in the table below

but no Shares shall be treated as offered to the Seller or any other Shareholder who is then bound to give or deemed to have given a Transfer Notice

(1)	(2)	(3)	(4)
Class of Sale Shares	Offered First To	Offered Second To	Offered Third To
"A" Shares	Holders of "A" Shares	Holders of "B" Shares	The Company
"B" Shares	Holders of "B" Shares	Holders of "A" Shares	The Company
"C" Shares	The Company or the Trustee Company as the Board may direct	Holders of "A" Shares and "B" Shares, pro rata	--

10.9 After the expiry of the Offer Notice (or, if earlier, upon responses having been received from all of the relevant Shareholders either containing valid applications for Sale Shares or written confirmation that such Shareholder does not wish to apply to purchase any Sale Shares), the Board shall, in the priorities and in respect of each class of persons set out in the columns in the table above, allocate the Sale Shares in accordance with the applications received, subject to the other provisions of these Articles, so that:

- (a) if there are applications from any class of Shareholders for more than the number of Sale Shares available for that class of Shareholders, they shall be allocated to those applicants in proportion to the number of Shares of the relevant class then

held by them respectively (as nearly as possible and adjusted as necessary to avoid allocating to any Shareholder more Sale Shares than the maximum number applied for by him),

- (b) if it is not possible to allocate any of the Sale Shares without involving fractions, the treatment of such fractions when allocating the Sale Shares amongst the applicants shall be in such manner as the Board shall think fit; and
- (c) if the Transfer Notice contained a Total Transfer Condition, no allocation of Sale Shares shall be made unless and until all the Sale Shares are allocated pursuant to this Article 10.9 and/or Article 10.10.

10.10 Where, pursuant to the table in Article 10.8 and Article 10.9 above Shares are offered to the Company the Board may with the approval in writing of holders of at least 75 per cent of the Shares (excluding any Shares held by the Seller or any other Shareholder who is deemed to have served a Deemed Transfer Notice for the time being) determine that the Company should, to the extent that it is permitted to do so, buy back at the Sale Price some or all of the Sale Shares so offered and, if the Board so determines the Shareholders shall exercise their voting rights to pass any resolutions necessary to approve such buy back of such Shares provided always that if the Transfer Notice contained a Total Transfer Condition then no allocation of Shares shall be made to the Company until all of the Sale Shares are allocated pursuant to Article 10.9 and/or this Article 10 10

10.11 Where the Board, with shareholder approval in accordance with Article 10.10 determines that Shares are to be bought back by the Company, the Board may, if the Permitted Distribution Amount at such time is less than the amount payable for such Shares, determine that such Shares should be bought back by the Company in two or more instalments. The timing and amount of the completion of such instalments shall be dependent on the Permitted Distribution Amount from time to time provided that:

- (a) the Company shall complete the remaining buy back instalments as soon as reasonably possible, having regard to the Permitted Distribution Amount;
- (b) the unpaid amount with regard to the further instalments of the buy back shall, from the date of the Sale Notice, attract interest at an interest rate equal to the base rate of Barclays Bank plc plus 3 per cent.;
- (c) pending completion of the remaining instalments of the buy back the Company shall not make any distributions until the buy backs have been completed in full.

10.12 The Board shall, within 15 Business Days of the expiry of the Offer Notice (or, if applicable and later, the date of the passing of the resolution referred to in Article 10.10) give notice in writing (a "**Sale Notice**") to the Seller and to each person to whom Sale Shares have

been allocated (including if applicable pursuant to Article 10.10, the Company) (each a "**Buyer**") specifying the name and address of each Buyer, the number of Sale Shares agreed to be purchased by each Buyer, the aggregate price payable for them by each Buyer and the time at which completion shall take place which shall be not more than 15 Business Days following the date of the Sale Notice. The Board shall, within the same period, give notice in writing (a "**No Sale Notice**") to the Seller of any Sale Shares in respect of which no Sale Notice has been given.

10.13 Completion of a sale and purchase of Sale Shares pursuant to a Sale Notice shall take place at the registered office of the Company at the time specified in the Sale Notice when the Seller shall, upon payment to him by a Buyer of the Sale Price in respect of the Sale Shares allocated to that Buyer, transfer those Sale Shares to such Buyer and deliver the relevant share certificates (or an indemnity in respect of lost certificates) to the Company for cancellation.

10.14 In relation to any Sale Shares in respect of which a No Sale Notice has been given:

- (a) where the Sale Shares are "A" Shares, "B" Shares or Preference Shares the Seller shall be entitled, within a period of 25 Business Days from receipt of such notice to transfer those Sale Shares to the person specified in the Transfer Notice as the Proposed Buyer at a price per Share which is not less than the Sale Price determined for Sale Shares and provided that if the Transfer Notice contained a Total Transfer Condition, the Seller shall not be entitled, save with the written consent of all of the other Shareholders, to sell only some of the Sale Shares;
- (b) where the Sale Shares are "C" Shares the Seller shall not be entitled to transfer those Sale Shares.

10.15 If a Seller fails for any reason (including death) to transfer any Sale Shares when required pursuant to this Article, the Board may authorise any person (who shall be deemed to be irrevocably appointed as the agent and attorney of the Seller for the purpose) to execute the necessary transfer(s) of such Sale Shares and deliver it on the Seller's behalf. The Company may receive the purchase money for such Sale Shares from the Buyer and shall upon receipt (subject to the transfer being duly stamped) register the Buyer as the holder of such Sale Shares (or in the case of purchase by the Company, cancel such Shares). The Company shall hold such purchase money in a separate bank account on trust for the Seller but shall not be bound to earn or pay interest on any money so held. The Company's receipt for such purchase money shall be a good discharge to the Buyer who shall not be bound to see to the application of it, and after the name of the Buyer has been entered in the register of members (or, in the case of purchase by the Company, the cancellation of such Shares has been entered in the register of members) in purported

exercise of the power conferred by this Article the validity of the proceedings shall not be questioned by any person.

11 DRAG ALONG OPTION

11.1 Notwithstanding any other provisions of these Articles and, in particular, (but without limitation) notwithstanding Article 10 (*Voluntary Transfers*), if the holders of 90% or more of the issued "A" Shares and "B" Shares (the "**Accepting Shareholders**") wish to transfer all of their Shares to a Third Party Buyer (the "**Relevant Shares**"), then the Accepting Shareholders shall have the option (the "**Drag Along Option**") to require all the other holders of Shares (the "**Dragged Shareholders**") to transfer all their Shares (the "**Dragged Shares**") to the Third Party Buyer or as the Third Party Buyer shall direct in accordance with this Article on the same terms and conditions on which the Accepting Shareholders sell the Relevant Shares to the Third Party Buyer subject as provided by clause 11.10.

11.2 The Accepting Shareholders may exercise the Drag Along Option by giving notice to that effect (a "**Drag Along Notice**") to the Dragged Shareholders at any time before the transfer of the Shares referred to in Article 11.1. A Drag Along Notice shall specify

- (a) that the Dragged Shareholders are required to transfer all their Shares (the "**Dragged Shares**") pursuant to this Article to the Third Party Buyer (or as the Third Party Buyer shall direct);
- (b) the price at which the Dragged Shares are to be transferred (determined in accordance with Article 11.5); and
- (c) the proposed date of transfer, such proposed date of transfer not being less than 10 Business Days after the date of service of the Drag Along Notice.

11.3 The Company shall as soon as reasonably practicable serve a copy of the Drag Along Notice on any person holding options over Shares or any convertible security of the Company (the "**Optionholders**"). Any Optionholder who exercises a pre-existing option to acquire Shares or converts any convertible security of the Company on or at any time after the service of the Drag Along Notice by the Accepting Shareholders shall be deemed to have received the Drag Along Notice in his capacity as a Shareholder in addition to his capacity as an Optionholder in respect of any Shares which would be issued to him pursuant to such exercise and such person shall also thereafter be a Dragged Shareholder. The provisions of this Article 11 shall therefore apply to such Optionholder except that completion of the sale of the Shares shall take place immediately on the later of (i) the date of such exercise or conversion by such Optionholder or (ii) completion of the sale of the Relevant Shares.

- 11.4 A Drag Along Notice is irrevocable but the Drag Along Notice and all obligations thereunder will lapse if for any reason there has not been a transfer of Relevant Shares by the Accepting Shareholders to the Third Party Buyer within 40 Business Days after the date of the Drag Along Notice.
- 11.5 The Dragged Shareholders shall be obliged to sell the Dragged Shares at the price specified in the Drag Along Notice ("the **Specified Price**") provided that:
- (a) the Specified Price shall attribute:
 - (i) an equal value to each Equity Share (including the Relevant Shares which are Equity Shares) on the basis of an offer for all Equity Shares on arm's length terms taking into account any consideration (in cash or otherwise) payable (or which has been paid) which, having regard to the substance of the transaction as a whole, can reasonably be regarded as part of the price payable in respect of such Shares;
 - (ii) a value to each Preference Share equal to the amount which would be payable to them on a return of capital;
 - (iii) in respect of any "Z" Share or any Deferred Share £1 per share;
 - (b) the terms and conditions applying to the sale of the Dragged Shares are set out in reasonable detail in, or in one or more attachments to, the Drag Along Notice; and
 - (c) the terms and conditions applying to the sale of the Dragged Shares shall be no less favourable to the Dragged Shareholders than the terms and conditions applying to the sale of the Shares held by the Accepting Shareholders, save that the Accepting Shareholders shall be entitled to deduct from the amount to be received by the Dragged Shareholders a pro rata share of the fees and expenses relating to the sale of the Shares held by the Accepting Shareholders and the Dragged Shareholders.
- 11.6 Completion of the sale of the Dragged Shares shall take place on the same date as the date proposed for completion of the sale of the Relevant Shares unless:
- (a) all of the Dragged Shareholders and the Accepting Shareholders agree otherwise; or
 - (b) that date is less than 10 Business Days after the Drag Along Notice, where it shall be deferred until the tenth Business Day after the Drag Along Notice.
- 11.7 On or before completion of the sale of the Dragged Shares, each Dragged Shareholder shall deliver duly executed stock transfer form(s) in respect of his Dragged Shares,

together with the relevant share certificate(s) (or an indemnity in a form satisfactory to the Board) to the Company

- 11.8 Each of the Dragged Shareholders shall, on service of the Drag Along Notice, be deemed to have irrevocably appointed each of the Accepting Shareholders to be his attorney to execute any stock transfer and/or any indemnity in respect of any lost share certificate and to do such other things as may be necessary or desirable to accept, transfer and complete the sale of the Dragged Shares pursuant to this Article. Subject to stamping, the directors shall without delay register the Third Party Buyer, or such person as he may direct, as the holder of those Dragged Shares. After the Third Party Buyer or his appointee has been registered as the holder, the validity of the proceedings shall not be questioned by any person. It shall be no impediment to registration of a transfer of Shares under this Article that no share certificate has been produced.
- 11.9 On any application of this Article 11, Dragged Shareholders shall be entitled to require the Accepting Shareholder(s) to disclose to them all documents and arrangements relating to the proposed transaction as they may reasonably require for the purpose of verifying the price payable for the Dragged Shares.
- 11.10 For the purposes of this Article 11 the following variations in the terms and conditions on which the Relevant Shares and the Dragged Shares shall be sold pursuant to this Article 11 shall be permitted:
- (a) variations in the warranties and indemnities (if any) to be given by Shareholders in respect of the sale of the Relevant Shares and Dragged Shares;
 - (b) variations in the amount (if any) of the consideration for the sale of those Shares that is to be retained in an escrow account (or a similar retention mechanism);
 - (c) variations in the amount (if any) of the consideration for the sale of the Relevant Shares and Dragged Shares to be paid otherwise than in cash (a "**Rollover Alternative**"); and
 - (d) variations in the Shareholders to whom a Rollover Alternative is offered
- provided that the Dragged Shareholders may not be obliged (compared to the Accepting Shareholders) to give warranties and indemnities with a greater scope; have more consideration retained in escrow; or have less consideration paid in cash; or otherwise to transfer the Dragged Shares on worse terms overall compared to the Accepting Shareholders.
- 11.11 The provisions of this Article 11 shall not apply to any transfer which is a Permitted Transfer under Article 9.

- 11.12 Any transfer of Shares to a Third Party Buyer (or as they may direct) pursuant to a sale in respect of which a Drag Along Notice has been served shall not be subject to the provisions of Article 10 (*Voluntary Transfers*).

12 TAG ALONG OPTION

- 12.1 Except in the case of transfers pursuant to Articles 9 (*Permitted Transfers*), 11 (*Drag Along Option*) or 13 (*Compulsory Transfers*), no sale or transfer or other disposition of any interest in any Share ("**the Specified Shares**") to any Third Party Buyer shall have any effect if it together with any other transfers to the Third Party Buyer or any person or persons acting in concert or otherwise connected with the Third Party Buyer would result in a transfer to the Third Party Buyer (or any person or persons acting in concert or otherwise connected with the Third Party Buyer) of 30 per cent or more of the entire number of "A" Shares and "B" Shares in issue at that time unless before the transfer is lodged for registration the Third Party Buyer has made a bona fide offer in accordance with these Articles to purchase at the specified price (as defined in Article 12.3 below) all the Shares held by Shareholders who are not acting in concert or otherwise connected with the Third Party Buyer ("**the Uncommitted Shares**")
- 12.2 An offer made under Article 12.1 must be in writing and open for acceptance for at least 15 Business Days, and shall be deemed to be rejected by any Shareholder who has not accepted it in accordance with its terms within the time period prescribed for acceptance therein and the consideration thereunder shall be settled in full on completion of the purchase and in any event within 20 Business Days of the date of the offer.
- 12.3 For the purposes of this Article the expression "**specified price**" means:
- (a) in the case of Uncommitted Shares which are Equity Shares, the higher of
 - (i) a price per Equity Share at least equal to the highest price paid or payable by the Third Party Buyer or persons acting in concert with him or connected with him for any Equity Shares within the last six months (including the Specified Shares) plus an amount equal to the relevant proportion of any other consideration (in cash or otherwise) received or receivable by the holders of the Specified Shares which having regard to the substance of the transaction as a whole can reasonably be regarded as an addition to the price paid or payable for the Specified Shares provided always that an equal value shall be attributed to all Equity Shares; and
 - (ii) a price per Share equal to the Issue Price thereof plus a sum equal to any arrears (together with interest) or accruals of the dividends on that Equity Share; and

- (b) in the case of Uncommitted Shares which are Preference Shares, a price per Share equal to the Issue Price thereof plus a sum equal to any arrears (together with interest) or accruals of the dividends on that Share; and
- (c) in the case of Uncommitted Shares which are "Z" Shares", the sum of £1 for each "Z" Share; and
- (d) in the case of Uncommitted Shares which are Deferred Shares, the sum of £1 for each Deferred Share.

12.4 If any part of the specified price is payable otherwise than in cash any holder of Uncommitted Shares may require, as a condition of his acceptance of the offer, to receive in cash on transfer all or any other proportion of the price offered for his Uncommitted Shares.

12.5 If the specified price or its Cash Equivalent cannot be agreed within 21 days of the proposed sale or transfer between the Third Party Buyer and all of the "A" Shareholders and all of the "B" Shareholders the sale or transfer of the Specified Shares may proceed.

12.6 If a Shareholder is not given the rights accorded to him by this Article, the holder(s) of the Specified Shares will not be entitled to complete their sale and the Company will not register any transfer intended to carry that sale into effect.

12.7 The proposed transfer of the Specified Shares is subject to the pre-emption provisions of Article 10 (*Voluntary Transfers*) but the purchase of the Uncommitted Shares pursuant to an offer made pursuant to Article 12.2 shall not be subject to Article 10 (*Voluntary Transfers*).

13 COMPULSORY TRANSFERS

13.1 In this Article, a "**Transfer Event**" occurs, in relation to any Relevant Person:

- (a) if that Relevant Person being an individual:
 - (i) shall become bankrupt; or
 - (ii) shall die;
 - (iii) shall suffer from mental disorder or serious illness and be admitted to hospital or shall become subject to any court order referred to in Model Article 18(e); or
 - (iv) shall make or offer or purport to make any arrangement or composition with his creditors generally;

- (b) if that Relevant Person who is at any time a director or employee of a member of the Group shall cease to hold such office or employment and thereafter is not an employee or director of any member of the Group,
- (c) if that Relevant Person shall attempt to deal with or purport to transfer of any Share or any interest in it (which shall include granting security over any Share or the rights attaching to any Share or purporting or attempting to grant any such security) otherwise than in accordance with Article 10 (*Voluntary Transfers*), Article 11 (*Drag Along Option*) or Article 12 (*Tag Along Option*) or this Article; or
- (d) if that Relevant Person commits a material breach of any shareholders agreement to which the Shareholders are party relating to the operation of the Company or these Articles;

and in each case within the twelve months following such event coming to the attention of the Board, the Board shall resolve that such event is a Transfer Event in relation to that Relevant Person for the purposes of this Article.

13.2 Notwithstanding any other provision of these Articles, upon the resolution of the Board referred to in Article 13.1 above, the Relevant Person in question shall be deemed immediately to have given a Transfer Notice (with effect from the date specified in Article 13.3(a)) in respect of such of the Shares then held by such person(s) as are specified in the notification or resolution referred to in Article 13.1 above ("**a Deemed Transfer Notice**"). A Deemed Transfer Notice shall supersede and cancel any then current Transfer Notice insofar as it relates to the same Shares except for Shares which have then been validly transferred pursuant to that Transfer Notice.

13.3 The Shares which are the subject of any Deemed Transfer Notice shall be offered for sale in accordance with Article 10 as if they were Sale Shares in respect of which a Transfer Notice had been given (and references in Article 10 and this Article 13 to Sale Shares shall be construed accordingly as references to such Shares) save that:

- (a) a Deemed Transfer Notice shall be deemed to have been given on the date of the Transfer Event (the "**Cessation Date**") or, if later, the date of the first meeting of the Board at which details of the facts or circumstances giving rise to the Deemed Transfer Notice are tabled;
- (b) subject to Articles 12.5 and 12.6 the Sale Price shall be the Determined Value (as defined in Article 13.8);
- (c) a Deemed Transfer Notice shall be deemed not to contain a Total Transfer Condition and shall be irrevocable;
- (d) the Seller may retain any Sale Shares for which buyer(s) are not found, and

- (e) the Sale Shares shall be sold together with all rights attaching thereto as at the date of the Transfer Event, including, the right to any dividend declared or payable on those Shares after that date.

13.4 In this Article

- (a) **"Good Leaver"** means a director or employee of any member of the Group (other than a person who has been declared bankrupt) who ceases to hold either such office and as a consequence is not a director or employee of any member of the Group and such cessation occurs as a result of:
 - (i) death, illness (including mental illness), disability or permanent incapacity through ill health (save where such ill health arises as a result of the abusive use of alcohol or unlawful drugs);
 - (ii) retirement;
 - (iii) redundancy;
 - (iv) wrongful dismissal;
 - (v) the sale or disposal by the Company of the subsidiary or business by which he is employed OR the relevant Group company ceasing to be a subsidiary of the Company;
 - (vi) voluntary resignation from his office or employment with any member of the Group otherwise than in circumstances where such member of the Group would otherwise have had the right to terminate his office or employment summarily.

or where such person is otherwise categorised as a Good Leaver by the Board within twelve months of the Cessation Date;

- (b) **"Bad Leaver"** means any director or employee of any member of the Group who ceases to hold either such office or employment and as a consequence is not a director or employee of any member of the Group other than in circumstances where he is a Good Leaver as set out in Article 13.4(a).

13.5 The Sale Price for any Sale Shares which are the subject of a Deemed Transfer Notice given as a consequence of a Transfer Event falling within Article 13.1(b) (ceasing to hold office or employment) shall be:

- (a) in the case of a Good Leaver, their Determined Value;
- (b) in the case of a Bad Leaver, the lower of the Issue Price for each of such Sale Shares and their Determined Value; and

- 13.6 A dispute as to whether a person is a Good Leaver or a Bad Leaver shall not affect the validity of a Deemed Transfer Notice but any person who acquires Sale Shares pursuant to a Deemed Transfer Notice while such a dispute is continuing shall pay to the Seller an amount (the "**Initial Amount**") calculated on the assumption that the Seller is a Bad Leaver, and shall pay to the Company an amount equal to the difference between the Initial Amount and the Determined Value of the Sale Shares (the "**Balance**"). The Company shall hold the Balance in a separate bank account as trustee to pay it, and interest earned thereon, upon final determination of the dispute:
- (a) to the Buyer in the case of a Bad Leaver; and
 - (b) to the Seller in the case of a Good Leaver
- 13.7 For the purpose of Articles 13.1(b) and 13.3(a) the Cessation Date (in circumstances where the Shareholder or Relevant Person is deemed to cease to be a director or employee as described therein) shall:
- (a) where the employee or the employer terminates or purports to terminate a contract of employment by giving notice to the other of the termination of the employment, be the later of the date of that notice and the date (if any) for the actual termination expressly stated in such notice;
 - (b) where an employer or employee wrongfully repudiates the contract of employment and the other respectively accepts that the contract of employment has been terminated, be the date of such acceptance by the employee or employer respectively;
 - (c) where a contract of employment is terminated under the doctrine of frustration, be the date of the frustrating event; and
 - (d) where a contract of employment or directorship is terminated for any reason other than set out in 13.7(a) to 13.7(c) above, the date on which the action or event giving rise to the termination occurs.
- 13.8 "**Determined Value**" for the purposes of this Article 13 shall mean the price per Sale Share determined by the Board as being their opinion of the market value of each Sale Share as at the date of the relevant Transfer Event.
- 13.9 Once a Deemed Transfer Notice has been given in respect of any Share then no Permitted Transfer under Article 9 may be made in respect of such Share unless and until a No Sale Notice shall have been served in respect of such Share pursuant to Article 10.12.
- 13.10 If a Shareholder fails for any reason (including death) to transfer any Shares when required to do so pursuant to this Article 13, the Board may authorise any person in

accordance with Article 10.15 to execute the necessary transfer and the provisions of Article 10 15 shall apply as though such Shareholder were a Seller for the purposes of Article 10 15.

14 PROCEEDINGS AT GENERAL MEETINGS

- 14.1 No business shall be transacted at any general meeting unless the requisite quorum is present at the commencement of the business and also when such business is voted upon
- 14.2 So long as any "A" Shares are in issue and constitute not less than 30 per cent of the issued Equity Shares the persons present at a general meeting shall not constitute a quorum unless they include a Shareholder or Shareholders holding between them a majority of the "A" Shares or the duly authorised representative or proxy of such Shareholder(s) in relation to the meeting. So long as any "B" Shares are in issue and constitute not less than 30 per cent of the issued Equity Shares the persons present at a general meeting shall not constitute a quorum unless they include a Shareholder or Shareholders holding between them a majority of the "B" Shares or the duly authorised representative or proxy of such Shareholder(s) in relation to the meeting. Section 318 CA 2006 shall be construed accordingly.
- 14 3 A resolution put to the vote of a meeting shall be decided on a show of hands unless before, or on the declaration of the result of, the show of hands, a poll is duly demanded. Subject to the provisions of the Act, a poll may be demanded at any general meeting by any Shareholder present in person or by proxy and entitled to vote or by a duly authorised representative of a corporation which is a Shareholder entitled to vote.
- 14.4 A Director shall not be required to hold any share qualification, but nevertheless shall be entitled to attend and speak at any general meeting of the Company and at any separate general meeting of the holders of any class of Shares in the capital of the Company.
- 14.5 If within half an hour from the time appointed for the meeting a quorum is not present, or if during a meeting a quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week, at the same time and place, or to such other time not being less than seven days following the date of the adjourned meeting and place as the Shareholders present may decide. If at the adjourned meeting a quorum is also not present within an hour from the time appointed for the meeting, or if during the meeting a quorum ceases to be present the meeting shall stand adjourned to the same day in the next week, at the same time and place or to such other time not being less than seven days following the date of the adjourned meeting and place as the Shareholders may decide. If at the subsequent meeting a quorum is not present within half an hour from the time appointed for the meeting the Shareholder or Shareholders present shall constitute a quorum

14.6 An instrument appointing a proxy and any authority under which it is executed or a copy of such authority certified in a way approved by the Board must be delivered to the registered office of the Company:

- (a) in the case of a general meeting or adjourned meeting, not less than 48 hours before the time appointed for the holding of the meeting or to the place of the meeting at any time before the time appointed for the holding of the meeting, and
- (b) in the case of a proxy notice given in relation to a poll, before the end of the meeting at which the poll was demanded.

In calculating when a proxy notice is to be delivered, no account is to be taken of any part of a day that is not a Business Day. A notice revoking the appointment of a proxy must be given in accordance with the Act.

14.7 Where an ordinary resolution of the Company is expressed to be required for any purpose, a special resolution is also effective for that purpose.

14.8 Any Shareholder who is entitled to attend a general meeting of the Company or any duly appointed representative or proxy of such Shareholder may do so by telephone conference call or video conference. Such shareholder or representative or proxy shall be counted in the quorum for, and entitled to vote at, the general meeting in question and that meeting shall be duly constituted and its proceedings valid if the chairman of such meeting is satisfied that any such Shareholder or representative or proxy who is attending by telephone conference call or video conference is able to communicate with the others present at the meeting and to speak and vote on the matters which are considered at the meeting.

15 NUMBER OF DIRECTORS

15.1 The number of Directors shall not be less than two.

15.2 Subject to the "A" Shareholder(s) holding at least 30 per cent. or more of the issued Equity Shares of the Company the "A" Shareholder(s) holding for the time being more than 50 per cent of the total number of "A" Shares for the time being in issue (the **"A" Shareholder Majority**) shall have the right to appoint, maintain in office and remove two "A" Directors. Any such appointment or removal of an "A" Director shall be by notice in writing served on the Company and shall take effect immediately.

15.3 Subject to the "B" Shareholder(s) holding at least 30 per cent. or more of the issued Equity Shares of the Company the "B" Shareholder(s) holding for the time being more than 50 per cent of the total number of "B" Shares for the time being on issue (the **"B" Shareholder Majority**) shall have the right to appoint and maintain in office two "B"

Directors. Any such appointment or removal of an "B" Director shall be by notice in writing served on the Company and shall take effect immediately.

- 15.4 In the event that either the "A" Shareholders (acting by a "A" Shareholder Majority) or the "B" Shareholders (acting by a "B" Shareholder Majority) appoint only one "A" Director or "B" Director (as relevant) such Director shall be entitled to cast two votes on any resolution put to the Board.

16 QUORUM

- 16.1 The quorum for meetings of the Board shall be two, which shall include, for so long as an "A" Director has been appointed pursuant to Article 15.2, an "A" Director and for so long as a "B" Director has been appointed pursuant to Article 15.3, a "B" Director.
- 16.2 If within half an hour from the time appointed for the meeting a quorum is not present, or if during a meeting a quorum ceases to be present, the meeting shall be adjourned to the same day in the next week, at the same time and place, or to such other time, not being less than seven days after the date of the adjourned meeting, and place as the Directors present may decide and each Director not present at the meeting shall be informed by the other Directors of the date, time and place of the adjourned meeting. If at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the Director or Directors present shall constitute a quorum and resolutions may be passed subject in all cases to Article 17.2.

17 PROCEEDINGS OF DIRECTORS

- 17.1 The chairman of the Board shall not have a second or casting vote at a meeting of the Board. Model Article 13 shall not apply.
- 17.2 No resolution of the Directors shall be effective unless carried by a majority of the Directors including at least one "A" Director and one "B" Director.

18 DIRECTORS' POWERS TO AUTHORISE CONFLICTS OF INTEREST

- 18.1 The Board shall, for the purposes of section 175 of the Act, 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, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company.
- 18.2 Authorisation of a matter under this Article 18 shall be effective only if:
- (a) any requirement as to the quorum at the meeting of the Board at which the matter is considered is met without counting the Director in question and any other interested Director (together the "**Interested Directors**"); and

- (b) 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

and if this is not the case, the relevant matter shall be referred to the Shareholders for authorisation in accordance with the Act.

18.3 Any authorisation of a matter under this Article 18:

- (a) may extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter so authorised,
- (b) shall be subject to such conditions or limitations as the Board may determine, whether at the time such authorisation is given or subsequently; and
- (c) may be terminated or suspended by the Board at any time

provided always that any such termination or suspension or the imposition of any such conditions or limitations will not affect anything done by the Director concerned prior to such event in accordance with the relevant authorisation

18.4 A Director shall comply with the terms of any such authorisation and with any policies or procedures dealing with conflicts of interest which are from time to time approved by the Board.

18.5 Articles 18.1 to 18.4 (inclusive) shall not apply to any interest permitted under Article 19.

19 PERMITTED INTERESTS

19.1 Subject to compliance with Article 19.3 a Director notwithstanding his office may:

- (a) be a party to, or otherwise interested in, any proposed or existing contract, transaction or arrangement with a Relevant Company;
- (b) hold any other office or place of profit with any Relevant Company (except that of auditor) in conjunction with his office of Director;
- (c) alone, or through a firm with which he is associated, do paid professional work (except as auditor) for any Relevant Company and be entitled to remuneration for professional services as if he were not a Director;
- (d) be a Director or other officer or trustee or representative of, employed by, a partner or a member of, or hold shares or other securities (whether directly or indirectly) in, or otherwise be interested in, any Relevant Company,
- (e) have any interest which has been authorised by an ordinary resolution of the Company, subject to any terms or conditions applicable to such authorisation under or pursuant to such resolution.

19.2 For the purposes of Article 19.1 a "**Relevant Company**" means:

- (a) any member of the Group; or
- (b) any other body corporate promoted by the Company or in which the Company is otherwise interested.

19.3 Subject to Article 19.4, a Director shall declare the nature and extent of any interest permitted under Article 19.1 at a meeting of the Board or in the manner set out in section 184 or section 185 of the Act (irrespective of whether the interest is in a transaction or arrangement with the Company and whether he is under a duty under the Act to make such a declaration) or in such other manner as the Board may lawfully determine.

19.4 No declaration of an interest shall be required by a Director:

- (a) in relation to an interest which cannot reasonably be regarded as likely to give rise to a conflict of interest;
- (b) in relation to an interest of which the Director is not aware or where the Director is not aware of the contract, transaction or arrangement in question (and for these purposes, the Director concerned is treated as aware of anything of which he ought reasonably to be aware);
- (c) if, or to the extent that, the other Directors are already aware of such interest (and for these purposes, the other Directors are treated as aware of anything of which they ought reasonably to be aware); or
- (d) if, or to the extent that, it concerns the terms of his service contract.

19.5 If a Director has an interest which is permitted under Article 19.1 he shall comply with any policies or procedures dealing with conflicts of interest and with any specific terms relating to that Director which are (in each case) from time to time approved by the Board but subject thereto shall be able to participate in deliberations of the Board, count in the quorum and vote on any such matter.

20 BENEFITS

A Director shall not by reason of his holding office as Director (or of any fiduciary relationship established by holding that office), be accountable to the Company for any benefit, profit or remuneration which he or any person connected with him derives from any matter authorised under Article 18 or any interest permitted under Article 19.

21 CONTRACTS

No contract, transaction or arrangement relating to any matter authorised under Article 18 or any interest permitted under Article 19 shall be liable to be avoided by virtue of such authorised matter or permitted interest.

22 CONFIDENTIAL INFORMATION

22.1 Subject to any terms imposed by the Board and/or to any policies or procedures dealing with conflicts of interests which are from time to time approved by the Board, a Director shall be under no obligation to disclose to the Company any information which he obtains or has obtained otherwise than as a Director of the Company and in respect of which he owes a duty of confidentiality to another person in relation to any matter authorised under Article 18 or any interest permitted under Article 19.

22.2 Article 22.1 is without prejudice to any equitable principle or rule of law which may excuse a Director from disclosing information where these Articles would otherwise require him to do so.

22.3 Unless the Board has specifically required that particular information be kept confidential and not disclosed to Shareholders, "A" Director shall be entitled to consult freely about the Company and the Group and their affairs with and to disclose confidential information in relation to the Company or the Group to any "A" Shareholder and a "B" Director shall be similarly entitled so to consult with and disclose information to any "B" Shareholder.

23 QUORUM IN RESPECT OF CONFLICTS

23.1 Subject to any terms imposed by the Board and/or to any policies or procedures dealing with conflicts of interests which are from time to time approved by the Board, a Director:

- (a) shall be counted in the quorum for and shall be entitled to attend and vote at any meeting of the Board in relation to:
 - (i) any proposed or existing contract, transaction or arrangement with the Company in which he is interested and which is permitted under Article 19 1(a); and
 - (ii) any resolution relating to a matter authorised under Article 18 or any interest which is permitted under Article 19.1; and/or

- (b) may, where he reasonably believes that any actual or potential conflict of interest arising out of any matter authorised under Article 18 or any interest permitted under Article 19 exists:
 - (i) absent himself from any meeting of the Board (or part of any meeting) at which any such matter or interest will or may be discussed; and/or
 - (ii) make arrangements not to receive or review documents or information relating to any such matter or interest and/or for such documents or information relating to any such matter or interest to be received and reviewed by a professional adviser.

24 ALTERNATE DIRECTORS

- 24.1 Any Director (other than an alternate director) may at any time appoint any other Director or any other person who is willing to act to be his alternate director. Any Director may at any time remove from office an alternate director appointed by him
- 24.2 An alternate director shall (subject to his giving the Company an address for the purpose of communications in electronic form at which notices may be served on him) be entitled to receive notice of all meetings of the Directors and of committees of which his appointor is a member and (in the absence of his appointor) to attend and vote as a director and be counted in the quorum at any such meeting and generally (in the absence of his appointor) to perform all the functions of his appointor as a director.
- 24.3 An alternate director may represent more than one Director. An alternate director shall have one vote for each Director for whom he acts as alternate (in addition, if he is a Director, to his own vote) but he shall count as only one for the purpose of determining whether a quorum is present.
- 24.4 An alternate director shall not be entitled to receive any remuneration from the Company in respect of his appointment as an alternate director except only such part (if any) of the remuneration otherwise payable to his appointor as his appointor may by notice in writing to the Company from time to time direct.
- 24.5 An alternate director shall be entitled to contract and be interested in and benefit from contracts or arrangements with the Company and to be repaid expenses and to be indemnified to the same extent as if he were a Director.

25 RETIREMENT OF DIRECTORS

Directors shall not be required to retire by rotation or on the grounds of age.

26 NOTICES

26.1 A notice or other document sent by post shall be deemed to have been served or delivered:

- (a) if sent by first class post or special delivery post from an address in the United Kingdom to another address in the United Kingdom, or by a postal service similar to first class post or special delivery post from an address in another country to another address in that other country, twenty-four hours after it was posted or (where second class post is used) forty-eight hours after it was posted,
- (b) if sent by airmail or air carrier from an address in the United Kingdom to an address outside the United Kingdom, or from an address in another country to an address outside that country on the third day following that on which the document or information was posted;

and proof that an envelope containing the notice or document was properly addressed, stamped and put into the post shall be conclusive evidence that the notice was given.

26.2 A notice or other document delivered or left at a registered address or address for service shall be deemed to have been served or delivered when it was so delivered or left.

26.3 A notice or other document sent in electronic form shall be deemed to have been served or delivered at the time it was sent. Proof that a notice or other document in electronic form was sent in accordance with guidance issued from time to time by the Institute of Chartered Secretaries and Administrators (together with electronic confirmation that an email has been opened by the recipient) shall be Conclusive Evidence that the notice was given.

In calculating a period of hours for the purposes of this Article, no account shall be taken of any part of a day that is not a Business Day.

26.4 Any notice to be given to the Company pursuant to these Articles shall be sent to the registered office of the Company or presented at a meeting of the Board.

27 INDEMNITY

27.1 If and only to the extent permitted by law, every Director, secretary or other officer (excluding an auditor) of the Company shall be indemnified by the Company out of its own funds against all costs, charges, losses, expenses and liabilities incurred by him:

- (a) in connection with any negligence, default, breach of duty or breach of trust by him in relation to the Company;
- (b) in performing his duties;

- (c) in exercising his powers;
- (d) in claiming to perform his duties or exercise his powers; and/or
- (e) otherwise in relation to or in connection with his duties, powers or office.

28 INSURANCE

28.1 If and only to the extent permitted by law, but without prejudice to the power contained in Article 27, the Directors may purchase and maintain at the expense of the Company insurance for or for the benefit of any persons who are or were at any time Directors, officers (excluding an auditor) or employees of the Company or any related company or trustees of any pension fund or employees' share scheme in which any employees of the Company or any related company are interested.

28.2 In this Article "**related company**" means:

- (a) any company which is or was the Company's holding company; or
- (b) any body (whether incorporated or not) in which the Company or any holding company has or had any kind of interest (whether direct or indirect); or
- (c) any body (whether incorporated or not) which is associated or connected in any way with the Company or any holding company of the Company, or
- (d) any predecessors in business of the Company or any other body referred to in this Article 28.2, or
- (e) any body (whether incorporated or not) which is a subsidiary undertaking of the Company or any other body referred to in this Article 28.2.

29 FUNDS TO MEET EXPENDITURE

29.1 The Company (to the extent permitted by law):

- (a) may provide a Director or officer (excluding an auditor) or a former Director or officer (excluding an auditor) of the Company with funds to meet reasonable expenditure incurred or to be incurred by him:
 - (i) in defending any criminal or civil proceedings in connection with any alleged negligence, default, breach of duty or breach of trust by him in relation to the Company; or
 - (ii) in connection with any application for relief under any of the provisions mentioned in section 205(5) of the Act; or

- (iii) in defending himself in any investigation by a regulatory authority or against action proposed to be taken by a regulatory authority, in connection with any alleged negligence, default, breach of duty or breach of trust by him in relation to the Company; or
- (b) may do anything to enable a Director or officer (excluding an auditor) or a former Director or officer (excluding an auditor) of the Company to avoid incurring such expenditure.

30 SHARE CERTIFICATES ETC

- 30.1 Share certificates need not be sealed with the seal and the Company may execute any Share certificate, warrant or other document creating or evidencing any security allotted by the Company or any right or option to subscribe granted by the Company under the hand of two Directors, one Director and the Company Secretary or one director in the presence of a witness.