

Company no. 3982706

**The Companies Act 2006**

**Private company limited by shares**

**Written resolution**

**of**

**Jagex Limited**

(passed on 3 December 2010)

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A08 \*A00WAQ0U\* 17/12/2010 308  
COMPANIES HOUSE

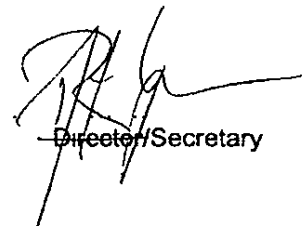
Pursuant to **written resolutions** of the company duly circulated on 3 December 2010 at 6.50p m the following resolutions were passed on 3 December 2010 of which resolutions 1 and 2 were passed as **ordinary resolutions** and resolution 3 was passed as a **special resolution** of the company

**Ordinary Resolutions:**

- 1 **That**, in accordance with paragraph 43(1) of Schedule 2 to the Companies Act 2006 (Commencement No 8, Transitional Provisions and Savings) Order 2008 (SI 2008/2860), the directors be given the powers to allot shares in the Company or to grant rights to subscribe for or to convert any security into such shares in the Company under section 550 of the Companies Act 2006 (the "**2006 Act**") This authority is in substitution for all previous authorities conferred on the directors in accordance with section 80 of the Companies Act 1985 or section 551 of the Companies Act 2006
- 2 **That** each of the ordinary shares of £0 10 in the capital of the Company be subdivided into 10,000 ordinary shares of £0 00001 each

**Special Resolution**

- 3 **That**, subject to the passing of the resolution 1 and in accordance with section 570 of the 2006 Act, the Directors be generally empowered to allot equity securities (as defined in section 560 of the 2006 Act) pursuant to the authority conferred by resolution 1, as if section 561(1) of the 2006 Act did not apply to any such allotment

  
Director/Secretary

Company no. 3982706

**The Companies Act 2006**  
**Private company limited by shares**

**Written resolution**

**of**

**Jagex Limited**

(passed on 3 December 2010)

A08  
17/12/2010  
COMPANIES HOUSE

307

Pursuant to a **written resolution** of the company duly circulated on 3 December 2010 at 5 35p m the following resolutions were passed on 3 December 2010 of which resolution 1 was passed as a **special resolution** of the company

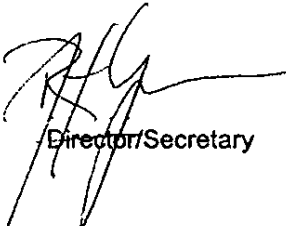
**Special Resolution:**

- 1 That subject to completion of the transfer of more than 50% of the issued share capital of the Company, the draft articles of association attached to this resolution be and they are adopted by the Company in substitution for, and to the exclusion of, its existing articles of association

**Important.**

**Please read the notes at the end of this document before signifying your agreement to the Special Resolution.**

The undersigned, being persons entitled to vote on the resolution on the Circulation Date (see Note 4), hereby irrevocably agree to the Special Resolution

  
Director/Secretary

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**PRIVATE COMPANY LIMITED BY SHARES**

**ARTICLES OF ASSOCIATION**

**of**

**JAGEX LIMITED**

**Registered No. 3982706**

**Incorporated in England and Wales on the 28th day of April 2000**

**Articles adopted on the 3rd day of December 2010**

**PRIVATE COMPANY LIMITED BY SHARES**

**ARTICLES OF ASSOCIATION**

**of**

**JAGEX LIMITED**

**CONSTITUTION**

- 1 The Company is a private company within the meaning of section 4(1) of the Companies Act 2006 (the "**2006 Act**") established subject to the provisions of the 2006 Act including any statutory modification or re-enactment thereof for the time being in force and of the Regulations 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 8, 13, 14, 17 to 21 (inclusive), 23, 26(5), 38, 41, 52 and 53 of the Model Articles, and of any other articles which are inconsistent with the additions and modifications hereinafter set forth.
- 2 The name of the company is Jagex Limited
3. The Registered Office of the company will be in England.
4. The liability of the members is limited to the amount, if any, unpaid on the shares held by them.
- 5 In accordance with the 2006 Act the objects of the company shall be unrestricted
- 6 The name of the Company may be changed by resolution of the Directors

**DEFINITIONS AND INTERPRETATION**

- 7 The following definitions and interpretations shall apply in these articles.
- 7.1. In these articles unless there is something in the subject or context inconsistent therewith
  - "**acting in concert**" has the meaning set out in the City Code on Takeovers and Mergers,
  - "**Adoption Date**" means that date of the passing of the resolution adopting these articles,
  - "**Allocation Notice**" has the meaning set out in article 38,

**"articles"** means the articles of association of the Company for the time being in force;

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

**"Board"** means the board of directors of the Company from time to time or, as the context may admit, any duly authorised committee thereof,

**"Called Shareholder"** has the meaning set out in article 21,

**"Calling Shareholder"** has the meaning set out in article 21;

**"connected"** in the context of determining whether one person is connected with another, shall be determined in accordance with the provisions of section 839 of the Income and Corporation Taxes Act 1988;

**"corporation"** means any body corporate or association of persons whether or not a company within the meaning of the 2006 Act,

**"Drag Along Notice"** has the meaning set out in article 21,

**"equivalent percentage"** has the meaning set out in article 19,

**"Group"** means the Company and any company which is a subsidiary undertaking of the Company from time to time and references to **"Group Company"** and **"members of the Group"** shall be construed accordingly,

**"holder"** in relation to shares in the capital of the Company, means the person(s) entered in the register of members of the Company as the holder of the shares;

**"Insight IV Shareholders"** means Insight Venture Partners IV, L P, Insight Venture Partners IV (Cayman), L P, Insight Venture Partners IV (Fund B), L P. and Insight Venture Partners IV (Co-Investors),

**"Insight V Shareholders"** means Insight Venture Partners V, L P, Insight Venture Partners (Cayman) V, L P, Insight Venture Partners V (Employee Co-Investors), L P and Insight Venture Partners V Coinvestment Fund, L P.;

**"Insight Shareholders"** means the Insight IV Shareholders, the Insight V Shareholders, Insight Venture Partners VI, L P, Insight Venture Partners (Cayman) VI, L P and Insight Venture Partners VI (Co-Investors), L P ;

**"Investor Director"** means a director of the company appointed by either the Spectrum Shareholders, the Raine Shareholders or the Insight Shareholders provided that if the Raine Transfer has not been consummated on or before December 15, 2010 for any reason whatsoever, then "Investor Director" shall not

include a director of the company appointed by the Raine Shareholders and an "Investor Director" can only be a director of the company appointed by either the Spectrum Shareholders or the Insight Shareholders;

**"Member Applicant"** has the meaning set out in article 38;

**"Offerees"** has the meaning set out in article 37;

**"officer"** means and includes a director, manager or the secretary of the Company,

**"Ordinary Shares"** means the ordinary shares of 10p each in the capital of the Company,

**"Qualifying Majority"** means (i) at least two (2) of the three (3) Shareholder Groups, or (ii) the holders of at least 85% of the issued share capital on a fully-diluted basis of the Company from time to time, provided that in both (i) and (ii) above if the Raine Transfer has not been consummated on or before December 15, 2010 for any reason whatsoever, then the "Qualifying Majority" shall not include the Raine Shareholders and such "Qualifying Majority" shall be constituted solely of the positive vote of both the Insight Shareholders and the Spectrum Shareholders;

**"Raine Shareholders"** means Raine Jackal LLC and Raine Jackal Co-Invest LLC,

**"Raine Transfer"** means the acquisition by certain of the Raine Shareholders from certain of the Insight Shareholders of Ordinary Shares held by certain of the Insight Shareholders,

**"Sale Shares"** has the meaning set out in article 36,

**"Shareholder Groups"** means the Insight Shareholders, as a group, the Spectrum Shareholders, as a group, and the Raine Shareholders, as a group. A decision by a Shareholder Group shall be deemed to have been taken upon the affirmative vote of at least fifty percent (50%) of the Ordinary Shares held by the shareholders comprising such group,

**"Spectrum Shareholders"** means Spectrum Equity Investors VI, L P, Spectrum Equity Investors V, L P. and Spectrum V Investment Managers' Fund, L P ;

**"Transfer Notice"** has the meaning set out in article 34,

**"Transfer Price"** has the meaning set out in article 34 3, and

**"Vendor"** has the meaning set out in article 34

- 7.2. Unless the context otherwise requires, words or expressions contained in these articles bear the same meanings as in the 2006 Act (as in force on the date of adoption of these articles)
- 7.3. In these articles
- 7.3.1. headings are included for convenience only and shall not affect the construction of these articles;
- 7.3.2. words denoting the singular include the plural and vice versa,
- 7.3.3. words denoting one gender include each gender and all genders, and
- 7.3.4. references to persons are deemed to include references to natural persons, to firms, to partnerships, to companies, to corporations, to associations, to organisations and to trusts (in each case whether having separate legal personality).
8. Unless otherwise specifically provided, where any notice, resolution or document is required by these articles to be signed by any person, the reproduction of the signature of such person by means of facsimile shall suffice

#### **SHARE CAPITAL**

9. Subject to any direction to the contrary which may be given by ordinary or other resolution of the Company and subject to any statutory provisions, the unissued shares in the capital of the Company (whether forming part of the present or any increased capital) shall be at the disposal of the Board
10. All shares which the Company proposes to allot wholly for cash shall first be offered for subscription to the holders of Ordinary Shares in the proportion that the aggregate nominal value of such shares for the time being held respectively by each such holder bears to the total number of Ordinary Shares in issue. Such offer shall be made by notice in writing specifying the number of shares to which the holder is entitled and limiting a time (being not less than 21 days) within which the offer, if not accepted, will be deemed to be declined. Shareholders who accept the offer shall be entitled to indicate that they would accept, on the same terms, shares (specifying a maximum number) that have not been accepted by other shareholders or where a shareholder has informed the Board that it is unwilling to participate in any such issue ("Excess Shares") and any Excess Shares shall be allotted to shareholders who have indicated they would accept Excess Shares, pro rata to the aggregate number of Ordinary Shares held by shareholders accepting Excess Shares provided that no such shareholder shall be allotted more than the maximum number of Excess Shares such shareholder has indicated he is willing to accept. After the expiration of such time or upon

- receipt by the Company of an acceptance or refusal of every offer so made, the Board may at any time within three calendar months thereafter dispose of any shares so offered and which are not required to be allotted in accordance with the foregoing provisions in such manner as the Board may think most beneficial to the Company at any price not less than the price at which (and on terms no less favourable than the terms on which) the shares were offered to the holders of Ordinary Shares. If owing to the inequality in the number of new shares to be issued and the number of Ordinary Shares held by shareholders entitled to receive the offer of new shares any difficulty shall arise in the apportionment of any such new shares amongst the shareholders such difficulties shall in the absence of direction by the Company be determined in good faith by the Board
11. Pursuant to Section 567 of the 2006 Act, the pre-emption provisions of section 561(1) of the 2006 Act and sub-sections (1) to (5) inclusive of Section 562 of the 2006 Act shall not apply to the Company
12. 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 by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder. The Company shall however be entitled to register trustees as such in respect of any shares

#### **LIEN**

13. The Company shall have a first and paramount lien on every share for all moneys (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

#### **TRANSFER OF SHARES**

14. Except as provided in articles 19 to 44 (inclusive) and subject to the provisions of articles 15 to 18 (inclusive), no shares in the capital of the Company shall be transferred (including any transmission of shares pursuant to 27 to 29 of the Model Articles) Any transfer in breach of these articles shall be void
15. The Board shall decline to register any transfer not made in accordance with the provisions of these articles and may decline to register any transfer of shares which are not fully paid or on which the Company has a lien.



- 16 The Board shall not, subject to the proviso in article 32, decline to register any transfer made pursuant to the provisions of articles 19 to 33 nor, subject to the proviso to article 42, the provisions of articles 34 to 44.
- 17 For the purposes of these articles, a transfer of a share shall include the transfer of either or both of the legal and beneficial ownership in an issued share and/or the grant of an option to acquire either or both of the legal and beneficial ownership in such a share. In addition, the following shall be deemed (but without limitation) to be a transfer of shares
- 17.1 any direction (by way of renunciation or otherwise) by a person entitled to an allotment or transfer of any share in the capital of the Company that such share be allotted or issued or transferred to some person other than himself;
- 17.2 any sale or any other disposition of any legal or equitable interest in a share in the capital of the Company (including any voting right attached to it), (i) whether or not by the relevant holder, (ii) whether or not for consideration, and (iii) whether or not effected by an instrument in writing, and
- 17.3. any holder of shares in the capital of the Company who is a nominee for another person ceasing to hold the shares in the capital of the Company in question for that person
- 18 For the avoidance of doubt, the creation of mortgage, charge or other security interest over or in respect of a share shall not constitute a transfer of that share for the purposes of these articles

#### **TAG ALONG**

- 19 If the effect of any sale or other transfer or disposition of any shares in the capital of the Company would, if made, result in any holder of shares in the capital of the Company selling or otherwise transferring or disposing of more than 5 percent of the issued share capital of the Company to any person or to any persons connected with each other or acting in concert with each other (other than as permitted pursuant to articles 25 to 33), then the sale or other transfer or disposition shall not be made unless the proposed transferee has unconditionally offered to purchase such number of the shares in the capital of the Company held by each other member of the Company (other than any member who is connected with or acting in concert with the proposed transferee) (rounded up to the nearest whole number of shares) as is equal to the equivalent percentage of the aggregate shareholding of such other member (and for this purpose, the **"equivalent percentage"** means that percentage which the number of shares in the capital of the Company proposed to be sold or otherwise transferred or disposed of by the proposed transferor is of the aggregate holding of shares in the capital of the Company of the proposed transferor) on the same terms and

conditions as have been agreed between the proposed transferor and the proposed transferee. Any offer pursuant to this article 19 shall remain open for acceptance for not less than 21 days. No offer shall be required pursuant to this article 19 if a Drag Along Notice has been served under article 21.

20. No holder of shares in the capital of the Company exercising the tag along right conferred by article 19 will be required to give any warranty or indemnity to any person in connection with the sale by him of his shares pursuant to an offer made as required pursuant to article 19 (other than warranties as to due authority, no conflict and title to the shares to be sold by him at that time)

#### **DRAG ALONG**

21. If the effect of any bona fide transaction or series of related transactions would result in (i) any person or persons connected with each other or acting in concert with each other (other than any person who was a holder of shares in the capital of the Company before the Adoption Date) (a **"Proposed Transferee"**), acquiring all of the shares in the capital of the Company held by a Qualifying Majority, (ii) the merger of the Company with or into any Proposed Transferee, or (iii) the sale, lease or license of all or substantially all of the Company's assets to any Proposed Transferee (for the purposes of this article 21, such transaction or series of related transactions is referred to as a **"Sale of the Company"**), and such Sale of the Company has been approved by a Qualifying Majority (the **"Calling Shareholders"**), then the Calling Shareholders (or, if there is more than one, any of them) shall have the right to require all (but not some only) of the other holders of shares in the capital of the Company (the **"Called Shareholders"**) to comply with the provisions set forth in article 22 below. The Sale of the Company shall be on the same terms and conditions as shall have been agreed between the Calling Shareholders and the Proposed Transferee. The right of the Calling Shareholders shall be exercised by the Calling Shareholders giving written notice to the Called Shareholders to that effect (the **"Drag Along Notice"**) accompanied by copies of all documents required to be executed by the Called Shareholders to give effect to the Sale of the Company.
22. In the event that the Calling Shareholders provide a Drag Along Notice to the Called Shareholders, then each Called Shareholder hereby agrees:
- 22.1 if such transaction requires shareholder approval, with respect to all shares that such Called Shareholder is a holder of or over which such Called Shareholder otherwise exercises voting power, to vote (in person, by proxy or by action by written consent, as applicable) all such shares in favour of, and adopt, such Sale of the Company and to vote in opposition to any and all other proposals that could reasonably be expected to delay or impair the ability of the Company to consummate such Sale of the Company;

- 22 2. to sell the same proportion of shares of capital stock of the Company beneficially held by such Called Shareholder as is being sold by the Calling Shareholders to the person or persons to whom the Calling Shareholders propose to sell their shares, and, except as permitted in article 23 below, on the same terms and conditions as the Calling Shareholders,
- 22 3. to execute and deliver all related documentation and take such other action in support of the Sale of the Company as shall reasonably be requested by the Company or the Calling Shareholders in order to carry out the terms and provision of these articles 21 to 24, including without limitation executing and delivering instruments of conveyance and transfer, and any purchase agreement, merger agreement, indemnity agreement, escrow agreement, consent, waiver, governmental filing, share certificates duly endorsed for transfer (free and clear of impermissible liens, claims and encumbrances) and any similar or related documents,
- 22 4 not to deposit, except as provided in these articles, any shares of the Company held by such party in a voting trust or subject any shares to any arrangement or agreement with respect to the voting of such shares, unless specifically requested to do so by the Proposed Transferee in connection with the Sale of the Company; and
- 22 5. to refrain from exercising any dissenters' rights or rights of appraisal under applicable law at any time with respect to such Sale of the Company.
23. No Called Shareholder will be required to give any warranty or indemnity to any person in connection with the sale by him of his shares pursuant to article 21 (other than warranties as to due authority, no conflict and title to the shares to be sold by him at that time)
- 24 If a Called Shareholder makes default in respect of article 22, then:
- 24 1 each defaulting Called Shareholder hereby grants to the Chairman of the Board for the time being of the Company, or failing him any other director of the Company, such Called Shareholder's proxy, and appoints the Chairman of the Board, or failing him any other director of the Company, as such Called Shareholder's attorney-in-fact/agent (with full power of substitution and resubstitution), for and in its name, place and stead, with full power to (i) execute, complete and deliver in the name and on behalf of the Called Shareholder all documents necessary to give effect to the Sale of the Company, (ii) vote or act by written consent with respect to the shares now or hereafter owned by such Called Shareholder (including the right to sign its name to any consent, certificate or other document relating to the Company that applicable law may require) in connection with any and all matters contemplated by article

22 specifically excluding the giving of any warranty, indemnity, representation and or similar assurances on behalf of the Called Shareholders, (iii) take any and all action necessary to sell or otherwise transfer such Called Shareholder's shares as contemplated by article 22 and (iii) if requested by the underwriters managing any public offering of securities of the Company, execute a lock-up agreement containing terms consistent with those contained in any such lock-up agreement entered into by the Calling Shareholders with such underwriter. This proxy is coupled with an interest and shall be irrevocable and is given by way of security for the performance of the obligations of the holders of shares in the capital of the Company under these articles, and each Called Shareholder will take such further action or execute such other instruments as may be reasonably necessary to effectuate the intent of this proxy as it relates to article 22 and hereby revokes any proxy previously granted by such Called Shareholder with respect to such Called Shareholder's shares,

- 24 2. the Company may receive and give a good discharge for the purchase money on behalf of the Called Shareholder and (subject to the transfer being duly stamped) enter the name of the Proposed Transferee in the register of members as the holder by transfer of such Called Shareholder's shares, and
- 24 3. the Board shall forthwith pay the purchase money into a separate bank account in the Company's name and if and when the Called Shareholder shall deliver up his certificate or certificates for his shares to the Company (or an indemnity in a form reasonably satisfactory to the Board in respect of any lost certificate) he shall thereupon be paid the purchase money, without interest and less any sums owed to the Company by the Called Shareholder pursuant to these articles or otherwise

#### **PERMITTED TRANSFERS**

- 25 Any holder of shares in the capital of the Company may transfer all or any of the shares in the capital of the Company held by it to a nominee or trustee for that holder and any nominee or trustee may transfer shares in the capital of the Company to any other nominee or trustee or to the beneficiary provided that no beneficial interest in the shares passes by reason of any such transfer
- 26. Any holder of shares in the capital of the Company who is an individual may transfer all or any of the shares in the capital of the Company held by him:
  - 26 1. to his parents, siblings, spouse or adult children (including adult step children); or
  - 26 2 without consideration to the trustee or trustees of a family trust set up wholly for the benefit of one or more of the transferor and his parents, siblings, spouse and children (including step children) and of which the said holder is the settlor;

- provided that a person acquiring shares pursuant to this article 26 shall not have the like right unless the transfer is to the person from whom he took the shares in the first instance or, in the case of a transfer by trustees, to persons beneficially entitled under such trusts or is a transfer to new trustees of the same trust on a change of trustees and (provided that no change in beneficial ownership is thereby effected)
- 27 Any holder of shares in the capital of the Company that is an investment fund or a nominee or trustee or general or managing partner of an investment fund may transfer all or any of the shares in the capital of the Company held by it
- 27.1 to any other investment fund managed or advised by the same manager or adviser as manages or advises the first mentioned investment fund;
- 27.2 to any body corporate that is wholly owned by one or more investment funds that are managed or advised by the same manager or adviser as manages or advises the first mentioned investment fund, or
- 27.3 to any member, partner or shareholder of such investment fund pursuant to any distribution without consideration.
28. Any holder of shares in the capital of the Company that is a body corporate that is wholly owned by one or more investment funds may transfer all or any of the shares in the capital of the Company held by it
- 28.1 to any investment fund managed or advised by the same manager or adviser as manages or advises the first mentioned investment funds, and
- 28.2 to any other body corporate that is wholly owned by one or more investment funds that are managed or advised by the same manager or adviser as manages or advises the first mentioned investment funds
- 29 Any holder of shares in the capital of the Company who is a trustee of a trust established by any Group Company for the benefit of employees of the Group, former employees of the Group and/or any members of the families of any such employees or former employees (an "**Employee Trust**") may transfer all or any of the shares in the capital of the Company held by it:
- 29.1. to the new or remaining trustees of the Employee Trust upon any change of trustees, and
- 29.2. to any beneficiary of the Employee Trust.
30. Any holder of shares in the capital of the Company may transfer all or any of the shares in the capital of the Company held by it pursuant to the acceptance of an

offer made as required pursuant to articles 19 and 20 or pursuant to a Drag Along Notice.

- 31 Any holder of shares in the capital of the Company may transfer all or any of the shares in the capital of the Company held by it to any person with the prior written consent of a Qualifying Majority
- 32. The Board shall be entitled to refuse registration of the proposed transferee in connection with a proposed transfer pursuant to articles 25 to 29 (inclusive) if he is or is reasonably believed to be a nominee for
  - 32 1 a person reasonably considered by the Board (with the agreement of the Chairman) to be a competitor or connected with a competitor of the business of the Company and its subsidiaries; or
  - 32 2 any other person who does not meet the ethical standards set by the Board (with the agreement of the Chairman) or is otherwise considered by the Board (with the agreement of the Chairman) not to be an appropriate person to own shares in the capital of the Company
- 33 Any permitted transferee who has received shares in the capital of the Company pursuant to articles 25 to 29 (inclusive) shall be required to return such shares to the transferor at such time as the privileged relationship giving rise to the permissibility of the transfer under these articles ceases otherwise than by death of the transferor.

#### **RIGHTS OF FIRST REFUSAL**

- 34 Save as provided in article 35, any member holding shares in the capital of the Company who wishes to transfer such shares (the “Vendor”) shall give notice in writing (the “Transfer Notice”) to the Company of his wish specifying
  - 34 1 the number of shares which he wishes to transfer;
  - 34 2 the name of any third party to whom he proposes to sell or transfer the shares,
  - 34 3 the price at which he wishes to transfer the shares (the “Transfer Price”), and
  - 34.4 whether or not the Transfer Notice is conditional upon all and not part only of the shares so specified being sold pursuant to the offer hereinafter mentioned (and in the absence of such stipulation it shall be deemed not to be so conditional)
- 35. The provisions of article 34 shall not apply in circumstances where

- 35 1. the Vendor transfers shares pursuant to an offer made as required pursuant to articles 19 and 20,
- 35 2. the Vendor is a Calling Shareholder and issues a valid Drag Along Notice;
- 35 3 the Vendor transfers shares as required pursuant to a Drag Along Notice, or
- 35 4 the Vendor transfers shares in accordance with articles 25 to 33.
- 36 Any Transfer Notice shall be irrevocable unless a Qualifying Majority otherwise agree The Transfer Notice shall constitute the Company as the agent of the Vendor for the sale of the shares in the capital of the Company specified therein (the "**Sale Shares**") at the Transfer Price
- 37 The Company shall, forthwith upon receipt of a Transfer Notice, give notice in writing to all shareholders of the Company (other than the Vendor) (the "**Offerees**") informing them that the Sale Shares are available and of the Transfer Price and shall invite each such Offeree to state in writing within 45 days from the date of the said notice (which date shall be specified therein) whether he/it is willing to purchase any and, if so, how many of the Sale Shares
38. After the expiry of the offers made pursuant to article 37 or sooner if all the Sale Shares offered have been accepted in the manner provided in article 37, the Board shall allocate the Sale Shares in the following manner
- 38.1 if the total number of Sale Shares applied for by the Offerees is equal to or less than the available number of Sales Shares, the Company shall allocate the Sale Shares in accordance with the applications, or
- 38 2 if the total number of Sale Shares applied for by the Offerees is more than the available number of Sale Shares, the Company shall allocate the Sale Shares amongst the Offerees pro rata to their respective holdings of Ordinary Shares, provided that no Offeree shall be allocated more shares than he/it shall have stated himself/itself willing to take
- and in either case the Company shall forthwith give notice of each such allocation (an "**Allocation Notice**") to the Vendor and each of the persons to whom Sale Shares have been allocated (a "**Member Applicant**") and shall specify in the Allocation Notice the place and time (being not later than fourteen days after the date of the Allocation Notice) at which the sale and purchase of the Sale Shares shall be completed.
- 39 Subject to article 40, upon such allocations being made as aforesaid, the Vendor shall be bound, on payment of the Transfer Price, to transfer the Sale Shares comprised in the Allocation Notice to the Member Applicants named therein at

the time and place therein specified. If he makes default in so doing the Chairman of the Board for the time being of the Company or failing him one of the Directors or some other person duly nominated by a resolution of the Board for that purpose, shall forthwith be deemed to be the duly appointed attorney of the Vendor with full power to execute complete and deliver in the name and on behalf of the Vendor a transfer of the relevant Sale Shares to the Member Applicant and the Company may receive and give a good discharge for the purchase money on behalf of the Vendor and (subject to the transfer being duly stamped) enter the name of the Member Applicant in the register of members as the holder or holders by transfer of the shares so purchased by him or them. The Board shall forthwith pay the purchase money into a separate bank account in the Company's name and shall hold such money on trust (but without interest) for the Vendor until he shall deliver up his certificate or certificates for the relevant shares to the Company when he shall thereupon be paid the purchase money.

40. If the Transfer Price is for consideration other than cash or cash plus consideration other than cash, the Offerees shall pay the cash equivalent of such other consideration. If the Vendor and the Offerees cannot agree on the amount of such cash equivalent, the cash equivalent shall be determined in good faith by the Board.
41. If the Vendor shall have included in the Transfer Notice a provision that unless all the Sale Shares are sold none shall be sold and if the total number of shares applied for by Member Applicants is less than the number of Sale Shares then the Allocation Notice shall refer to such provision and shall contain a further invitation open for 28 days to those persons to whom Sale Shares have been allocated to apply for further Sale Shares and completion of the sales in accordance with these articles 35 to 42 shall be conditional upon such provision as aforesaid being complied with in full.
42. In the event of all the Sale Shares not being sold under articles 34 to 41, the Vendor may at any time within three calendar months after receiving confirmation from the Company that the pre-emption provisions herein contained have been exhausted transfer any Sale Shares not sold to any person or persons at any price not less than the Transfer Price (and on terms no less favourable than those contained in the Transfer Notice) provided that
- 42.1. the Board shall be entitled to refuse registration of the proposed transferee if he is or is reasonably believed to be a nominee for
- 42.1.1. a person reasonably considered by the Board (with the agreement of the Chairman) to be a competitor or connected with a competitor of the business of the Company and its subsidiaries, or



- 42.1 2. any other person who does not meet the ethical standards set by the Board (with the agreement of the Chairman) or is otherwise considered by the Board (with the agreement of the Chairman) not to be an appropriate person to own shares in the capital of the Company,
- 42.2 if the Vendor stipulated in the Transfer Notice that unless all the Sale Shares were sold none should be sold, the Vendor shall not be entitled to sell hereunder only some of the Sale Shares comprised in the Transfer Notice to such person or persons unless a Qualifying Majority otherwise agree.

#### CHANGE OF CONTROL

43. In the event that a court of competent jurisdiction has judged that there has been an unapproved change of control of a holder of shares in the capital of the Company, which judgement has not been appealed or in respect of which any right of appeal has expired or does not exist, then the holder will be deemed to serve a Transfer Notice in respect of all shares in the capital of the Company held by it upon written request so to do by any other holder of shares in the capital of the Company and the provisions of articles 34 to 42 shall apply, mutatis mutandis save that
- 43 1 the Transfer Price shall be deemed to be 75 percent of the fair value of the shares to be offered for sale as determined by the Auditors, and
- 43 2. the Transfer Notice shall be deemed not to be conditional upon all and not part only of the shares specified being sold
- (and for this purpose, an “unapproved” change of control means a change of control that has not been approved by a Qualifying Majority)
- 44 For the purposes of article 43:
- 44 1. a transfer by a member, partner, shareholder or participant in an investment fund which holds shares in the capital of the Company of its interest in that investment fund shall not constitute a change of control of that holder,
- 44 2. a transfer of shares or other interests in a direct or indirect holder of shares in the capital of the Company that would be permitted under articles 25 to 33 were the first mentioned shares or other interests shares in the capital of the Company shall not constitute a change of control of that holder,
- 44 3. a change in the personnel at any general partner of any investment fund which holds shares in the capital of the Company shall not constitute a change of control of that holder, and

- 44.4 the appointment of a new manager or principal adviser of any investment fund which holds shares in the capital of the Company, other than a manager or principal adviser that is (i) affiliated with the replaced manager or principal adviser or (ii) the successor to all or substantially all of the business of the replaced manager or principal adviser, (but not a change in the personnel at the manager or principal adviser of any investment fund which holds shares in the capital of the Company) shall constitute a change of control of that holder

#### GENERAL MEETINGS

45. No business shall be transacted at any meeting of the shareholders of the Company unless a quorum is present. A majority of the shares entitled to vote upon the business to be transacted, represented in person or by proxy (including, in the case of a corporation, by duly authorised representative), shall constitute a quorum at a meeting of shareholders. If a quorum is present, the affirmative vote of a majority of the shares represented at the meeting and entitled to vote on the subject matter shall be the act of the shareholders.
46. If such quorum is not present within half an hour from the time appointed for the meeting, or if during a meeting such quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week at the same time and place or such time and place as the directors may determine. At such adjourned meeting, the agenda of the business to be transacted (together with all papers circulated or presented to the same) shall be the same as for the original meeting and, for the avoidance of doubt, the shareholders shall not be permitted to transact any business at the adjourned meeting that was not on the agenda for the original meeting. No business shall be transacted at any adjourned meeting unless a quorum is present. A majority of the shares entitled to vote upon the business to be transacted, represented in person or by proxy (including, in the case of a corporation, by duly authorised representative), shall constitute a quorum at any adjourned meeting of shareholders. If a quorum is present, the affirmative vote of a majority of the shares represented in person or by proxy (including in the case of a corporation, by a duly authorised representative) at the adjourned meeting and entitled to vote on the subject matter shall be the act of the shareholders.
47. Any member, or any member's proxy or duly authorised representative (being a corporation) and all other relevant officers of the Company entitled to attend such meetings may participate in a general meeting of the Company by means of audio visual conferencing equipment or similar communications system whereby all those participating in the meeting can see, hear and address each other. Such participation shall be deemed to constitute presence in person (or by proxy or authorised representative as appropriate) at such meeting for all purposes including that of establishing a quorum. A meeting held by such

means shall be deemed to take place where the largest group of participators in number is assembled. In the absence of such a majority the location of the chairman shall be deemed to be the place of the meeting.

- 48. A poll may be demanded at any general meeting by the chairman or by any member present in person or by proxy or, if a corporation, by any representative duly authorised and entitled to vote.
- 49. 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 Registered Office of the Company three clear days prior to such meeting
- 50. 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

#### **DIRECTORS**

- 51. The Company may by ordinary resolution appoint as a director any person who is willing to act as such
- 52. The directors may appoint as a director any person who is willing to act as such
- 53. A person willing to so act may be appointed as a director of the Company at any time by a notice (or notices) in writing to the Company (i) signed by or on behalf of holders of a Qualifying Majority or (ii) signed by all the then directors of the Company and such appointment shall take effect upon the notice being received at the registered office of the Company or such later date as may be specified in the notice
- 54. A Director shall not be required to hold shares of the Company in order to qualify for office as a Director, but he shall be entitled to receive notice of and attend and speak at all general meetings of the Company or of any class of members of the Company
- 55. The number of directors shall not be less than two in number and no more than seven
- 56. A Director who is in any way, whether directly or indirectly, interested in an actual or proposed transaction or arrangement with the Company shall declare the nature and extent of his interest at a meeting of the Directors in accordance with section 177 and/or section 182 of the 2006 Act Subject to such disclosure as aforesaid a Director may vote in respect of any contract or proposed contract or arrangement in which he is interested and if he does so vote his vote shall be

counted and he may be counted in ascertaining whether a quorum is present at any meeting at which any such contract or proposed contract or arrangement shall come before the Directors for consideration and may retain for his own absolute use and benefit all profits and advantages accruing to him therefrom For the purposes of this article

- (a) a general notice given to the Directors that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the Director has an interest in any such transaction of the nature and extent so specified; and
- (b) an interest of which a Director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his

57. In respect of any situation in which a director has, or may have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company, the Directors may authorise the matter, on such terms as they may determine, provided that

- (a) the Director has declared the full nature and extent of the situation to the Directors, and
- (b) it is proposed (either by the Director in question or another) that the Directors authorise the matter and upon the resolution to do so the requirement for the quorum is met without counting the Director in question and the resolution was agreed to without such Director voting or would have been agreed to if that conflicted Director's vote had not been counted

58 Any terms determined by the Directors under article 57 may be imposed at the time of authorisation or may be imposed subsequently and may include (without limitation)

- (a) the exclusion of the interested Director in question from all information and discussion by the Company of the situation in question, and
- (b) (without prejudice to the general obligations of confidentiality) the application to the interested Director of a strict duty of confidentiality to the Company for any confidential information of the Company in relation to the situation in question

59 Any authorisation given by the Directors under article 57 may provide that, where the interested Director obtains (other than through this position as a

Director of the Company) information that is confidential to a third party, he will not be obliged to disclose it to the Company or to use it in relation to the Company's affairs in circumstances where to do so would amount to a breach of that confidence.

- 60 The Directors may dispense with the keeping of attendance records for meetings of the Directors or committees of the Directors Regulation 15 of the Model Articles shall be modified accordingly.
61. The office of a Director shall be vacated
- 61.1 if he becomes bankrupt or suspends payment of or compounds with his creditors,
- 61.2. if he becomes of unsound mind or a patient for the purpose of any statute relating to mental health or otherwise incapax,
- 61.3. he becomes incapable by reason of mental disorder, illness or injury of managing and administering his property and affairs and the other directors resolve that his office is vacated;
- 61.4 if (not being a Director holding executive office as such for a fixed term) by notice in writing to the Company he resigns his office;
- 61.5 if he is prohibited by law from being a Director or ceases to be a Director by virtue of the 2006 Act or any statutory modification or re-enactment thereof,
- 61.6. being a Director other than an Investor Director, if he is removed by a notice in writing to the Company signed by or on behalf of holders of a Qualifying Majority and such removal shall take effect upon the notice being received at the registered office of the Company or such later date as may be specified in the notice; and/or
- 61.7 being a Director other than an Investor Director, if he shall for more than six months have been absent without permission of the Directors from meetings of the Directors held during that period and a majority of the other Directors resolve that his office be vacated
62. The Directors shall have power at any time, and from time to time to appoint any person to be a Director of the Company either to fill a casual vacancy or as an addition to the existing Directors.
63. The Directors may from time to time appoint one or more of their number to an executive office (including that of Managing Director, Deputy or Assistant Managing Director, Manager or any other salaried office) for such period and on

such terms and conditions as they shall think fit, and subject to the terms and conditions of any agreement entered into in any particular case, may revoke such appointment. Subject to the terms and conditions of any such agreement the appointment of any Director to such office shall terminate if he ceases from any cause to be a Director.

64. The Directors on behalf of the Company and without the approval of any resolution of the Company may establish, maintain, participate in and contribute to, or procure the establishment and maintenance of, participation in and contribution to, any pension, superannuation, benevolent or life assurance fund, scheme or arrangement (whether contributory or otherwise) for the benefit of any persons (including Directors, former Directors, officers and former officers) who are or shall have been at any time in the employment or service of the Company or of any company which at the time is or was a subsidiary or a holding company of the Company or another subsidiary of a holding company of the Company (as defined in section 1159 of the 2006 Act) or otherwise associated with the Company or of the predecessors of the Company in business or of any such other company as aforesaid, or for the benefit of the relations, wives, widows, families, connections or dependants of any such persons or for the benefit of any other persons whose service or services have directly or indirectly been of benefit to the Company and their relations, connections or dependants, and the Directors on behalf of the Company and without the approval of any resolution of the Company may grant or procure the grant of donations, gratuities, pensions, allowances, including allowances on death, or other payments or benefits of any kind to any of such persons as aforesaid, and the Directors on behalf of the Company and without the approval of any resolution of the Company may establish, subsidise, subscribe to or support institutions, associations, clubs, schools, funds or trusts calculated or considered to be for the benefit of any of such persons or otherwise for the advancement of the interests and well-being of the Company or of any such other company or its members; and the Directors on behalf of the Company and without the approval of any resolution of the Company may make payments for or towards the insurance of any of such persons. Any such Director or ex-Director may participate in and retain for his own benefit any such donation, gratuity, pension, allowance, payment or other benefit conferred under or pursuant to this article and the receipt thereof shall not disqualify any person from being or becoming a Director of the Company.
65. The Directors on behalf of the Company and without the approval of any resolution of the Company may establish and contribute to any employees' share scheme (within the meaning of section 1166 of the 2006 Act) for the purchase or subscription by trustees of shares of the Company or of a holding company of the Company and may lend money to the Company's employees to enable them to purchase or subscribe for shares of the Company or of a holding company of

the Company, and may establish and maintain any option or incentive scheme whereby selected employees (including salaried Directors and officers) of the Company are given the opportunity of acquiring shares in the capital of the Company, and may formulate and carry into effect any scheme for sharing the profits of the Company with its employees (including salaried Directors and officers) or any of them. Any Director may participate in and retain for his own benefit any such shares, profit or other benefit conferred under or pursuant to this article and the receipt thereof shall not disqualify any person from being or becoming a Director of the Company

66. A resolution in writing signed by all the Directors shall be as effective as a resolution passed at a meeting of the Directors duly convened and held and may consist of several documents in the same form, each signed by one or more of the Directors.
67. The directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. A majority of directors present in person or by alternate shall constitute a quorum and a quorum of directors must be present throughout all meetings of the Board. The chairman of the meeting shall not have a second or casting vote in the case of an equality of votes.
68. Any director shall have the right to call a meeting of the Board (or any committee thereof) by sending to each director reasonable advance notice of such meeting (such notice to be not less than five business days unless otherwise agreed by the majority of the directors) and an agenda of the business proposed to be transacted at such meeting.
69. Any director of the Company or member of a committee of the Board may participate in a meeting of the Board or such committee by means of conference telephone or similar communications equipment whereby all persons participating in the meeting can hear and speak to each other and any director or member of a committee participating in a meeting in this manner shall be deemed to be present in person at such meeting.

#### **BORROWING AND OTHER POWERS**

70. The Directors may exercise all the powers of the Company without limit as to the amount 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.

### ALTERNATE DIRECTORS

71. Any Director may at any time by writing under his hand and deposited at the Registered Office, or delivered at a meeting of the Directors, appoint any person to be his alternate Director and may in like manner at any time terminate such appointment
72. The appointment of an alternate Director shall terminate on the happening of any event which if he were a Director would cause him to vacate such office or if his appointor ceases to be a Director (retirement at any general meeting at which the Director is re-elected being for such purpose disregarded).
73. An alternate Director shall be entitled to receive notices of meetings of the Directors and shall be entitled to attend and vote as a Director at any such meeting at which his appointor is not personally present and generally at such meeting to perform all the functions of his appointor as a Director and for the purposes of the proceedings at such meeting the provisions of these articles shall apply as if he were a Director. An alternate Director's signature to any resolution in writing of the Directors shall be as effective as the signature of his appointor. Every person acting as an alternate Director shall have one vote for each Director for whom he acts as alternate (in addition to his own vote if he is also a Director). An alternate Director shall not (save as aforesaid) have power to act as a Director or be deemed to be a Director for the purposes of these articles
74. An alternate Director may be repaid expenses and shall be entitled to be indemnified by the Company to the same extent *mutatis mutandis* as if he were a Director but he shall not be entitled to receive from the Company any remuneration except only such proportion (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct.

### INDEMNITY

75. 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 company's assets against :
  - 75.1 any costs and 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,



- 75 2. any costs and liabilities incurred by that officer in relation to any proceedings (whether civil or criminal) which relate to anything done or omitted or alleged to have been done by him as an officer of the Company or the Group;
- 75 3 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 2006 Act), and
- 75 4. any other liability incurred by that officer as an officer of the Company or an associated company,

provided always that this article does not authorise any indemnity which would be prohibited or rendered void by any provision of the 2006 Act or by any other provision of law.

In this article:

- (a) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate; and
- (b) 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).

## INSURANCE

- 76 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

In this article

- (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 2006 Act) for the purposes of an employees' share scheme of the company or an associated company, and
- (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 (within the meaning of article 76) or any pension fund or employees' share scheme of the company or associated company