

DATED

12 SEPTEMBER 2023

HUNTRESS GROUP LIMITED

COMPANY NUMBER: 06413361

ARTICLES OF ASSOCIATION

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Company No. 06413361

COMPANIES ACT 2006
COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF
HUNTRESS GROUP LIMITED ("Company")
(adopted by Special Resolution of the Company
passed on 12 September 2023)

1. TABLE A

- 1.1 Except as excluded or varied in these Articles, Table A (as defined below) will apply to the Company and will be deemed to form part of these Articles. Other than Table A no regulations or articles set out in any statute, or in any statutory instrument or other subordinate legislation made under any statute, concerning companies shall apply as the regulations or articles of the Company.
- 1.2 The following Regulations (as defined below) are excluded 2, 24, 25, 26, 38, 54, 60, 61, 62, 76, 77, 81, 82, 91, 94, 95, 96, 97, 111, 112, 115 and 118.

2. DEFINITIONS AND INTERPRETATION

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

"Accounting Period" means an accounting reference period of the Company beginning on 1 January and ending on the following 31 December, or such other date as is notified to the Registrar of Companies from time to time;

"Accounts" means the audited consolidated accounts of the Group;

"Act" means the Companies Act 2006 including any statutory modification or re-enactment thereof for the time being in force;

"Acting in Concert" has the meaning given to it in the City Code on Takeovers and Mergers (as at the relevant time);

"Allocation Notice" has the meaning given in Article 11.11;

"A Majority" means those persons who hold more than 50 per cent of the A Ordinary Shares from time to time;

"A Majority Director" means a director appointed as such pursuant to Article 33.1;

"A Ordinary Share" means an A ordinary share of £0.01 in the capital of the Company having the rights and being subject to the restrictions set out in these Articles;

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

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

"Articles" means these articles of association as amended from time to time;

"A Shareholder Connected Person" means in relation to an A Ordinary Shareholder (or any of them):

- (a) any person who is a Connected Person of an A Ordinary Shareholder; and
- (b) any nominee or trustee for such person;

"Asset Sale" means the disposal by the Company of all or substantially all of its undertaking and assets (where disposal may include, without limitation, the grant by the Company of an exclusive licence of intellectual property not entered into in the ordinary course of business);

"Audit Committee" has the meaning given in the Investment Agreement;

"Auditors" means the Company's incumbent auditors;

"Authorised Bank" means a bank authorised by the Prudential Regulation Authority and the Financial Conduct Authority or their successive regulatory bodies or an equivalent regulator in a jurisdiction other than the UK;

"Bad Leaver" means, in relation to a Relevant Individual who holds C Ordinary Shares (in that capacity only) or whose Connected Person holds C Ordinary Shares, a Relevant Individual:

- (a) who ceases to be an employee and/or director and/or Consultant of any Group Member in circumstances in which such Relevant Individual has been summarily dismissed on grounds of either fraud or gross misconduct;
- (b) who resigns as an employee and/or director and/or Consultant of any Group Member for any reason;
- (c) who ceases to be an employee and/or director and/or a Consultant of any Group Member as a result of retirement;
- (d) who has committed a breach of the terms of these Articles or the Investment Agreement which, in the reasonable opinion of the A Majority, has or is likely to have a material and adverse effect on the A Majority's investment in the Company; or
- (e) who continues to be an employee and/or director and/or Consultant of any Group Member but is declared bankrupt;

"Bank Documents" means any documents entered into between any Group Member and its bankers;

"Board" means the board of Directors including any A Majority Director (if appointed) from time to time;

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

"Buyer" has the meaning given in Article 14.1.1;

"Cash Equivalent" means:

- (a) where the consideration comprises listed securities, the average of the middle market prices of those securities at the close of dealings on each of the five dealing days prior to the Exit Date;
- (b) where the consideration comprises loan notes, loan stock or other debt instruments guaranteed unconditionally by an Authorised Bank their face value (where the rate of interest is at least equivalent to the three month London Interbank Bid Rate) and, if payable thereon less, such value will 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 by an Authorised Bank, such amount as the Members agree to be the fair current value of the same;
- (d) where the consideration comprises future fixed payments, such amount as the Members agree to be the fair current value of the same;
- (e) where the consideration comprises future contingent payments, nil value,

and any dispute as to the value of the Cash Equivalent will be determined in accordance with Article 2.4, whose provisions will apply as if set out in full in this definition;

"Cessation Date" means the date on which a Relevant Individual ceases to be an employee and/or director and/or Consultant of any Group Member for any reason or, if the Relevant Individual is still an employee and/or director and/or Consultant of a Group Member, the date on which the Relevant Individual becomes eligible for benefits under a permanent health insurance policy or the date on which a Relevant Individual gives or is given notice of termination of his contract of employment, letter of appointment or consultancy agreement or the date of a repudiatory breach by him of such contract (whichever is the earlier) or the date on which the Relevant Individual commits a breach of the terms of these Articles or the Investment Agreement which, in the opinion of the A Majority, has or is likely to have a material and adverse effect on the A Shareholders' investment in the Company;

"Chairman" means the Chairman as defined in the Investment Agreement or any person who has entered into a Deed of Adherence as the Chairman;

"Compulsory Sale Notice" means a notice served on a Compulsory Seller pursuant to Article 13.2;

"Compulsory Seller" and **"Compulsory Sellers"** have the meanings given in Article 13.2;

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

"Consultant" means a consultant to any Group Member and/or any person whose services are procured by a consultant of any Group Member in the performance of that consultant's duties;

"Controlling Interest" in relation to a person means the ownership (or the right to exercise votes) by that person and his and/or its Connected Persons of Shares carrying the right to more than 50 per cent of the total number of votes which may be cast on a poll at a general meeting of the Company save that a person shall not be deemed to have acquired (or increased) any Controlling Interest by virtue of the fact that such holder or holders of Shares become entitled to additional votes at general meetings of the Company pursuant to Article 7;

"Cost Price" has the meaning given in Article 13.5.1(a);

"C Ordinary Share" means a C Ordinary Share of £0.01 in the capital of the Company having the right and being subject to the restrictions set out in these Articles;

"C Ordinary Shareholder" means a registered holder of any C Ordinary Shares;

"C Shareholder Connected Person" means in relation to a C Ordinary Shareholder (or any of them):

- (a) any person who is a Connected Person of a C Ordinary Shareholder; and
- (b) any nominee or trustee for such person;

"Credited as Paid Up" means amounts paid up or credited as paid up on a Share including any premium;

"Deed of Adherence" means a deed of adherence in the form required by the Investment Agreement;

"Directors" means the Company's directors from time to time;

"Drag Along Notice" has the meaning given in Article 15.2;

"Drag Along Right" has the meaning given in Article 15.1;

"Electronic Communication" means any communication:

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

"Emoluments" means emoluments of every description including, without limitation, salaries, fees, bonuses, commissions, profit shares under any incentive scheme, pension contributions payable, benefits in kind as quantified for income tax purposes and any amounts referred to in schedule 5 part 1 paragraph 1 (1) of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (SI 2008 No. 410);

"Employee Benefit Trust" means any trust which may be established for the benefit of the employees (which may include past employees) of the Company and/or any other Group Member, and which satisfies the definition of an "employees' share scheme" set out in section 1166 of the Act;

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

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

"Executive" means the Executive as defined in the Investment Agreement, or any person who has entered into a Deed of Adherence as an Executive, or any of them;

"Exit" means an Asset Sale, a Liquidation, a Listing or a Share Sale;

"Exit Date" means a Liquidation Date, a Listing Date or a Share Sale Date, as the case may be;

"Exit Proceeds" means an amount equal to the Market Capitalisation payable to the holders of the Equity Shares less an amount equal to the Company's liabilities, including, for the avoidance of doubt, any arrears and accruals of dividends declared and payable (but not subsequently paid) to the Equity Shareholders in accordance with the provisions of these Articles and the net financial indebtedness of the Group that is outstanding immediately prior to an Exit and any other borrowings or financial indebtedness and any accrued interest on such borrowings or financial indebtedness owed to any banking, financial, acceptance credit or other similar institution or organisation;

"Extra Shares" has the meaning given in Article 11.8;

"Founders" means Gary Laurence, David Spencer-Percival, Julian Jones/Vassie and Jane Atherton;

"FSMA" means the Financial Services and Markets Act 2000 including any statutory modification or re-enactment thereof for the time being in force;

"Good Leaver" means, in relation to a Relevant Individual who holds any C Ordinary Shares (in that capacity only) or whose Connected Person holds C Ordinary Shares, a Relevant Individual who ceases to be an employee and/or director and/or Consultant of any Group Member and who is not a Bad Leaver (insofar as such term applies to a holder of C Ordinary Shares);

"Group" means the Company, any subsidiary or subsidiary undertaking of the Company, any holding company or parent undertaking of the Company and any subsidiary or subsidiary undertaking of such holding company or parent undertaking and references to a **"Group Member"** will be construed accordingly;

"Index Linked" means in relation to any figure that such figure shall be increased (but not decreased) by a percentage thereof equal to the percentage increase (if any) in the General Index of Retail Prices (All Items) published by the Office for National Statistics (or its equivalent, if replaced) from the commencement to the end of the period since when such figure was last adjusted;

"Interest" has the meaning given in Article 2.3.10.1;

"Interested Directors" has the meaning given in Article 29.3.1;

"Investment Agreement" means any investment agreement entered into between the Company and any of its shareholders from time to time;

"Liquidation" means the liquidation, dissolution or winding-up of the Company pursuant to the making of a winding-up order by the court on the passing of a resolution by the Members that the Company be wound up or dissolved (save for a solvent winding-up for the purpose of reconstruction or amalgamation previously approved by a resolution of the Members with the prior written consent of the A Majority);

"Liquidation Date" means the date of completion of a Liquidation;

"Listing" means:

- (a) the admission of all or any of the Equity Shares to trading on a market for listed securities operated by a Recognised Investment Exchange, together with the admission of such Equity Shares to the Official List of the UK Listing Authority; or
- (b) the admission of all or any of the Equity Shares to trading on the Alternative Investment Market of the London Stock Exchange plc; or
- (c) if the A Majority and the Board in their absolute discretion so determine the admission of all or any of the Equity Shares to, or to trading on, any other market wherever situated together, if necessary, with the admission of such Equity Shares to listing on any official or otherwise prescribed list maintained by a competent or otherwise prescribed listing authority,

and **"Listed"** will be construed accordingly;

"Listing Date" means the date on which all or any of the Equity Shares are Listed (subject only (where relevant) to any announcement required in accordance with the rules of the relevant stock exchange or listing authority);

"Market Capitalisation" means:

- (a) in the case of a Listing the valuation placed on all of the Equity Shares on the Listing Date, as shown in the prospectus, listing particulars or admission document published in connection with the Listing, less the gross amount of any new money raised by the Company in connection with the Listing from a subscription for new shares; or
- (b) in the case of a Share Sale the aggregate price or value of the consideration to be paid in cash or Cash Equivalent for all of the Equity Shares,

and any dispute as to the calculation of or any adjustment to be made to the Market Capitalisation for the purpose of these Articles will be determined in accordance with Article 2.4, whose provisions will apply as if set out in full in this definition;

"Market Value" has the meaning given in Article 12 in relation to voluntary share transfers, and in Article 13.7 in relation to compulsory share transfers;

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

"Proportionate Entitlement" has the meaning given in Article 11.8;

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

"PRs" means the legal personal representatives of a deceased Member;

"Relevant Accounting Period" has the meaning given in Article 5.1;

"Relevant Individual" means an employee and/or director and/or Consultant of any Group Member;

"Relevant Shares" has the meaning given in Article 0;

"Remaining Shareholders" has the meaning given in Article 15.1;

"Remuneration Committee" has the meaning given in the Investment Agreement;

"Retained Shares" has the meaning given in Article 13.9;

"Sale Shares" means Shares which a Seller wishes or is required or deemed to transfer;

"Seller" means any Member who wishes or is required or deemed to transfer any Sale Shares;

"Service Agreement" has the meaning given to it in the Investment Agreement;

"Share" means a share in the capital of the Company of whatever class;

"Share Sale" means any transaction or series of transactions whereby any person or Connected Persons or group of persons Acting in Concert purchases or otherwise acquires or obtains all of the Equity Shares;

"Share Sale Date" means the date of completion of a Share Sale;

"Sub-Committee" has the meaning given to it in the Investment Agreement;

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

"Tax Act" means the Corporation Tax Act 2010 including any statutory modification or re-enactment thereof for the time being in force;

"Third Party Transferee" has the meaning given in Article 11.1.6;

"Total Transfer Condition" means a condition in a Transfer Notice stipulating that such Transfer Notice is conditional upon all and not some only of the Sale Shares specified in it being sold;

"Transfer Notice" means a notice in writing by a Seller of his wish to transfer any Shares in relation to voluntary share transfers, and a Compulsory Sale Notice in relation to compulsory share transfers;

"Transfer Price" has the meaning given in Article 11.3 in relation to voluntary share transfers, and in Article 13.5 in relation to compulsory share transfers; and

"UK Listing Authority" means the Financial Conduct Authority acting in its capacity as the competent authority for the purposes of Part VI of FSMA including, where the context so permits, any committee, employee, officer or servant to whom any function of the UK Listing Authority may for the time being be delegated.

- 2.2 If there is any conflict or inconsistency between any provision of Table A and any provision of these Articles the latter shall prevail.
- 2.3 In these Articles, unless a contrary intention appears:
- 2.3.1 words and phrases which are defined or referred to in or for the purposes of the Act or the Tax Act or Table A have the same meanings in these Articles unless otherwise expressly defined in these Articles;
 - 2.3.2 reference to a statute or a statutory provision includes reference to:
 - 2.3.2.1 the statute or statutory provision as modified, amended, consolidated, re-enacted or replaced from time to time; and
 - 2.3.2.2 any subordinate legislation made under the statute or statutory provision (as modified, amended, consolidated, re-enacted or replaced as set out in Article 2.3.2.1);
 - 2.3.3 reference to statutory obligations shall include obligations arising under Articles of the Treaty establishing the European Community, and regulations, directives and decisions of the European Union as well as United Kingdom Acts of Parliament and subordinate legislation;
 - 2.3.4 reference to a Regulation is to a regulation of Table A, and reference to an Article is to a provision of these Articles;
 - 2.3.5 reference to any gender includes all genders, references to the singular includes the plural (and vice versa), and references to persons includes bodies corporate, unincorporated associations and partnerships (whether or not any of the same have a separate legal personality);
 - 2.3.6 reference to **"written"** or **"in writing"** includes any method of representing or reproducing words in a legible form whether sent or supplied in electronic form or otherwise;
 - 2.3.7 reference to times of day are to London (UK) time;
 - 2.3.8 the contents list, headings and any descriptive notes in these Articles are for ease of reference only and shall not affect the construction or interpretation of these Articles;
 - 2.3.9 reference to a **"group undertaking"** means, in relation to any undertaking, its parent undertaking (if any) and its subsidiary undertakings (as such terms are defined by section 1162 of the Act) and any other subsidiary undertakings of its parent undertaking;

- 2.3.10 reference to a **"transfer"** of Shares or any similar expression will be deemed to include (without limitation):
- 2.3.10.1 any sale or other disposition of the legal or equitable interest in a Share (including any voting right attached to a Share) (**"Interest"**);
 - 2.3.10.2 the creation of any mortgage, charge, pledge or other encumbrance over any Interest;
 - 2.3.10.3 any direction by a Member entitled to an allotment or issue or transfer of Shares that a Share be allotted or issued or transferred to some person other than himself; and
 - 2.3.10.4 any grant of an option to acquire either or both of the legal and equitable ownership of any Share by any Member entitled to any such Share; and
- 2.3.11 reference to a **"holder"** means, in relation to Shares, the person whose name is entered in the register of members of the Company of the holder of the relevant Shares.
- 2.4 Unless it is specifically stated otherwise, any dispute as to value, or as to calculations or adjustments to be made, or as to amount, whether to or in respect of Cash Equivalent, Market Capitalisation, amount of dividend by reference to management accounts under Article 5.3, Market Value of Sale Shares under Article 12 or Article 13.7 or otherwise pursuant to these Articles, will be referred immediately to the Auditors for final determination. If the Auditors decline to act in respect of any such referral, the matter will be determined by an independent firm of chartered accountants agreed for the purpose by the parties concerned or, in default of agreement within five Business Days after the Auditors have declined to act, appointed by the incumbent President of the Institute of Chartered Accountants in England and Wales. The Auditors or independent accountants (as the case may be) will act as expert and not as arbitrator and their costs will be borne as directed by the Article in question or, if the Article is silent on the point, as directed by the Auditors/independent accountants. In the absence of any such direction, such costs will be borne equally between the parties concerned. The written certificate of the Auditors/independent accountants (as the case may be) will be conclusive and binding on the Company and the Members (except in the case of fraud or manifest error).
- 2.5 Any consent, notice, agreement, approval or direction, or the exercise of a discretion required to or which may be given by the A Ordinary Shareholders and/or the A Majority and/or the A Majority Director pursuant to these Articles may be given by the A Majority or the A Majority Director.
- 2.6 No Member will, in relation to any matter to which the consent of the A Majority has been given pursuant to these Articles or otherwise, take or refuse to take any action or actions as a Member which would frustrate or otherwise prevent, hinder or impair the doing or happening of such matter provided that the foregoing provisions of this Article 2.6 shall not operate so as to require any Member to pay or commit to pay any monies or otherwise incur any liability, or vote in a particular manner at a class meeting where the matter for discussion involves a variation of the class rights attaching to the Shares held by that Member.
- 2.7 Where, for any purpose, an ordinary resolution of the Company is required, a special resolution is also effective for that purpose.

3. PRIVATE COMPANY STATUS AND LIMITATION OF MEMBERS

- 3.1 The Company is a private company limited by shares and accordingly any offer to the public to subscribe for any shares or debentures of the Company is prohibited.
- 3.2 The liability of the Members is limited to the amount, if any, unpaid on the Shares held by them.

4. SHARE RIGHTS

- 4.1 The rights and restrictions attaching to the A Ordinary Shares and C Ordinary Shares are set out in full in these Articles.

5. SHARE RIGHTS - INCOME

- 5.1 Subject to Article 5.2, any profits which the Company determines to distribute in respect of any Accounting Period (or part thereof) ("**Relevant Accounting Period**") will be distributed on a non cumulative basis to the holders of the Equity Shares
- 5.2 Any dividend referred to in Article 5.1 will be paid in cash on the amounts Credited as Paid Up on the Shares in respect of which it is payable and will belong to and be paid to the holders of the relevant class of Shares pro rata according to their holdings of such class.

Dividends - general

- 5.3 If at any time it is not possible to determine the amount of any dividend or payment by reference to any Accounts, such amount will be determined by reference to the latest available management accounts. Any dispute as to such amount will be determined in accordance with Article 2.4, whose provisions will apply as if set out in full in this Article.

6. SHARE RIGHTS - EXIT/RETURN OF CAPITAL

- 6.1 On an Exit or a return of capital of the Company (other than a redemption of Shares or the purchase by the Company of its own Shares), the Exit Proceeds or the surplus assets and retained profits of the Company after payment of all liabilities and available for distribution among the Members ("**Surplus Assets and Retained Profits**") (as appropriate) will be distributed among the holders of the Equity Shares in the following proportions and priority:

(A) Priority	(B) Class of Share	(C) Proportion of Exit Proceeds/Surplus Assets and Retained Profits
1.	A Ordinary Shares held by Gunvor Ross as at the date of adoption of these Articles	£3,372,670
	A Ordinary Shares held by Stephen Ross as at the date of adoption of these Articles	£302,330

(A) Priority	(B) Class of Share	(C) Proportion of Exit Proceeds/Surplus Assets and Retained Profits
	C Ordinary Shares	£1,225,000
2.	C Ordinary Shares	75% of the balance of Exit Proceeds/Surplus Assets and Retained Profits
	A Ordinary Shares held by Gunvor Ross as at the date of adoption of these Articles	22.94% of the balance of Exit proceeds/surplus Assets and Retained Profits
	A Ordinary Shares held by Stephen Ross as at the date of adoption of these Articles	2.06% of the balance of Exit Proceeds/Surplus Assets and Retained Profits

- 6.2 For the avoidance of doubt where the Exit Proceed/Surplus Assets and Retained Profits are less than £4.9m then the amounts pursuant to Priority 1 shall be adjusted accordingly using proportions based on the amounts set out in Priority 1 above.
- 6.3 In the event of a Listing, immediately prior to and conditional upon such Listing the Members shall enter into such reorganisation of the share capital of the Company as they may agree (or, in default of agreement, as the A Majority shall (acting reasonably) determine) to ensure that the market value of the share capital of the Company on such Listing (ignoring any new equity share capital to be subscribed and issued on the Listing, and determined by the financial advisers to the Company on the Listing) is reallocated between the Members in the same proportions as Article 6.1 would provide.
- 6.4 Any return on a particular class of Shares set out in column (B) of the table at Article 6.1 will be made amongst their holders pro rata as nearly as possible to their respective holdings of Shares of that class.

7. SHARE RIGHTS - VOTING

- 7.1 The voting rights of Members set out in Article 21 are subject to:
- 7.1.1 the following provisions of this Article 7; and
- 7.1.2 Articles 9.4, 13.8 and 13.9.
- 7.2 Each Member that holds Equity Shares shall be entitled to receive notice of, to attend, speak and/or vote at any general meeting of the Company and to vote for the purposes of any written resolution of the Company.
- 7.3 Subject to the provisions of Article 7.4, upon any resolution proposed at a general meeting of the Company on a show of hands or on a poll every Member who (being an individual) is

present in person or by proxy or (if a corporation) by a duly authorised representative or by proxy shall have one vote in respect of each fully paid Share registered in his or its name.

A Majority protection rights

- 7.4 If:
- 7.4.1 there has been a breach of the terms of these Articles or the Investment Agreement by the Company or by the Executives or by the Chairman which, in the reasonable opinion of the A Majority, has or is likely to have a material and adverse effect on the A Majority's investment in the Company; and/or
 - 7.4.2 any two or more Directors are guilty of fraud and/or gross misconduct in relation to the operation of any Group Member; and/or
 - 7.4.3 any act, omission or event has occurred which constitutes or may constitute (with the passage of time or the giving of notice) an event of default under the Bank Documents; and/or
 - 7.4.4 there has been proposed by the Board a liquidation of any Group Member other than a Liquidation,
- and the A Majority have served notice in writing on the Company that they wish the rights set out in Article 7.5 and/or Article 31.2 to apply then, with effect from such notice, Article 7.5 and/or Article 31.2 (as appropriate) will apply.
- 7.5 For so long as the circumstances comprising an event set out in Article 7.4 continue to subsist (unless the A Majority otherwise notify the Company in writing), the number of votes attaching to the A Ordinary Shares at any such general meeting will represent 95% of the voting rights attaching to all Shares after the application of this Article.
- 7.6 In circumstances where an event or circumstance referred to in Article 7.4.2 has occurred, the Chairman shall have the right (on behalf of the Company) to suspend any of the Directors who have committed the acts referred to in Article 7.4.2 from their respective duties on such terms and conditions as the Chairman shall determine which, for the avoidance of doubt, may include exclusion of a Director from the premises from which the Company or any Group Member operates and/or suspension of the right of the Director to count in the quorum necessary for the transaction of business at any meeting of the Directors, to receive notice of, attend, speak and vote at any meeting of the Directors or any meeting of a committee of the Directors (save that the Company shall be required to continue to pay the Directors' respective salaries or fees and provide all other contractual benefits to the Directors during any period of suspension).
- 7.7 Subject to Article 7.4 (which, if applicable, will override the provisions of this Article 7.7) and notwithstanding the number of Shares in issue, for so long as the A Shareholders and/or any A Shareholder Connected Person hold(s) any Shares, the Shares held by the A Shareholders and/or any A Shareholder Connected Person shall confer on the A Shareholders and/or any A Shareholder Connected Person the entitlement to cast at any general meeting of the Company or to vote for the purposes of any written resolution of the Company such percentage of all votes capable of being cast at that general meeting or by that written resolution as is equal to the lower of:
- 7.7.1 49.99%; and

- 7.7.2 such percentage as is equal to the proportion which the aggregate number of Shares in issue held by the A Shareholders (or any A Shareholder Connected Person) bears to the aggregate number of Shares then in issue.

Subject to Articles 7.4 and 7.5, the percentage of votes that the A Majority are not entitled to cast pursuant to this Article 7.7 shall be conferred on the C Ordinary Shareholders pro rata as nearly as possible to their respective holdings of C Ordinary Shares.

8. ISSUE AND ALLOTMENT OF NEW SHARES

- 8.1 Subject to Article 8.5 and unless the Members acting by special resolution otherwise direct the Directors any new Shares will be offered by the Directors for subscription to the holders of the Equity Shares in such proportions as equal (as nearly as possible) the proportion of Equity Shares held by them respectively at that time.
- 8.2 The offer will be made by notice specifying the number and class of Shares offered, the price per Share, and a time (being not less than 10 Business Days) within which the offer, if not accepted, will be deemed to be declined. At the end of that period or, if earlier, on the receipt of an indication from the person(s) to whom such notice is given that he/they decline(s) to accept some or all of the Shares so offered, the Directors will offer the declined Shares in the same proportions to the holders of Equity Shares who have accepted all the Shares initially offered to them. This further offer will be made in the same manner as the original offer but may, at the discretion of the Directors, be limited to a period of five Business Days after which it will (to the extent that any Shares remain unaccepted) be deemed to have been withdrawn.
- 8.3 Any Shares not taken up at the end of the procedure set out in Articles 8.1 and 8.2 may be offered by the Directors to a third party (to be approved by the A Majority in writing), and, subject to these Articles, the provisions of section 551 of the Act and to the prior written consent of the A Majority, such Shares will be at the disposal of the Directors who may allot, grant options over or otherwise dispose of them to such persons at such times and generally on such terms as they think fit. However:
- 8.3.1 no Shares will be issued at a discount;
- 8.3.2 no Shares will be issued more than three months after the end of the period for acceptance of the last offer of such Shares under Articles 8.1 and 8.2 unless the procedure set out in those Articles is repeated in respect of such Shares; and
- 8.3.3 no Shares will be issued on terms which are more favourable than those on which they were offered to the Members.
- 8.4 In accordance with section 567(1) of the Act, sections 561 and 562 of the Act shall not apply to an allotment of equity securities (within the meaning of section 560 of the Act) by the Company.
- 8.5 The provisions of Articles 8.1 to 8.4 (inclusive) shall not apply to the issue of Shares under the terms of any share options which have been granted with the prior written consent of the A Majority.
- 8.6 If, due to any inequality between the number of new Shares to be issued and the number of Shares held by Members entitled to have the offer of new Shares made to them pursuant to the provisions of this Article 8, any difficulty arises in the apportionment of any such new

Shares amongst the Members, such difficulties will be determined by the Board with the prior written consent of the A Majority.

9. TRANSFERS OF SHARES - PROHIBITED TRANSFERS

General prohibitions

9.1 The Directors will not register any transfer of:

9.1.1 Shares to any person who, in the opinion of the Board is carrying on business directly or indirectly in competition with the Company or any Group Member, except this restriction will not apply to:

9.1.1.1 any transfer of Shares required by and in accordance with Article 13; or

9.1.1.2 any transfer of Shares pursuant to Articles 14 and 15; or

9.1.1.3 any transfer of Shares by or to the A Shareholders (or either of them) (or any A Shareholder Connected Person); or

9.1.1.4 any transfer of Shares pursuant to Article 10.1; or

9.1.2 Shares to any person who does not have legal capacity to hold and/or transfer such Shares or otherwise to comply fully with the provisions of these Articles.

Prohibition unless in accordance with those Articles

9.2 Subject to Article 9.1, the Directors will not register a transfer of Shares unless:

9.2.1 the transfer is permitted by Article 10, or has been made in accordance with Article 11 or Article 13; and

9.2.2 the proposed transferee has (if such person is not already a party to the Investment Agreement) in a legally binding manner, entered into and delivered to the Company, a Deed of Adherence.

9.3 For the purpose of ensuring that:

9.3.1 a transfer of Shares is permitted under these Articles; or

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

9.3.3 no circumstances have arisen whereby the tag along provisions set out in Article 14 are required to be or ought to have been triggered,

the Board may require any Member or the PRs or the trustee in bankruptcy of any bankrupt Member to procure that any person whom the Board reasonably believe(s) to have information and evidence relevant to such purpose, provides the Company with such information and evidence as the Board thinks fit (including, but not limited to, the names, addresses and interests of all persons respectively having an Interest in the Shares from time to time registered in a Member's name) regarding any matter which they may deem relevant for such purposes.

9.4 Pending the provision of the information and evidence referred to in Article 9.3 the Board will be entitled to refuse to register any relevant transfer. Failing such information or evidence being provided to enable the Board to determine to their reasonable satisfaction that no breach of this Article 9 has occurred, or if as a result of such information and evidence the Board are reasonably satisfied that such breach has occurred, the Board may notify the Member holding such Shares or Interest in Shares in writing of that fact and, if the Member fails to provide such information or evidence or remedy such breach within 10 Business Days of receipt of such written notice, then:

9.4.1 the relevant Shares shall cease to confer upon the holder thereof (or any proxy thereof) any rights:

9.4.1.1 to vote (whether on a show of hands or on a poll and whether exercisable at a general meeting of the Company or at any separate meeting of the class in question); or

9.4.1.2 to receive dividends or other distributions (other than the amount paid-up (including any premium) on the relevant Shares upon a return of capital); or

9.4.1.3 otherwise attaching to such Shares; or

9.4.1.4 to any further Shares issued in right of such Shares or in pursuance of an offer made to the relevant holder; and

9.4.2 the holder of the relevant Shares maybe required (by notice in writing to such holder from the Board) at any time following such notice to transfer some or all of his Shares to such person(s) and at a price determined by the Board.

The rights referred to in this Article 9.4 shall be reinstated by the Board once the failure to provide information and evidence, or to remedy the breach, is remedied or, if earlier, upon the completion of any transfer referred to in this Article 9.4 and may be reinstated by the Board at any time. If a Member fails or refuses to execute and deliver any transfer and the share certificates in respect of any Shares ("**Relevant Shares**") pursuant to its obligations under Article 9.4, the Board may irrevocably appoint any person with full power and authority to:

9.4.3 execute, complete and deliver the necessary transfer(s) and a suitable indemnity in the absence of the relevant share certificates on the defaulting Member's behalf to give effect to the transfer of the Relevant Shares to a transferee; and

9.4.4 against receipt by the Company of the purchase money payable for the Relevant Shares (to be held on trust for the defaulting Member without interest) (such receipt being a good discharge to the transferee who will not be bound to see to the application thereof) deliver such transfer(s) to the relevant transferee.

The Board will authorise registration of the transfer(s), and of the transferee as the holder of the Relevant Shares, once appropriate stamp duty (if any) has been paid. After registration, the title of the transferee as registered holder of the Relevant Shares will not be affected by any irregularity in, or invalidity of, such proceedings, which shall not be questioned by any person.

9.5 The transferor of the legal interest in Shares shall remain the legal holder of the Shares concerned until the name of the transferee of the legal interest in the Shares concerned is

entered in the Company's register of members in respect thereof. Any transfer made in breach of these Articles shall be void.

10. PERMITTED TRANSFERS

10.1 Subject to approval of the Board, any Shares may be transferred without restriction at any time:

10.1.1 by an A Ordinary Shareholder (or any of them) to each other or to any A Shareholder Connected Person and by any A Shareholder Connected Person to the A Ordinary Shareholder (or any of them);

10.1.2 by a C Ordinary Shareholder (or any of them) to each other or to any C Shareholder Connected Person and by any C Shareholder Connected Person to the C Ordinary Shareholder (or any of them);

10.1.3 by an A Ordinary Shareholder to any third party ("**Third Party Transferee**") provided that the business of the Third Party Transferee does not directly compete with that of the Group within the territories in which the Group operates and provided that the Third Party Transferee is not one of the Founders.

10.2 Subject to Article 9, any Shares may be transferred:

10.2.1 in accordance with Article 11; or

10.2.2 when required by, and in accordance with, Article 13; or

10.2.3 to a Buyer in acceptance of an Approved Offer pursuant to Article 14 or Article 15; or

10.2.4 by any person who holds Shares upon the terms of a discretionary trust including, without limitation, any Employment Benefit Trust or any professional trustee, for the benefit of a class of beneficiaries which includes, without limitation, existing or future employees and/or directors of any Group Member to any beneficiary of that trust or to any employee and/or director and/or Consultant of any Group Member who is not a beneficiary of that trust or to any replacement trustees or into the joint names of the existing and any new or additional trustees.

10.2.5 to the A Shareholders (or either of them); or

10.2.6 to any person with the prior written consent of the A Majority subject to article 10.1.3.

11. PRE-EMPTION

Transfer notices

11.1 Except in the case of a transfer pursuant to Article 10.1, Article 13, Article 14 or Article 15 or a transfer made with the prior written consent of the A Majority subject to article 10.1.3 and subject to the prohibitions on transfers set out in Article 9, a Seller must give a Transfer Notice to the Company copied to the A Majority.

11.2 Each Transfer Notice will (except as provided in Article 15) relate to one class of Shares only and will specify:

- 11.2.1 the number and class of Sale Shares;
- 11.2.2 the identity of the Proposed Transferee(s) (if any);
- 11.2.3 the price per Share at which the Seller wishes to transfer the Sale Shares; and
- 11.2.4 whether or not the Transfer Notice is subject to a Total Transfer Condition. In the absence of any such stipulation it will be deemed not to be so conditional.

Transfer price

- 11.3 The Transfer Notice will constitute the Company as the agent of the Seller for the transfer of all the legal title to, beneficial ownership of and all interests and rights attaching to the Sale Shares in accordance with this Article 11 at the following price ("**Transfer Price**"):
- 11.3.1 the price which may be agreed between the Seller and the Sub-Committee as representing the Market Value of the Sale Shares within 10 Business Days after the date of service or deemed service of the Transfer Notice; or
- 11.3.2 in default of agreement under Article 11.3.1 the lower of:
 - 11.3.2.1 the price per Share specified in the Transfer Notice; and
 - 11.3.2.2 the Market Value of the Sale Shares as at the date of service or deemed service of the Transfer Notice, and as determined in accordance with Articles 2.4, 12 and/or 13.7 (as appropriate).

Offer of Sale Shares

- 11.4 The provisions of Articles 11.4 to 11.16 will apply to any transfer of any Shares by any Member other than in accordance with Article 10.1, Article 13 (except in circumstances where the A Majority decide otherwise), Article 14 or Article 15 and other than with the prior written consent of the Board.
- 11.4.1 Within 10 Business Days after the later of:
 - 11.4.1.1 the receipt by the Company of a Transfer Notice; and
 - 11.4.1.2 the determination of the Transfer Price,

the Company (in its capacity as agent for the Seller) may (and will if so directed by the A Majority) immediately offer at the Transfer Price such number of Sale Shares as it (or the A Majority if the A Majority have given such a direction) may determine to:

 - 11.4.1.3 any person who will hold the Sale Shares upon the terms of a discretionary trust including, without limitation, any Employee Benefit Trust or any professional trustee for the benefit of a class of beneficiaries which includes, without limitation, existing or future employees and/or directors and/or Consultants of any Group Member;
 - 11.4.1.4 any employee or director of or Consultant to any Group Member; and/or

11.4.1.5 any person or persons replacing in whole or in part the Seller as employee or director of the Company or any member of the Group; and/or

11.4.1.6 the Company pursuant to the provisions of chapter 4 of part 18 of the Act.

The Company shall require the consent of the A Majority (such consent not to be unreasonably delayed or withheld) before directing an offer to be made under this Article 11.4.1, save in respect of Article 11.4.1.5 in circumstances such that the Sale Shares equate to not more than 1 per cent of the Shares on a fully diluted basis.

11.4.2 Subject to the provisions of Article 11.4.1, if any offeree of the Sale Shares pursuant to this Article 11.4 applies for any of them within 15 Business Days after the date of the offer, the Company will allocate to such offeree the number of Sale Shares applied for on the later of:

11.4.2.1 the fifteenth Business Day following receipt of the Transfer Notice; and

11.4.2.2 the date on which the Transfer Price is determined.

11.4.3 If all of the Sale Shares are so allocated, the provisions of Articles 11.5 to 11.9 will not apply. If none or some only of the Sale Shares are so allocated, the provisions of Articles 11.5 to 11.9 will have effect as if reference to Sale Shares was to those not allocated in accordance with this Article 11.4.

11.5 Subject to Article 11.4, within 10 Business Days after its receipt of a Transfer Notice or, where later, on the determination of the Transfer Price, the Company (in its capacity as agent for the Seller) will give notice in writing to each Equity Shareholder holding the same class of Shares as the Sale Shares (other than the Seller, a Compulsory Seller and any other Member who has served or who is deemed to have served a Transfer Notice in respect of his entire holding of Shares pursuant to which the sale of such Shares has not then been concluded) offering the Sale Shares for sale at the Transfer Price in accordance with Article 11.3. The notice will specify that the appropriate Equity Shareholders will have a period of up to 20 Business Days from the date of such notice within which to apply for some or all of the Sale Shares.

11.6 If after the expiry of the offer period specified in Article 11.5 any Sale Shares remain unallocated the Company (in its capacity as agent for the Seller) will give notice in writing to each of the Equity Shareholders (other than the Seller, a Compulsory Seller, any other Member who has served or who is deemed to have served a Transfer Notice in respect of his holding of Shares pursuant to which the sale of such Shares has not been concluded and any other Member to whom the Sale Shares were offered in accordance with Article 11.5) offering the unallocated Sale Shares for sale at the Transfer Price in accordance with Article 11.3. The notice will specify that such Equity Shareholders will have a period of up to 20 Business Days from the date of such notice within which to apply for some or all of the unallocated Sale Shares.

11.7 Whenever the Sale Shares are C Ordinary Shares, all holders of C Ordinary Shares to whom the offer is made must, before making their applications for Sale Shares and in any event within ten Business Days from the date of the notice given by the Company, notify the A

Majority in writing of whether they intend to accept the offer and, if so, the number of Sale Shares, including Extra Shares, for which they intend to apply.

- 11.8 It will be a term of any offer made in accordance with Article 11.5 or Article 11.6 that, if there is competition between Equity Shareholders for the Sale Shares or unallocated Sale Shares (as appropriate), such Sale Shares or unallocated Sale Shares (as appropriate) will be treated as offered among the relevant Equity Shareholders in proportion (as nearly as possible) to their existing holdings of Equity Shares ("**Proportionate Entitlement**"). However, the offer will also invite Members to indicate in their applications for Sale Shares or unallocated Sale Shares (as appropriate), whether they would be willing to buy Shares in excess of their Proportionate Entitlement should any such Shares be available and, if so, how many ("**Extra Shares**").

Allocation of Sale Shares

- 11.9 After the expiry of the offer period specified in Article 11.5, (or, if sooner, upon valid applications being received for all of the Sale Shares in accordance with that Article), or if Article 11.6 is applicable the expiry of the offer period specified in Article 11.6, the Board will allocate the Sale Shares as follows:
- 11.9.1 if the total number of Sale Shares applied for (including Extra Shares) is equal to or less than the available number of Sale Shares, each offeree will be allocated the number applied for in accordance with his application (subject to Article 11.13); or
 - 11.9.2 if the total number of Sale Shares applied for is greater than the available number of Sale Shares, each offeree will be allocated his Proportionate Entitlement, or, if less, the number of Sale Shares which he has applied for; and
 - 11.9.3 applications for Extra Shares will be allocated in accordance with such applications or, in the event of competition between Equity Shareholders, among those applying for Extra Shares in such proportions as equal (as nearly as possible) the proportions of all the Shares held by such offerees.
- 11.10 Allocations of Sale Shares made by the Company pursuant to this Article 11 will constitute the acceptance by the persons to whom they are allocated of the offer to purchase those Sale Shares on the terms offered to them, provided that no person will be obliged to take more than the maximum number of Sale Shares which he has indicated to the Company he is willing to purchase.

Completion of sale and purchase of Sale Shares

- 11.11 The Company will immediately upon allocating any Sale Shares (whether pursuant to Article 11.4.2 or Article 11.9) give notice in writing ("**Allocation Notice**") to the Seller and to each person to whom Sale Shares have been allocated specifying:
- 11.11.1 the name and address of the person to whom Sale Shares have been so allocated;
 - 11.11.2 the number of Sale Shares so allocated;
 - 11.11.3 the aggregate price payable for them;
 - 11.11.4 any additional information required by Article 11.13.1 (if applicable); and

- 11.11.5 (subject to Article 11.13.1) the place and time (being not later than 5 Business Days after the date of the Allocation Notice) at which the sale of the Sale Shares will be completed.
- 11.12 Subject to Article 11.13, completion of the sale and purchase of Sale Shares in accordance with the Allocation Notice will take place at the place and time specified in the Allocation Notice when the Seller will, upon payment of the Transfer Price, transfer those Sale Shares specified in the Allocation Notice and deliver the relevant share certificates in respect of such Sale Shares to the persons to whom they have been allocated.
- 11.13 If the Transfer Notice included a Total Transfer Condition and the total number of Shares applied for is less than the number of Sale Shares:
 - 11.13.1 the Allocation Notice will refer to such Total Transfer Condition and will contain a further offer, open for 20 Business Days, to those persons to whom Sale Shares have been allocated to apply for further Sale Shares; and
 - 11.13.2 completion of the transfer in accordance with the preceding provisions of this Article 11 will be conditional upon all such Sale Shares being so allocated and shall take place no later than five Business Days after service of notice by the Company to the Seller that the Total Transfer Condition has been satisfied.

Default by the Seller

- 11.14 Except in the case of an acquisition of Sale Shares by the Company, if the Seller fails or refuses by the due completion date to execute and deliver transfers and the share certificates in respect of any of the Sale Shares which he is due to transfer, the Board may (and will if so directed by the A Majority) irrevocably appoint any person with full power and authority to:
 - 11.14.1 execute, complete and deliver the necessary transfer(s) and a suitable indemnity in the absence of the relevant share certificates on the Seller's behalf so as to give effect to the transfer of the Sale Shares to the relevant offeree; and
 - 11.14.2 against receipt by the Company of the Transfer Price payable for the relevant Sale Shares (to be held on trust for the Seller without interest) (such receipt being a good discharge to the offeree who will not be bound to see to the application thereof), deliver such transfer(s) to the relevant offeree(s).

The Board will then authorise registration of the transfer(s), and of the offeree(s) as the holder(s) of the Sale Shares so transferred, once appropriate stamp duty (if any) has been paid. After registration, the title of such offeree(s) as registered holder(s) of such Sale Shares will not be affected by any irregularity in, or invalidity of, such proceedings, which shall not be questioned by any person.

- 11.15 In the case of an acquisition of Sale Shares by the Company, if the Seller fails or refuses by the due completion date to transfer and/or to deliver the share certificates (or a suitable indemnity) in respect of any Sale Shares, the Board may (and will if so directed by the A Majority) irrevocably appoint any person with full power and authority to execute, complete and deliver the necessary transfer and indemnity to the Company on the Seller's behalf. When that instrument has been duly stamped, the Company will ensure that such share capital is cancelled in accordance with the Act, and will hold the purchase monies on trust (without interest) for the Seller.

Exhaustion of pre-emption rights

- 11.16 Immediately after the exhaustion of any pre-emption process followed in accordance with these Articles, if any Sale Shares remain unallocated, the Company will notify the Seller of that fact. The Seller may, at any time within three calendar months after receiving such notice (but not otherwise unless the pre-emption procedure set out in these Articles is repeated), transfer any unsold Sale Shares to the Proposed Transferee at any price which is not less than the Transfer Price, except that:
- 11.16.1 the Board will refuse registration of any transfer to a Proposed Transferee who is a person to whom Shares may not be transferred by virtue of Article 9;
 - 11.16.2 if any such transfer would, if made and registered, result in the Proposed Transferee obtaining or increasing a Controlling Interest, the Board will refuse registration of such transfer until such time as an Approved Offer has been made and the provisions of Article 14 complied with;
 - 11.16.3 if the Seller included a Total Transfer Condition in the Transfer Notice which has not been satisfied, the Seller will be entitled to transfer all (but not some only) of the Sale Shares;
 - 11.16.4 any such transfer must be in good faith and the Board may (and will if so directed by the A Majority) require to be satisfied (in such manner as it and the A Majority may reasonably think fit) that the Sale Shares are being sold at a price which is not less than the Transfer Price without any deduction, rebate or allowance whatsoever. If the Board and/or the A Majority are not so satisfied, the Board may (and will if so directed by the A Majority) refuse to register the transfer; and
 - 11.16.5 in the case of any deemed transfer process pursuant to Article 13, the Compulsory Seller will not be entitled to transfer any unsold Sale Shares to any third party.

12. VALUATION***Determination of "Market Value"***

If the Sub-Committee or the Auditors (or, by virtue of Article 2.4, independent accountants) are required to determine Market Value pursuant to Article 11.3.2.2, the provisions set out below will apply.

- 12.1 Market Value will be determined by the Sub-Committee or the Auditors or, as the case may be, independent accountants, and, in making such determination, the Sub-Committee or the Auditors (or, by virtue of Article 2.4, the independent accountants) shall first value the Company as a whole:
- 12.1.1 assuming, if the Company is then carrying on business as a going concern, that it will continue to do so;
 - 12.1.2 assuming that the entire issued share capital of the Company is being sold as between a willing buyer and a willing seller by arm's-length private treaty for cash payable in full on completion of the sale;
 - 12.1.3 taking account of any Shares which may be allotted pursuant to options which have been issued by the Company and which are still outstanding;

- 12.1.4 taking account of any bona fide offer for the Company received from an unconnected third party within six months prior to the Transfer Notice being served or deemed to have been served;
 - 12.1.5 recognising that in any other circumstances the Shares are not freely marketable; and
 - 12.1.6 if relevant, having regard to the number of shares being sold, applying a discount to reflect the fact that the Shares represent a minority interest in the Company.
- 12.2 Having valued the Company as a whole, the Sub-Committee or the Auditors or, as the case may be, independent accountants will determine the Market Value of the Shares concerned having deducted from the value of the Company as a whole (if not already taken into account when so valuing the Company) any arrears, accruals or deficiencies of dividend on Shares of any class.
- 12.3 The costs and expenses of the Auditors (or independent accountants) for reporting on their opinion of the Market Value will be borne as to one half by the Seller and as to the other half by the purchasing Shareholders pro-rata to the number of Sale Shares purchased by them unless none of the Sale Shares are purchased by Equity Shareholders pursuant to Article 11, in which case the Seller will pay all such costs and expenses.

13. COMPULSORY TRANSFERS

Circumstances which trigger compulsory transfer

- 13.1 This Article 13 applies with effect from when a Relevant Individual:
- 13.1.1 ceases for any reason to be an employee and/or director and/or Consultant of any Group Member or, though still an employee and/or director and/or Consultant of any Group Member, by virtue of his permanent incapacity becomes eligible for benefits and begins claiming such benefits under a permanent health insurance policy or is declared bankrupt; and/or
 - 13.1.2 commits a breach of the terms of these Articles or the Investment Agreement which, in the reasonable opinion of the A Majority, has or is likely to have a material and adverse effect on the A Shareholders' investment in the Company.

Compulsory pre-emption procedure

- 13.2 Subject to Article 13.3, within 18 months after the Cessation Date, the Board may (and will if directed by the A Majority) serve notice ("**Compulsory Sale Notice**") on the Relevant Individual (or the PRs or the trustee in bankruptcy of any bankrupt Member or any person to whom the Relevant Individual has been permitted to transfer Shares or any Connected Person of the Relevant Individual who holds Shares), (each a "**Compulsory Seller**" and together "**Compulsory Sellers**") requiring each such person to offer for sale such number as the A Majority may decide of the C Ordinary Shares registered in his or their name(s) or to which he is or they are or may become entitled whether as a result of his or their holding of Shares or otherwise ("**Compulsory Sale Shares**").
- 13.3 In the event that Article 13.1 shall apply in respect of any Relevant Individual without the actual knowledge of the A Majority, the Board shall give written notice of the event giving rise to the applicability of Article 13.1 to the A Majority within 10 Business Days of such

event occurring and no transfer of any Compulsory Sale Shares shall be registered by the Company without the consent of the A Majority.

- 13.4 The Compulsory Sale Shares will be offered for sale at the Transfer Price to such person or persons as the A Majority may decide (other than to any Compulsory Seller or any other Member who has served or who is deemed to have served a Transfer Notice in respect of his entire holding of Shares which is still outstanding) or otherwise in accordance with the provisions of Article 11 (which will apply mutatis mutandis as if set out in full in this Article 13 except to the extent that they are varied by the following provisions of this Article 13). The A Majority may also at any time direct the Board to vary or cancel any Transfer Notice previously given or deemed to have been given by the Compulsory Seller(s) which is still outstanding at the Cessation Date.

Transfer price

- 13.5 The aggregate "**Transfer Price**" for the Compulsory Sale Shares will be:

13.5.1 if the Relevant Individual is a Bad Leaver, the lower of:

- (a) the issue price (including any premium) of the Compulsory Sale Shares (or, where any of the Compulsory Sale Shares were acquired by a Compulsory Seller by way of transfer rather than allotment, the lower of the issue price (including any premium) and the amount paid by such Compulsory Seller on the transfer ("**Cost Price**")); and
- (b) the Market Value of the Compulsory Sale Shares on the Cessation Date to be agreed or determined in accordance with Article 13.7;

13.5.2 if the Relevant Individual is a Good Leaver, the Market Value of the Compulsory Sale Shares on the Cessation Date, to be agreed or determined in accordance with Article 13.7.

- 13.6 If:

13.6.1 a Compulsory Seller commits any act or omission which constitutes a breach of any restrictive covenant contained in the Investment Agreement (if applicable) or in his service agreement or employment contract with a member of the Group, other than a breach which does not have a material adverse effect on the business of the Group; or

13.6.2 it is discovered that, prior to becoming a Compulsory Seller, the Compulsory Seller did anything (whether by act or omission) which constituted a breach of any restrictive covenant contained in the Investment Agreement (if applicable) or in his service agreement or employment contract with a member of the Group, or constituted fraud,

the price for any C Ordinary Shares held by that Compulsory Seller shall be £1 in aggregate and any Compulsory Sale Notice served or deemed to have been served pursuant to Article 13.2 shall be deemed to be modified accordingly. If that Compulsory Seller has already transferred his C Ordinary Shares for the price determined in accordance with Article 13.5, he shall pay to the Company all monies received by him in consideration for the transfer of his C

Ordinary Shares in accordance with this Article 13, less £1 (which shall then be deemed to be the aggregate price paid to the Compulsory Seller).

13.7 **"Market Value"** for the purposes of this Article 13 will be:

13.7.1 the price determined by the Sub-Committee with the consent of the A Majority to be the Market Value of such C Ordinary Shares on the Cessation Date, according to the principles set out in the Article 13 but having regard also to the effect on the Group of the Relevant Individual in question ceasing to be an employee or director or Consultant of any Group Member; or

13.7.2 if the Sub-Committee and the A Majority fail to agree a price within 35 Business Days of the date of service of the Compulsory Sale Notice (or within such other timetable as may be determined by the A Majority), the price determined by an independent firm of chartered accountants agreed or appointed as provided in Article 2.4 to be the Market Value of the Compulsory Sale Shares on the Cessation Date, according to the principles set out in Article 12, but having regard also to the effect on the Group of the Relevant Individual in question ceasing to be an employee and/or director and/or Consultant of any Group Member. If the independent firm of chartered accountants appointed to determine the Market Value of the Compulsory Sale Shares fails to provide such determination within 45 days of their appointment then the Market Value for the purposes of this Article 13 will be the price for such Compulsory Sale Shares proposed by the A Majority. The costs and expenses of the independent accountants for reporting on their opinion of the Market Value will be borne by the Company.

Suspension of voting rights during compulsory transfer procedure

13.8 Unless the A Majority direct otherwise in writing, any C Ordinary Shares held by a Compulsory Seller on the Cessation Date (and any C Ordinary Shares issued to a Compulsory Seller after such date by virtue of the exercise of any right or option granted or arising by virtue of his holding of C Ordinary Shares) will cease to confer the right to be entitled to receive notice of, or to attend, speak or vote at general meetings of the Company or to vote for the purposes of any written resolution of the Company, or any meeting of the holders of any class of Shares with effect from the Cessation Date (or, where appropriate, the date of issue of such Shares, if later), and such C Ordinary Shares will not be counted in determining the total number of votes which may be cast at any such meeting, or for the purposes of a written resolution of any Members or class of Members. Those rights will be restored immediately upon the Company registering a transfer of those C Ordinary Shares in accordance with this Article 13 or at the direction of the A Majority.

Rights in respect of retained Shares

13.9 Notwithstanding any other provision of these Articles, if a Relevant Individual (or the PRs or the trustee in bankruptcy of any bankrupt Member) retains any C Ordinary Shares ("**Retained Shares**") he shall have all the rights of and shall rank pari passu with the other holders of the class of C Ordinary Shares he holds save that he shall be deemed to vote at any general meeting of the Company or any meeting of the holders of any class of Shares or on any written resolution of any Members or class of Members as the A Majority shall direct and shall be deemed to grant any consent in respect of any matters to be consented to in respect of any such meeting or resolution as directed by the A Majority and shall not otherwise be entitled to vote at any such meeting or to vote on any written resolution of the Members or

class of Members. The provisions of this Article 13.9 shall apply to the Retained Shares and to any subsequent holder of the Retained Shares unless otherwise directed by the A Majority.

Default by the Compulsory Seller

- 13.10 Except in the case of an acquisition of Compulsory Sale Shares by the Company, if the Compulsory Seller fails or refuses by the due completion date to execute and deliver transfers and the share certificates in respect of any of the Compulsory Sale Shares which he is due to transfer, the Board may (and will if so directed by the A Majority) irrevocably appoint any person with full power and authority to:
- 13.10.1 execute, complete and deliver the necessary transfer(s) and a suitable indemnity in the absence of the relevant share certificates on the Compulsory Seller's behalf so as to give effect to the transfer of the Compulsory Sale Shares to the relevant offeree; and
 - 13.10.2 against receipt by the Company of the Transfer Price payable for the relevant Compulsory Sale Shares (to be held on trust for the Compulsory Seller without interest) (such receipt being a good discharge to the offeree who will not be bound to see to the application thereof), deliver such transfer(s) to the relevant offeree(s).

The Board will then authorise registration of the transfer(s), and of the offeree(s) as the holder(s) of the Compulsory Sale Shares so transferred, once appropriate stamp duty (if any) has been paid. After registration, the title of such offeree(s) as registered holder(s) of such Compulsory Sale Shares will not be affected by any irregularity in, or invalidity of, such proceedings, which shall not be questioned by any person.

- 13.11 In the case of an acquisition of Compulsory Sale Shares by the Company, if the Compulsory Seller fails or refuses by the due completion date to transfer and/or to deliver the share certificates (or a suitable indemnity) in respect of any Sale Shares, the Board may (and will if so directed by the A Majority) irrevocably appoint any person with full power and authority to execute, complete and deliver the necessary transfer and indemnity to the Company on the Compulsory Seller's behalf. When that instrument has been duly stamped, the Company will ensure that such share capital is cancelled in accordance with the Act, and will hold the purchase monies on trust (without interest) for the Compulsory Seller.

Transmission of Shares

- 13.12 Regulations 29 to 31 shall take effect subject to Articles 13.13 and 13.14.
- 13.13 Without prejudice to Articles 13.1 and 13.2 (the provisions of which, when operable, will override the provisions of this Article 13.13 and the provisions of Article 13.12), a person entitled to a Share or Shares in consequence of the death, bankruptcy, receivership or liquidation of a Member or otherwise by operation of law shall be bound at any time, if called upon in writing to do so by the Directors with the consent of the A Majority not later than 90 days after the Directors receive notice from the person concerned that he has become so entitled, to give a Transfer Notice (without specifying a Transfer Price) in respect of all of the Shares then registered in the name of the deceased or insolvent Member in accordance with the provisions of Article 11, which will apply as if set out in full in this Article.
- 13.14 If any such person fails or refuses to give a Transfer Notice in accordance with Article 13.13 and to execute and deliver transfers and the share certificates in respect of any of the Shares

which should be the subject of the Transfer Notice within 10 Business Days after being called upon to do so:

- 13.14.1 the Board may (and will if directed by the A Majority) irrevocably appoint any person with full power and authority to execute, complete and deliver a transfer of the Shares concerned (and a suitable indemnity in the absence of the relevant share certificates) to a person appointed by the Directors as a nominee for the person entitled to the Shares; and
- 13.14.2 the Company may give a good receipt for the purchase price of such Shares, register the purchaser or purchasers as the holders of them and issue share certificates for the same to such purchasers. After registration, the title of such purchaser or purchasers as registered holder(s) of such Shares will not be affected by any irregularity in, or invalidity of, such proceedings, which will not be questioned by any person. In any such case should the person entitled to the Shares as a consequence of the death, insolvency or otherwise by operation of law deliver up the share certificates for the Shares concerned (or a suitable indemnity in the absence thereof) to the Company he will become entitled to receive the purchase price. In the meantime, the purchase price will be held by the Company on trust for such person without interest.

14. CHANGE OF CONTROL - TAG ALONG RIGHTS

- 14.1 With the exception of transfers of Shares pursuant to Article 10.1, no transfer of the whole of any class of Shares will be registered unless:
 - 14.1.1 an Approved Offer is made by the proposed transferee(s) ("**Buyer**") or, at the Buyer's written request, by the Company as agent for the Buyer; and
 - 14.1.2 the Buyer complies in all respects with the terms of the Approved Offer at the time of completion of the sale and purchase of Shares pursuant to it.
- 14.2 For the purposes of this Article 14 and Article 15:
 - 14.2.1 "**Approved Offer**" means a bona fide arms length offer from a third party purchaser in writing served on all Members holding Equity Shares (including the proposing transferor), offering to purchase all of the Equity Shares held by such Members (including any Shares which may be allotted pursuant to the exercise or conversion of options, rights to subscribe for or securities convertible into Equity Shares in existence at the date of such offer) which:
 - 14.2.1.1 is stipulated to be open for acceptance for at least 15 Business Days;
 - 14.2.1.2 offers consideration for each Equity Share, whether in cash, securities or otherwise in any combination, taking into account the operation of Article 6 but in any event in the same form as that offered to the holders of the A Ordinary Shares;
 - 14.2.1.3 includes provision for the payment of all declared but unpaid dividends on Shares and a price for each A Ordinary Share which is not less than the amount Credited as Paid Up on each A Ordinary Share;

- 14.2.1.4 is on terms that the sale and purchase of Shares in respect of which the offer is accepted will be completed at the same time;
- 14.2.1.5 includes an undertaking by or on behalf of the Buyer that, subject to compliance by the Buyer with Article 14.2.1.4 and except in relation to the operation of Article 6, no other consideration, (whether in cash or otherwise) is to be received or receivable by any Member which, having regard to the substance of the transaction as a whole, can reasonably be regarded as an addition to the price paid or payable for the Shares to be sold by such Member, and that neither the Buyer nor any person acting by agreement or understanding with it has otherwise entered into more favourable terms or has agreed more favourable terms with any other Member for the purchase of Equity Shares; and
- 14.2.1.6 is approved by the A Majority and a majority of the Board other than the A Majority Director.

15. CHANGE OF CONTROL - DRAG ALONG RIGHTS

- 15.1 Whenever an Approved Offer is made, the Board, acting by a majority (such majority shall exclude the A Majority Director (if appointed) who shall be entitled to attend the relevant board meeting but shall not be entitled to vote on a resolution in respect of the matters dealt with in this Article 15.1 only) and the A Majority shall, acting together, have the right (**Drag Along Right**) to require (in the manner set out in Article 15.2) all of the other holders of Shares including persons who acquire Shares following the making of the Approved Offer and/or after completion of the Approved Offer pursuant to the exercise of options or the conversion of securities (**"Remaining Shareholders"**) to accept the Approved Offer in full.
- 15.2 The Drag Along Right may be exercised by the service of notice (**"Drag Along Notice"**) to that effect on the Remaining Shareholders at any time following the making of the Approved Offer (or, if later, within five Business Days following the acquisition by the relevant Remaining Shareholders of any Shares). A Drag Along Notice shall specify:
 - 15.2.1 the identity of the Buyer;
 - 15.2.2 the consideration for which the Shares are to be transferred; and
 - 15.2.3 the proposed date of transfer.
- 15.3 On the exercise of the Drag Along Right, each of the Remaining Shareholders will be bound to accept the Approved Offer in respect of his entire holding of Shares and to comply with the obligations assumed by virtue of such acceptance.
- 15.4 If any of the Remaining Shareholders fails to accept the Approved Offer or, having accepted such offer, fails to complete the sale of any of its Shares pursuant to the Approved Offer, or otherwise fails to take any action required of it under the terms of the Approved Offer, the Board may (and will if so directed by the A Majority) irrevocably appoint any person with full power and authority to accept the offer on behalf of the Remaining Shareholder in question and undertake any action required under the terms of the Approved Offer on the part of the Remaining Shareholder in question. In particular, such person may execute and complete the necessary transfer(s) and a suitable indemnity in the absence of the relevant share certificates on that Remaining Shareholder's behalf so as to give effect to the transfer of the relevant Shares and against:

15.4.1 receipt by the Company of the consideration payable for the relevant Shares (to be held on trust for the Remaining Shareholder without interest) (such receipt being a good discharge to the Buyer who will not be bound to see to the application thereof); and

15.4.2 compliance by the Buyer and, where relevant, the Company with all other terms of the Approved Offer,

deliver such transfer(s) to the Buyer (or its nominee). The Board will then authorise registration of the transfer(s), and of the Buyer (or its nominee) as the holder(s) of the Shares so transferred, once appropriate stamp duty (if any) has been paid. After registration, the title of the Buyer (or its nominee) as registered holder(s) of such Shares will not be affected by any irregularity in, or invalidity of such proceedings, which shall not be questioned by any person. In any such case should the Remaining Shareholder deliver up the share certificates for the Shares concerned (or a suitable indemnity in the absence thereof) to the Company it will become entitled to receive the consideration for such Shares. Where the consideration or part of the consideration to be paid pursuant to the terms of the Approved Offer is newly issued shares in the proposed transferee's share capital, such Remaining Shareholder shall be deemed to have authorised the Company to accept the allotment of shares in the share capital of the proposed transferee on his behalf and on completion of the transfer (duly stamped, if appropriate) the proposed transferee shall register such Remaining Shareholder as the holder of the relevant shares in the capital of the proposed transferee.

16. ELECTRONIC COMMUNICATION

Regulation 1 is modified by:

16.1 deleting the definition given of "electronic communication" and substituting in its place the definition given in these Articles; and

16.2 deleting the words "communication" means the same as in the Electronic Communications Act 2000.

17. SHARE CERTIFICATES

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

18. LIEN

Regulation 8 shall apply.

19. GENERAL MEETINGS

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

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

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

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

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

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

20. PROCEEDINGS AT GENERAL MEETINGS

- 20.1 Regulation 40 is modified so that the quorum for any general meeting (other than a separate class meeting) will be one A Ordinary Shareholder present in person or by proxy.
- 20.2 If any meeting is adjourned pursuant to Regulation 41 because a quorum is not present, and at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the Members present will form a quorum. Regulation 41 is modified accordingly.
- 20.3 Regulation 46 is modified so that a poll may be demanded by the chairman or by any Member present in person or by proxy and entitled to vote at the meeting.
- 20.4 A corporation which is a Member may, by resolution of its directors or other governing body, authorise such a person or persons as it thinks fit to act as its representative or representatives at any meeting of the Company or at any meeting of any class of Members. The provisions of the Act shall apply to determine the powers that may be exercised at any such meeting by any person so authorised. The corporation shall, for the purposes of these Articles, be deemed to be present in person at any such meeting if any person so authorised is present at it, and all references to attendance and voting in person shall be construed accordingly.
- 20.5 In the case of an equality of votes, whether on a show of hands or on a poll, the chairman will not be entitled to a casting vote in addition to any other vote which he may have.
- 20.6 Regulation 51 is amended by replacing the first and second sentences with the following words: "A poll demanded will be taken immediately".

21. VOTES OF MEMBERS

- 21.1 Regulation 56 shall be modified by the deletion of the words "instruments of proxy, not less than 48 hours before the time appointed for holding" and substituting instead the words "forms of proxy, within the time limits prescribed by these Articles for deposit of forms of proxy for use at" and by including the words "or poll" after the words "adjourned meeting".
- 21.2 Regulation 57 is modified by the inclusion after the word "shall" of the phrase ", unless the Directors otherwise determine,".
- 21.3 Regulation 59 is modified by including the words "and on a show of hands" after the words "On a poll" and by including the words ", provided that each proxy is appointed to exercise the rights attached to a different Share or Shares held by him" after the words "to attend on the same occasion". When two or more valid but different forms of proxy or appointments of

proxy by electronic means are delivered or received in respect of the same Share for use at the same meeting, the one which is last validly delivered or received (regardless of its date or the date of its execution) shall be treated as replacing and revoking the other(s) as regards that Share. If the Company is unable to determine which was last delivered or received, none of them shall be treated as valid in respect of that Share. Deposit or delivery of an appointment of proxy will not preclude a Member from attending and voting at the meeting or at any adjournment of the meeting.

- 21.4 Subject to Article 21.5 a form appointing a proxy shall be in writing in the usual form, or in such other form which the Directors may approve, and shall be executed by or on behalf of the appointor.
- 21.5 Subject to the Act, the Directors may resolve to allow a proxy to be appointed by an Electronic Communication subject to limitations, restrictions or conditions as the Directors think fit (including, without limitation, the ability to require such evidence as they consider appropriate to decide whether the appointment of a proxy in such manner is effective).
- 21.6 In order for the appointment of proxy to be valid:
- 21.6.1 (in the case of an appointment of proxy by hard copy) the form of the proxy, together with the relevant documents, if any, must be:
- 21.6.1.1 left at or sent by post to the registered office of the Company (or such other place within the United Kingdom as is specified in the notice convening the meeting and/or in any form of proxy or other accompanying document sent out by the Company in relation to the meeting) by the relevant time; or
- 21.6.1.2 duly delivered in accordance with Articles 21.7 and 21.8; and
- 21.6.2 (in case of an appointment of proxy by Electronic Communication) the communication appointing the proxy, together with the relevant evidence, must be received at the address by the relevant time.
- 21.7 For the purposes of Article 21.6:
- 21.7.1 for the purpose of appointing a proxy by Electronic Communication the **"address"** means the number or address which has been specified by the Company for the purpose of receiving Electronic Communications appointing proxies;
- 21.7.2 **"relevant documents"** means either:
- 21.7.2.1 the power of attorney or other authority relied on to sign the form of proxy; or
- 21.7.2.2 a copy of such document certified as a true copy of the original by a notary or solicitor or certified in some other way approved by the Directors;
- 21.7.3 **"relevant evidence"** means any evidence required by the Directors in accordance with the provisions of Article 21.5; and

21.7.4 **"relevant time"** means 48 hours before the time appointed for the commencement of the meeting or adjourned meeting to which the proxy appointment relates.

21.8 If a meeting is adjourned for less than 48 hours, a form of proxy may also be delivered in hard copy form at the adjourned meeting to the chairman or to any Director.

22. WRITTEN RESOLUTIONS

A proposed written resolution lapses if it is not passed before the end of the period of 28 days beginning with the circulation date (as defined in section 290 of the Act). The "requisite percentage" of Members who can require circulation of a written resolution and any accompanying statement under section 292 of the Act is 5 per cent of the Members entitled to vote on any written resolution.

23. NUMBER OF DIRECTORS

Unless and until otherwise determined by ordinary resolution of the Company, the number of Directors (other than alternate directors) is not subject to any maximum and the minimum is one (except in circumstances where an A Majority Director has been appointed in which case the minimum should be two not including the A Majority Director). Regulation 64 shall be modified accordingly.

24. ALTERNATE DIRECTORS

24.1 Any A Majority Director may appoint any person willing to act, whether or not he is a Director, to be an alternate director. Regulation 65 is modified so that any such appointment does not need to be approved by resolution of the Directors. In Regulation 67 the words "but, if" and the words which follow to the end of that Regulation are deleted.

24.2 Regulation 66 is modified so that an alternate director who is absent from the United Kingdom is entitled to receive notice of all meetings of Directors and of committees of Directors of which his appointor is a member. An alternate director may waive the requirement that notice be given to him of a meeting of Directors or of a committee of Directors of which his appointor is a member, either prospectively or retrospectively.

24.3 The first sentence of Regulation 66 is modified so that an alternate director will not be entitled as such to receive any remuneration from the Company although he may be paid by the Company such part (if any) of the remuneration otherwise payable to his appointor as his appointor may direct by notice in writing to the Company.

24.4 An alternate director will be entitled to be reimbursed by the Company such expenses as might reasonably and properly be reimbursed to him if he were a Director.

24.5 An alternate director's appointment will determine if he resigns by written notice left at or sent to the registered office of the Company.

24.6 A Director, or any other person mentioned in Regulation 65, may act as an alternate director to represent more than one Director, and an alternate director will be entitled at any meeting of the Board to one vote for every Director whom he represents in addition to his own vote (if any) as a Director, but he will count as only one person for the purpose of determining whether a quorum is present.

25. DELEGATION OF DIRECTOR'S POWERS

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

26. APPOINTMENT AND RETIREMENT OF DIRECTORS

- 26.1 A Director will not retire by rotation. Reference in Regulations 67, 78 and 84 to retirement by rotation will be disregarded.
- 26.2 The holder or holders of such number of Shares as give the right to a majority of votes at general meetings of the Company may, by giving notice to the Company, remove any Director from office and/or appoint any person to be a Director. The notice must be signed by or on behalf of such holder or holders (and may consist of several documents in similar form each signed by or on behalf of one or more holders) and must be left at or sent by post or fax to the registered office or such other place designated by the Directors for the purpose. Such removal or appointment will take effect when the notice is received by the Company or on such later date (if any) as may be specified in the notice. This Article 26.2 will not apply to the appointment or removal of an A Majority Director. This Article 26.2 is not to be taken as depriving a person removed under it of compensation or damages payable to him in respect of the termination of his appointment as a Director or of any appointment terminating with that as a Director.

27. DISQUALIFICATION AND REMOVAL OF DIRECTORS

The office of a Director will be vacated if:

- 27.1 he ceases to be a Director by virtue of any provision of the Act or he becomes prohibited by law from being a Director;
- 27.2 he becomes bankrupt or makes any arrangement or composition with his creditors generally;
- 27.3 he becomes, in the opinion of all his co-Directors, mentally incapable of discharging his duties as Director;
- 27.4 he resigns his office by notice in writing to the Company;
- 27.5 (other than in the case of any A Majority Director and any alternate director appointed by any A Majority Director) he has for more than six consecutive months been absent without permission of the Directors from meetings of Directors held during that period and his alternate director (if any) has not during that period attended any such meetings instead of him, and the Directors resolve that his office be vacated;
- 27.6 (other than in the case of any A Majority Director and any alternate director appointed by any A Majority Director) he is removed from office by notice addressed to him at his last-known address and signed by all his co-Directors;
- 27.7 (other than in the case of any A Majority Director and any alternate director appointed by any A Majority Director) he is removed from office by notice given by a Member or Members under Article 26.2; or

- 27.8 being an executive Director he ceases, for whatever reason, to be employed by any Group Member.

28. COMMITTEES

Without prejudice to Regulation 72 there will be a Remuneration Committee, an Audit Committee and a Sub-Committee each of which will operate in accordance with the Investment Agreement.

29. DIRECTORS' INTERESTS

- 29.1 For the purposes of section 175 of the Act:

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

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

29.1.2.1 an A Ordinary Shareholder;

29.1.2.2 an A Shareholder Connected Person;

29.1.2.3 any other company in which an A Ordinary Shareholder or an A Shareholder Connected Person also holds shares or other securities or is otherwise interested; and

29.1.2.4 any Group Member.

- 29.2 For the purposes of section 175 of the Act, where an office, employment, engagement or interest held by an A Majority Director in another entity has been authorised pursuant to Article 29.1.2 and his relationship with that entity gives rise to an actual or potential conflict of interest, an A Majority Director shall be authorised to:

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

29.2.2 receive confidential information and other documents and information relating to the Group, use and apply such information in performing his duties as a director, officer or employee of, or consultant to an A Ordinary Shareholder or A Shareholder Connected Person and disclose that information to third parties in accordance with the provisions of the Investment Agreement and these Articles;

29.2.3 give or withhold consent or give any direction or approval under the Investment Agreement and these Articles on behalf of an A Ordinary Shareholder; and

29.2.4 provided the circumstances comprising an event specified in Article 7.4 continue to subsist, exercise the rights conferred on him pursuant to Article 31.2.

- 29.3 For the purposes of section 175 of the Act, the Directors shall have the power to authorise any matter which would or might otherwise constitute or give rise to a breach of the duty of a director under that section to avoid a situation in which he has, or can have, an actual or potential conflict of interest, provided that authorisation of such a matter shall be effective only if:
- 29.3.1 any requirement as to the quorum at the meeting of the Directors at which the matter is considered is met without counting the Director in question and any other interested Director (together the "**Interested Directors**"); and
 - 29.3.2 the matter was agreed to without the Interested Directors voting or would have been agreed to if the votes of the Interested Directors had not been counted.
- 29.4 The following provisions of this Article 29.4 apply to any authorisation of a matter by the Directors pursuant to Article 29.3:
- 29.4.1 an authorisation may extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter so authorised;
 - 29.4.2 an authorisation shall be subject to such conditions or limitations as the Directors may (and will if directed by the A Majority) determine, whether at the time such authorisation is given or subsequently, and may be terminated by the Directors (with the prior written consent of, or at the direction of, the A Majority) at any time; and
 - 29.4.3 a Director shall comply with any obligations imposed on him by the Directors (or at the direction of, the A Majority) pursuant to any authorisation.
- 29.5 If a matter, office, employment, engagement or interest, has been authorised pursuant to Articles 29.1, 29.2, 29.3 or 29.4, then the Director or A Majority Director in question shall not be required to disclose to the Company any confidential information received by him (other than by virtue of his position as Director) relating to such matter, or such office, employment, engagement or interest, or use such information in relation to the Group's affairs if to do so would result in a breach of a duty or obligation of confidence owed by him in relation to or in connection with that matter, or that office, employment, engagement or interest.
- 29.6 No Director nor A Majority Director shall be accountable to the Company or any Group Member for any remuneration or other benefit which he (or a person connected with him) derives from any office, employment, engagement or interest authorised in or pursuant to Articles 29.1, 29.2, 29.3 or 29.4, nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act.
- 29.7 Regulation 85 is modified by the addition of the words: "and except in the case of any A Majority Director, to the consent of the A Majority" after the words "provisions of the Act" and before the words ", and provided that he has disclosed" in the first sentence.
- 29.8 For the purposes of this Article 29, a conflict of interest includes a conflict of interest and duty and a conflict of duties, and interest includes both direct and indirect interests.

30. **BORROWING POWERS**

The Directors may exercise all the powers of the Company (whether express or implied) to borrow and/or secure the payment of money, to guarantee the payment of money, the fulfilment of obligations and the performance of contracts and to mortgage or charge the

property, assets and uncalled capital of the Company, and (subject to section 551 of the Act) to issue debentures, debenture stock and all other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party.

31. PROCEEDINGS OF DIRECTORS

- 31.1 In the case of an equality of votes, the chairman will not have a second or casting vote. Regulation 88 will be modified accordingly.
- 31.2 For so long as the circumstances comprising an event set out in Article 7.4 continue to subsist and the A Majority have served notice in writing to the Company that they wish the rights set out in this Article 31.2 to apply then no meeting of the Board shall be quorate unless the A Majority Director (if appointed) is present in person at that meeting, and at such meeting:
- 31.2.1 if the A Majority Director votes against any resolution put to that meeting, that resolution shall be deemed not to have been carried notwithstanding that the number of votes cast in its favour exceeds those cast against it and notwithstanding any of the provisions of these Articles or any Regulation to the contrary; and
- 31.2.2 if the A Majority Director votes in favour of any resolution put to that meeting, that resolution shall be deemed to have been carried notwithstanding that the number of votes cast against such resolution exceeds those cast in its favour and notwithstanding any of the provisions of these Articles or any Regulation to the contrary.
- 31.3 Regulation 88 is modified by the exclusion of the third sentence and the substitution for it of the following sentences: "Every Director will receive notice of a meeting, whether or not he is absent from the United Kingdom. A Director may waive the requirement that notice be given to him of a meeting of Directors or a committee of Directors, either prospectively or retrospectively" and by the addition of the word "not" between the words "shall" and "have" in the fifth sentence.
- 31.4 The quorum necessary for the transaction of business at any meeting of the Directors will be two of which one will be the A Majority Director (if appointed) (unless otherwise directed in writing by the A Majority) and the other will be one of the Executives or, if no A Majority Director is appointed, the quorum necessary for the transaction of business at any meeting of the Directors will be two, both of whom will be Executives and Regulation 89 will be modified accordingly. Save where any such meeting is inquorate in the circumstances set out in Article 31.2, if any meeting of the Directors is inquorate then it will be adjourned for the consideration of the same business until the same time and place the next following week when those Directors present will constitute a quorum. If the meeting is inquorate in the circumstances set out in Article 31.2, such adjourned meeting will not be quorate unless the A Majority Director (if appointed) is present at such adjourned meeting.
- 31.5 The A Majority Director shall act as chairman of the Company (unless otherwise directed by the A Majority).
- 31.6 Any Director or alternate director may participate in a meeting of the Board or a committee of the Directors by means of conference telephone or similar communications equipment if all persons participating in the meeting can hear and speak to each other throughout the meeting, and any Director or member of a committee participating in a meeting in this manner is deemed to be present in person at such meeting and will be counted when reckoning a quorum.

- 31.7 Without prejudice to the obligation of any Director to disclose his interest in accordance with the Act, a Director may vote at a meeting of Directors or of a committee of Directors on any resolution concerning a matter in which he has, directly or indirectly, an interest or duty provided that he has first obtained the prior written consent of the A Majority (unless the Director concerned is the A Majority Director, in which case no such consent will be required). The Director will be counted in the quorum present when any such resolution is under consideration and if he votes, his vote will be counted.

32. A MAJORITY DIRECTOR

- 32.1 Subject to Article 32.2, so long as the A Majority or any of them hold any Shares the A Majority will have the right at any time to appoint one person as a non-executive Director ("**A Majority Director**") but:

- 32.1.1 in each case not more than one person may hold such office at any one time;
- 32.1.2 any such appointment must be effected by notice in writing to the Company by the A Majority who may in a similar manner remove from office any A Majority Director appointed pursuant to this Article 32, and appoint any person in place of any A Majority Director so removed or who has died or otherwise vacated office as such;
- 32.1.3 subject to section 168 of the Act, on any resolution to remove an A Majority Director, the A Ordinary Shares held by the A Majority will together carry one vote in excess of 50% of all the other votes exercisable at the general meeting at which such resolution is to be proposed, and if any such A Majority Director is removed pursuant to section 168 of the Act or otherwise, the A Majority may immediately reappoint him or any other person as an A Majority Director.

- 32.2 The A Majority's rights to appoint an A Majority Director shall only be exercisable, and such A Majority Director shall remain in office only, in circumstances where:

- 32.2.1 the number of Directors who are capable of counting in the quorum necessary for the transaction of business at any meeting of the Directors and permitted to receive notice of, attend, speak and vote at any meeting of the Directors is not less than two (not including the A Majority Director); or
- 32.2.2 the A Majority have served notice in writing upon the Company specifying that, until such notice is withdrawn by a further notice in writing from the A Majority to the Company, the rights set out in Article 7.4 and/or 31.2 shall apply.

- 32.3 Any A Majority Director will, at the direction of the A Majority, be appointed to the board of directors of any Group Member and to any committee of the board of any Group Member.

33. NOTICES

- 33.1 Any notice or other document to be given to or by any person pursuant to these Articles (other than a notice calling a meeting of the Directors) shall be in writing and shall be delivered in accordance with this Article 33.

- 33.2 Any notice or other document may only be served on, or delivered to, any Member by the Company or by any other Member:

- 33.2.1 personally;

- 33.2.2 by sending it through the post in a prepaid envelope addressed to the Member at his registered address;
 - 33.2.3 by delivery of it by hand to or leaving it at that address in an envelope addressed to the Member; or
 - 33.2.4 except in the case of a share certificate and any notices or other documents to be served or delivered to or by any person pursuant to Articles 11 to 15 (inclusive) and only if an address has been specified by the Member for such purpose, by Electronic Communication.
- 33.3 Nothing in Article 33.2 shall affect any provision of the Act requiring offers, notices or documents to be served on or delivered to a Member in a particular way.
- 33.4 In the case of joint holders of a Share:
- 33.4.1 all notices and other documents shall be given to the person named first in the register in respect of the joint holding, and notice so given shall be sufficient notice to all joint holders; and
 - 33.4.2 any request for consent to the receipt of Electronic Communications shall be sent to the person named first in the register in respect of the joint holding and any express consent given by such holder to the receipt of communications in such manner shall bind all joint holders.
- 33.5 Any notice or other document may only be served on, or delivered to, the Company by anyone:
- 33.5.1 by sending it through the post in a prepaid envelope addressed to the Company or any officer of the Company at its registered office or such other place in the United Kingdom as may from time to time be specified by the Company;
 - 33.5.2 by delivering it by hand to its registered office or such other place in the United Kingdom as may from time to time be specified by the Company or at a duly convened and quorate meeting of the Board; or
 - 33.5.3 if an address has been specified by the Company for such purpose, by Electronic Communication.
- 33.6 Any notice or other document (other than any notice or other document given to the Company including, for the avoidance of doubt, the appointment of a proxy):
- 33.6.1 addressed to the recipient in the manner prescribed by these Articles shall, if sent by post, be deemed to have been served or delivered:
 - 33.6.1.1 (if prepaid as first class) 24 hours after it was posted;
 - 33.6.1.2 (if prepaid as second class) 48 hours after it was posted; and
 - 33.6.1.3 (if prepaid as airmail) 72 hours after it was posted,
 and in proving such service, it shall be sufficient to prove that the envelope containing such notice or document was properly addressed, prepaid and posted;

- 33.6.2 not sent by post, but delivered by hand to or left at an address in accordance with these Articles or delivered by hand at a duly convened and quorate meeting of the Board, shall be deemed to have been served or delivered on the day and at the time it was so delivered or left;
- 33.6.3 sent by Electronic Communication shall be deemed (in the absence of any evidence of earlier receipt) to have been served or delivered 24 hours after it was sent, and in proving such service it shall be sufficient to produce (in the case of a fax) a transaction report or log generated by a fax machine which evidences the fax transmission and (in other cases) a confirmation setting out either the total number of recipients to whom or each recipient to whom the message was sent, as the case may be.

34. INDEMNITIES

Subject to the provisions of the Act but without prejudice to any indemnity to which he may otherwise be entitled every Director, alternate director, secretary and other officer or employee of the Company will be indemnified out of the assets of the Company against any liability (other than any liability arising out of the Investment Agreement) sustained or incurred by him in defending any proceedings whether civil or criminal relating to his conduct as an officer or employee of the Company in which judgment is given in his favour or in which he is acquitted or in connection with any application under sections 661 and 1157 of the Act in which relief is granted to him by the Court.

35. AUDITORS

The "requisite percentage" for the purposes of section 488(2) of the Act is 5 per cent.