

Company Number: 10124305

**Company Limited by Shares**

# ARTICLES OF ASSOCIATION

**of**

**CYBER SECURITY ASSOCIATES LIMITED (the “Company”)**

**Incorporated in England and Wales on 14 April 2016  
under the Companies Act 2006**

Adopted under the Companies Act 2006

by special resolution passed on 22 February 2023

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1 PRELIMINARY

1.1 In these Articles, the following words and expressions shall have the following meanings unless the context requires otherwise

"A Ordinary Share" means the A ordinary shares of £0.001 in the capital of the Company.

"Acting in Concert" has the meaning given in the Takeover Code.

"Agreed EBITDA Statement" has the meaning given in Article 18.

"Appointor" has the meaning given in Article 9.1.

"Articles" means the Company's articles of association.

"Asset Sale" the completion of 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 the whole or substantially the whole of the business and assets of the Company or of the Investor Shareholder.

"Bad Leaver" means a person who is not a holder of D or E Ordinary Shares:

- (a) ceases to be an Employee where such cessation occurs as a result of his contract of employment, engagement or consultancy with the Company being terminated in circumstances justifying summary dismissal; or
- (b) ceases to be an Employee as a result of his voluntary resignation (other than (a) as a result of the illness or disablement of that person giving rise to permanent incapacity to continue in employment or (b) in circumstances that are determined by an Employment Tribunal or Court to be or to amount to constructive dismissal); or
- (c) ceases to be an Employee for whatever reason and who was or is in breach of clause 23 of the Shareholders' Agreement (Undertakings) or his contract of employment, engagement or consultancy with the Company;
- (d) remains as an Employee but becomes entitled by reason of illness or disablement giving rise to permanent incapacity to receive benefits under the permanent health insurance scheme of the Company, (if any) and who was or is whilst an Employee in breach of clause 23 of the Shareholders' Agreement (Undertakings) or his contract of employment, engagement or consultancy with the Company;
- (e) ceases to be an Employee where such cessation occurs as a result of his contract of employment, engagement or consultancy with the Company being terminated for fraud or gross misconduct.

"Board" means the board of directors of the Company (or any duly authorised committee thereof) from time to time.

"B Ordinary Share" means the B ordinary shares of £0.001 in the capital of the Company.

"B1 Ordinary Share" means the B1 ordinary shares of £0.001 in the capital of the Company

"Business Day" means a day on which banks are open for business, other than Saturday or Sunday.

"CA 2006" means the Companies Act 2006 including any statutory modification or re-enactment of that statute for the time being in force, subject always to Article 1.5.

"Call Option" has the meaning given in Article 17

"Chairperson" means the chairperson of the Board (if any) appointed in accordance with Article 4.6.1.

"Clear days" means, in relation to a period of notice, a period of the specified length excluding the date on which notice is given and the day for which it is given or on which it is to take effect.

"Company Secretary" means the secretary of the Company, if any, or any other person appointed to perform the duties of the secretary of the Company, including a joint, assistant or deputy secretary, if any.

"Connected Person" has the meaning attributed by sections 1122 and 1123 CTA 2010.

"Controlling Interest" means an interest in shares in a company conferring in aggregate more than 50% of the total voting rights conferred by all the issued shares in that company, taking account at the relevant time of provisions regarding voting rights contained in the articles of association of that company.

"C Ordinary Shares" means the C ordinary shares of £0.001 in the capital of the Company.

"C1 Ordinary Shares" means the C1 ordinary shares of £0.001 in the capital of the Company.

"Controlling Interest" in relation to a person, means the ownership by that person and his Connected Persons of shares carrying the right to more than 50% of the total number of votes which may be cast on a poll or at a general meeting of the Company or of the Investor Shareholder.

"CTA 2010" means the Corporation Tax Act 2010.

"Defined Group" means the Investor Shareholder, any ultimate parent undertaking of the Investor Shareholder for the time being and from time to time, all direct and indirect subsidiary undertakings for the time being and from time to time of any such parent undertaking or, in the absence of any such parent undertaking, the Investor Shareholder and any body corporate which is controlled by one or more of the individuals who control the Investor Shareholder from time to time, and

- (a) any partnership of which any of them is general partner, manager or adviser;
- (b) any unit trust or fund (whether a body corporate or otherwise) of which any of them is trustee, manager, adviser or general partner, and
- (c) any unit trust, partnership or fund (whether a body corporate or otherwise) the managers of which are advised by any of them,

in each case from time to time.

"Dealer Model" where the Group introduces its customers to the other's products, the introducing company will be entitled to receive a commission for the life of the contract for

the respective product. Each party will enter into master dealer agreements where the commission will be based on a percentage of revenue. The percentage will be fixed at a competitive rate for the product set and the dealer will never earn more than the contracting party. Where the commission percentage is below the fixed rate the dealer will be informed upfront on a deal by deal basis.

“Dealer Model” examples between the Group, but, for the purpose of the definition of 'Dealer Model', 'Group' does not include the Company:

- (a) The Company introduces ADL to the Group to provide mobiles, the Group wins the deal for £100 which makes £50 gross margin and the dealer has 20% commission, the Company will recognise £20 per month until the customer ceases the mobile contract and the Group will earn £30 net of commission;
- (b) The Group introduces Telefonica to the Company and the Company wins a contract to provide one off pen testing for £100 which makes a gross margin of £20 (20%) and the dealer has 20% commission. As dealer commission is greater than the value the Company would earn, the gross margin would be shared equally, i.e. both parties would earn £10

“**Dispute Notice**” has the meaning given to it in Article 18

"document" includes, unless otherwise specified, any document sent or supplied in electronic form.

“**D Ordinary Share**” means the D Ordinary Shares of £0.001 in the capital of the Company.

“**Draft EBITDA Statement**” has the meaning given in Article 16

“**E Ordinary Share**” means the E Ordinary Shares of £0.001 in the capital of the Company

"EBITDA" means the Company's earnings before interest, taxes, depreciation and amortisation, for the twelve month period ending on the date that the relevant Shareholder becomes a Good Leaver. The Company will adopt standard accounting policy in accordance with FRS 102, together with all other generally accepted accounting principles, policies and practices applied in the UK and the applicable accounting requirements of the CA 2006. For the avoidance of doubt, EBITDA will include (i) inter-Group costs which will be governed by transfer pricing, as such transfer pricing arrangements exist and are in place at the date the relevant Shareholder becomes a Good Leaver, and (ii) customer introductions which will be governed by dealer models, as such dealer models exist and are in place at the date the relevant Shareholder becomes a Good Leaver.

"EBITDA Value" means the valuation of the Company based on a multiple of ten times EBITDA, less any sums owing by the Company to any member of the Group, divided by the number of Shares in issue (excluding the D and E shares) multiplied by the number of Shares held by the relevant Shareholder at that time. In the case of disagreement between the parties as to the EBITDA Value, such disagreement shall be referred to the Independent Expert.

“**EBITDA Target**” shall have the meaning ascribed to it in Article 17.5.1

"electronic form" has the meaning given to it in section 1168 of the Companies Act 2006.

"electronic means" has the meaning given to it in section 1168 of the Companies Act 2006.

"eligible director" means (a) in relation to a matter proposed at a directors' meeting, a director who is entitled to vote and to have that vote counted in relation to that particular matter at that meeting, or (b) in relation to a decision of the directors taken in accordance with Article 4.2, a director who would have been entitled to vote and to have that vote counted, had the matter in question been proposed at a directors' meeting.

"Employee" means a person (other than an Investor Director) who at any time is a director and/or an employee of the Company or of any member of the Defined Group, or whose services are made available to the Company or to any member of the Defined Group, under the terms of an agreement between the Company, or any member of the Defined Group, on the one hand and such individual or any other person on the other hand (and "employment" shall be construed accordingly to include such an agreement).

**"equity security"** shall have the meaning given in section 560(1) of the CA 2006.

"Exercise Notice" means either:

- (a) a written notice from the Investor Shareholder to the B or B1 Ordinary Shareholders that the Investor Shareholder (or such person as it may nominate) wishes to exercise the Call Option or the Second Call Option; or
- (b) a written notice from a B or B1 Ordinary Shareholders or the C or C1 Ordinary Shareholders) to the Investor Shareholders that the B or B1 Ordinary Shareholders and the C or C1 Ordinary Shareholders wish to exercise the Put Option or Second Put Option

(as the context may require)

"Excluded Person" means

- (a) any Leaver, and
- (b) any Employee who has given, or been given, notice to terminate his contract of employment with the Company.

**"Exit Event"** a Share Sale or Asset Sale

"Fully paid" in relation to a Share, means that the nominal value and any premium to be paid to the Company in respect of that Share have been paid or credited as paid to the Company.

"Good Leaver" means

- (a) a person other than a holder of D or E Ordinary Shares who ceases to be an Employee where such cessation occurs for one of the following reasons
  - (i) that person's death, or
  - (ii) illness or disablement of that person giving rise to permanent incapacity to continue in employment, or
  - (iii) the termination of that person's employment by his employing company in circumstances of redundancy, or in circumstances that are determined by an Employment Tribunal or Court to be or amount to wrongful dismissal, or

- (b) a person other than a holder of D or E Ordinary Shares who ceases to be an Employee where the Board with consent of the Investor Shareholder resolves that such person is to be treated as a Good Leaver in circumstances where such person would not, but for this provision, be a Good Leaver.

"Group" in relation to a company, that company, any subsidiary or any holding company from time to time of that company, and any subsidiary from time to time of a holding company of that company. Each company in a Group is a member of the Group.

"hard copy form" has the meaning given to it in section 1168 of the Companies Act 2006.

"Independent Expert" means an umpire (acting as an expert and not as an arbitrator) for any purpose specified in these Articles and appointed in accordance with Article 21.5.

"Independent Experts' List" means a partner or member of any of Price Waterhouse Cooper LLP, Ernst & Young LLP, Deloitte LLP, KPMG LLP, Grant Thornton UK LLP and BDO LLP or, in each case, a partner or member of any successor partnership or company.

"instrument" means a document in hard copy form.

"Investor Consent" means the giving of a prior written consent by the Investor Director.

"Investor Director" means a director appointed pursuant to Article 8.

**"Investor Shareholder"** means Fluidone Bidco Limited incorporated and registered in England and Wales with company number 11826882 whose registered office is at 5 Hatfields, London SE1 9PG.

"Leaver" means a Good Leaver or a Bad Leaver (as the case maybe) or an Employee who holds D or E Ordinary Shares.

"Leaver's Shares" means all of the Shares held by a Leaver, or to which he is entitled, on the Leaving Date and any Shares acquired by a Leaver after the Leaving Date whether under an employees' share scheme or otherwise.

"Leaving Date" means in relation to a Leaver, the date on which the relevant person becomes a Leaver, which in the case of any Shareholder who becomes a Leaver by virtue of any person ceasing to be an Employee shall be the Termination Date in relation to such Employee.

"Material Default" means any of the following situations

- (a) the Company is in breach of any of clauses 4 – 10 (inclusive), 15 – 17 (inclusive), 23 and 24 of the Shareholders' Agreement and such breach is not remedied to the reasonable satisfaction of the Investor Shareholder within 5 Business Days of notice to do so from the Investor Shareholder; or
- (b) any indebtedness of the Company other than trade creditors (provided that these are paid in accordance with the Company's normal policy) is not paid when due or demanded or becomes repayable prior to its stated maturity.

"Options" either:-

- (a) the Call Option;

- (b) the Second Call Option; or
- (c) the Put Option;
- (d) the Second Put Option

(as the context may require)

"Option Price" has the meaning given in Article 17.8

**"Second Option Price"** has the meaning given in Article 17.8

**"Option EBITDA"** means the Company's earnings for the 12 month period ending on the date on which the Exercise Notice is given, pursuant to Article 16. The Company will adopt standard accounting policy in accordance with FRS 102, together with all other generally accepted accounting principles, policies and practices applied in the UK and the applicable accounting requirements of the Companies Act 2006. For the avoidance of doubt Option EBITDA will include inter group costs which will be governed by Transfer Pricing and customer introductions which will be governed by the Dealer Models

"Put Option" has the meaning given in Article 17

**"Second Put Option"** has the meaning given in Article 17

"Qualifying person" has the same meaning as in section 318(3) of the Companies Act 2006.

**"Relevant Accounts"** means the following accounts:

- (a) For the Call or Put Options

The management accounts which are available in respect of the 12 month period ending on the last day of the month in which the EBITDA Target is purportedly achieved;

- (b) For the Second Call or Second Put Options

The accounts and/or management accounts which are available in respect of the 12 month period ending on the last day of the month immediately prior to the date in which the Second Call or Second Put Options are exercised.

**"Review Period"** the period of 15 Business Days commencing on the first Business Day after the day on which the Receiving Party receives the Draft EBITDA Statement from the Exercising Party in accordance with Article 18.

"Relevant Matter" means in relation to a director, a matter which constitutes or give rises to a breach by that director of his duty under section 175 Companies Act 2006 to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts or possibly may conflict with the interests of the Company (including a breach which would arise by virtue of his appointment as a director).

"Remuneration and Appointments Committee" means the committee appointed pursuant to clause 17.1.1 of the Shareholders' Agreement.



"Sale Price" has the meaning given in Article 21.1.

"Sale Shares" has the meaning given in Article 16.3.

**"Second Call Option"** shall have the meaning ascribed to it in Article 17.

"Seller" means the holder of a Share which is the subject of a Transfer Notice.

"Share" means any share in the capital of the Company from time to time (and "Shares" shall be construed accordingly).

"Share Sale" means the occurrence of any transaction or series of transactions whereby any person or Connected Persons or persons Acting in Concert purchases or intends to or otherwise acquires or intends to or obtains all of the issued shares in the Company or of the Investor Shareholder resulting in the purchaser(s) acquiring a Controlling Interest in the Company or the holding company of the Investor Shareholder.

"Shareholder" means a holder of any Share.

**"Shareholders' Agreement"** means the agreement entered into between each of the Founders (as defined therein), the Investor Shareholder and the Company.

"Start Date" means the date on which the Sale Price is established or specified.

"Termination Date" means the earlier of

- (a) where employment ceases by virtue of notice given by the employer to the Employee, the date on which such notice expires, or
- (b) where a contract of employment is terminated by notice given by the employer and a payment is made in lieu of notice, the date on which such notice was served, or
- (c) where the Employee concerned is a director and an employee of the Company, the date on which the Employee's contract of employment with the Company is terminated unless the Investor Shareholder directs otherwise, or
- (d) where the Employee concerned is a director (but not an employee) of the Company, the date on which the contract for the provision of his services (whether entered into directly with him or with a third party) with the Company is terminated; or
- (e) in any other case, the date on which the contract of employment is terminated.

"Third Party Purchaser" means a bona fide third party purchaser.

"Transfer Pricing" the Company will operate with the Group on an arm's length basis providing goods and services based on market rates and vice versa. In the case of shared overheads, Transfer Pricing will be based on costs +10% mark up

**"Transfer Pricing"** examples between the Group, but, for the purpose of the definition of 'Transfer Pricing', 'Group' does not include the Company:

- (a) For cross charging of labour: the assumption is that there are 220 chargeable working days per calendar year; a working day is 7.5 hours. The total annual payroll cost for an employee consists of: basic salary, bonus payments, pension

contributions, car allowance, and employer NI. The total payroll cost divided by 220 is the cost per day. The cost per day divided by 7.5 is the cost per hour. Any labour recharged would be at the cost x 110%. This cost per person will be reset annually in line with annual pay reviews and bonus awards;

- (b) For adhoc days or hours the employee will keep a time record to give the days, or where less than a day the hours to be recharged;
- (c) Where an employee is assigned to work on a permanent part time basis for the other company in the Group, then the percentage of their time to be allocated will be mutually agreed between the Investor and the Company. Percentage of time x total payroll cost for a year x 110% = amount to cross charge per year. For example where the Investor carries out credit control as a service for the Company, a percentage of the Investor's time will be agreed up front rather than maintaining timesheets, which will allow for a simplified fixed monthly charge;
- (d) If the Investor requests DW is to be a board member of one of the Group companies as a C level security expert, there will be a Transfer Pricing cross charge from the Company for fully loaded costs with a 10% mark-up. If this is a one off for 5 days, for example, then, assuming there are 220 chargeable working days a year, the cross charge will be annual fully loaded costs / 220 x 5 x 110%;
- (e) If chief revenue officer acts as sales director for the Company and works 5 days a month for the Company, then the same cross charge rule applies;
- (f) If the Company sells any of its services to a member of the Group, it will do so at a competitive market rate (and vice versa).

"Transfer Notice" means a notice deemed to be served on the Company in accordance with Article 16 by a Shareholder who is required to transfer any Shares,

"United Kingdom" means Great Britain and Northern Ireland;

"voting adjustment notice" has the meaning given in Article 13.3.3.

"voting rights" shall be construed in accordance with schedule 6 to the Companies Act 2006, and

"writing" means a method of representing or reproducing words, symbols or other information by any method or combination of methods, whether in electronic form, hard copy or in any other legible and non-transitory form and "written" shall be construed accordingly.

- 1.2 The relevant model Articles (within the meaning of section 20(2) Companies Act 2006 as amended, modified or re-enacted from time to time) are excluded in their entirety.
- 1.3 An Investor Consent required or permitted to be given under these Articles may be given by any Investor Director who holds office as a director of the Company at the time that the consent is given.
- 1.4 In these Articles, "parent undertaking" and "subsidiary undertaking" shall have the respective meanings given by section 1162 Companies Act 2006 (as in force at the date on which these articles become binding on the Company) and for the purposes of that section, an undertaking shall include (without limitation) a limited liability partnership and further, an undertaking (the "first undertaking") shall be treated as a member of another undertaking if

any of the shares in that other undertaking are registered in the name of another person (or its nominee) as security (or in connection with the taking of security) from the first undertaking or any of its subsidiary undertakings.

1.5 Words and expressions defined in the CA 2006 and used in these Articles (either without further definition or by expressly referring to the statutory definition of that word or expression) shall bear the same meaning as in the CA 2006 as in force on the date when these Articles become binding on the Company. This does not apply (a) where the word or expression used is not defined by express reference to the CA 2006 and the subject or context in which that word or expression is used is inconsistent with the statutory definition, or (b) where that word or expression is otherwise defined in these Articles. In all other circumstances references in these Articles to any statute or statutory provision (including without limitation the CA 2006 or any provision of the CA 2006) subordinate legislation, code or guideline ("legislation") is a reference to such legislation as the same may from time to time be amended, re-enacted, modified, extended, varied, superseded, replaced, substituted or consolidated.

1.6 Any reference to (or to any specified provision of) any document shall be construed as a reference to that document or that provision as in force for the time being and as amended, supplemented, restated or novated from time to time.

## 2 LIABILITY OF MEMBERS

The liability of the members is limited to the amount, if any, unpaid on the Shares held by them.

## 3 DIRECTORS

### 3.1 Number of Directors

The number of directors (including an Investor Director but excluding alternate directors) shall not be less than two in number.

### 3.2 **Directors' powers, responsibilities and delegation**

3.2.1 Subject to these Articles, the directors are responsible for the management of the Company's business, for which purpose they may exercise all the powers of the Company.

3.2.2 The Shareholders may, by special resolution, direct the directors to take, or refrain from taking, specified action. No such special resolution shall invalidate anything which the directors have done before the passing of the resolution.

3.2.3 Subject to these Articles, the directors may delegate any of the powers which are conferred on them under these Articles to such person or committee, by such means (including by power of attorney) to such an extent, in relation to such matters or territories, and on such terms and conditions, as they think fit. If the directors so specify, any such delegation may authorise further delegation of the directors' powers by any person to whom they are delegated. The directors may revoke any delegation in whole or part, or alter its terms and conditions.

3.2.4 Committees to which the directors delegate any of their powers must follow procedures which are based, as far as they are applicable, on those provisions of these Articles which govern the taking of decisions by directors. The directors may make rules of procedure for

all or any committees which prevail over rules derived from these Articles if they are not consistent with them.

#### **4 DECISION MAKING BY DIRECTORS**

##### **4.1 Directors to take decisions collectively**

The general rule about decision making by directors is that any decision of the directors must be a majority decision at a meeting.

##### **4.2 Unanimous decisions**

A decision of the directors is taken in accordance with this Article when all eligible directors indicate to each other by any means that they share a common view on a matter. Such a decision may take the form of a resolution in writing, where each eligible director has signed one or more copies of it, or to which each eligible director has otherwise indicated his agreement in writing. A decision may only be taken in accordance with this Article 4.2 where the eligible directors taking the decision would have formed a quorum had the matter been proposed as a resolution at a directors' meeting.

##### **4.3 Calling a directors' meeting**

4.3.1 Any director may call a directors' meeting by giving notice of the meeting to the directors or by authorising the Company Secretary to give such notice. The Company Secretary must call a directors' meeting if a director so requests.

4.3.2 Notice of any directors' meeting must indicate its proposed location (if any), its proposed date and time and, if it is anticipated that directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.

4.3.3 Notice of every meeting of the directors shall be given to each director and alternate director in writing in hard copy form or in electronic form at any address in the United Kingdom or any number or address to which notices can be sent by electronic means, supplied by the director or alternate director to the Company for that purpose, whether or not he is present in the United Kingdom, provided that any director or alternate director may waive notice of any meeting either prospectively or retrospectively and if he does so it shall be no objection to the validity of the meeting that notice was not given to him.

4.3.4 Notice of a directors' meeting need not be given to directors who are not entitled to receive notice, or who have elected not to receive notice of that meeting pursuant to Article 7.1.2, or who have waived their entitlement to notice of that meeting, by giving notice to that effect to the Company in advance of the meeting or not more than 7 days after the date on which the meeting is held. Where such notice of waiver is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.

##### **4.4 Participation in directors' meetings and decision making**

4.4.1 Subject to these Articles, the directors participate in a directors' meeting when the meeting has been called and takes place in accordance with these Articles and where each director can communicate orally to all of the other directors taking part, any information or opinions he has on any particular item of the business of the meeting. Any director (including an alternate director) may participate in a meeting of the directors or a committee of the directors of which he is a member by means of (a) a conference telephone, or (b) similar

- communications equipment whereby all persons participating in the meeting can hear each other, and participation in a meeting in this manner shall be deemed to constitute presence in person at such meeting and, subject to the CA 2006 and these Articles, he shall be entitled to vote and be counted in a quorum accordingly. Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the Chairperson of the meeting then is.
- 4.4.2 Subject to these Articles, each director participating in a directors' meeting has one vote.
- 4.4.3 Subject to the CA 2006 and the other provisions of these Articles, a director may vote on, and be counted in the quorum at any meeting convened to consider, any resolution concerning a matter in which he has a direct or indirect interest which conflicts or may conflict with the interests of the Company, provided that:
- 4.4.4 the director has declared the nature and extent of that interest in accordance with and to the extent required by the provisions of the Companies Act 2006 and these Articles; and
- 4.4.5 where necessary, any situation which could give rise to the conflict and which would otherwise be prohibited by section 175 of the Companies Act 2006 is authorised in accordance with Article 5.1 or 6,
- but otherwise a director shall not be entitled to vote or count in the quorum where he has a direct or indirect interest which conflicts or may conflict with the interests of the Company. If a director purports to vote in a situation where, by virtue of this Article 4.4.3 (and the terms of any authorisation) he is not entitled to vote, his vote shall not be counted.
- 4.4.6 For the purposes of Article 4.4.3, an interest of which a director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his.
- 4.5 Quorum for directors' meetings
- 4.5.1 At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.
- 4.5.2 The quorum for the transaction of the business of the directors shall be such number of eligible directors so that there is a greater, or equal number, of Investor Directors than non-Investor Directors. Any quorum for the transaction of business at a meeting of the directors shall include at least one non-Investor Director.
- 4.5.3 A person who holds office only as an alternate director shall, if his Appointor is not present, be counted in the quorum. In the event that a meeting of the directors is attended by a director who is acting as alternate for one or more other directors, the director or directors for whom he is the alternate shall be counted in the quorum notwithstanding their absence, and if on that basis there is a quorum the meeting may be held notwithstanding the fact (if it is the case) that only one director is physically present.
- 4.5.4 If there are no directors in office or the directors in office or the sole director are unable or unwilling to form a quorum or to take a decision on any particular matter, or to appoint further directors to make up a quorum or to enable a decision to be taken on any particular matter, or to call a general meeting or circulate a written resolution to do so, then any Shareholder may call a general meeting or circulate a written resolution or instruct the Company

Secretary to do so, for the purposes of taking the decision or appointing one or more additional directors to form a quorum or to enable a decision to be taken.

4.5.5 If a Material Default has occurred and a voting adjustment notice has been given and not cancelled (or otherwise ceased to apply pursuant to Article 13.3.10), then, notwithstanding any other provision of these Articles:

4.5.6 if an Investor Director votes at any meeting of the Board 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; and

4.5.7 if an Investor Director votes at any meeting of the Board in favour of any resolution put to that meeting (which an Investor Director has not voted against), 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.

4.6 Chairing of directors' meetings and Chairperson's casting vote

4.6.1 The Investor Shareholder shall have the right at any time and from time to time by written notice to the Board to instruct the Board to appoint one of the directors of the Company as Chairperson of the Board and shall have the right to instruct the Board to remove from the office of Chairperson of the Board any director appointed by it pursuant to this Article and to appoint another director in his or her place.

4.6.2 If the numbers of votes for and against a proposal are equal, the Chairperson has a casting vote, unless in relation to a particular proposal at a meeting, the Chairperson is not an eligible director.

4.7 Records of decisions to be kept

The directors must ensure that the Company keeps a permanent record in writing which can be read by the naked eye, for at least 10 years from the date of the decision recorded, of every unanimous or majority decision taken by the directors and of any decisions taken by a sole director.

## 5 DIRECTORS' PERMITTED INTERESTS

5.1 Subject to Article 5.3, and provided that he has declared the nature and extent of his interest in accordance with (and to the extent required by) Article 5.6, a director, notwithstanding his office, shall be authorised:

5.1.1 to enter into, or otherwise be interested in, any transaction or arrangement with the Company or any transaction or arrangement in which the Company is directly or indirectly interested;

5.1.2 to be a director, other officer (other than auditor) or employee of, or a consultant to, or otherwise interested (including by the holding of shares or other securities) in, the Company;

5.1.3 to act by himself or by any firm of which he is a partner, director, employee or member in a professional capacity (except as auditor) for the Company and he or his firm shall be entitled to remuneration for professional services as if he were not a director of the Company;

- 5.1.4 to be a director of any other company in which the Company does not have an interest if that cannot reasonably be regarded as likely to give rise to a conflict of interest at the time of his appointment as a director of the Company or that other company (whichever is the later); and
  - 5.1.5 in the case of an Investor Director, to be a director, officer, trustee, employee or representative of, or consultant to, or holder (as member, partner or otherwise) of any direct or indirect interest in, or otherwise participate in or be commercially involved with:
  - 5.1.6 any member of the Defined Group;
  - 5.1.7 any person to whom Shares may be transferred pursuant to Article 16.1;
  - 5.1.8 any company or other person in which a member of the Defined Group has, or proposes to acquire, a direct or indirect interest, or which is otherwise controlled, managed, advised or promoted by a member of the Defined Group, (including, without limitation, any portfolio company investee); and
  - 5.1.9 any carried interest or similar incentive arrangement associated with any person or arrangement referred to in Article 5.1.1 to 5.1.8 above,
- each an "Investment Entity" for the purposes of this Article 5, notwithstanding that any such Investment Entity may have interests which conflict, or may conflict, with those of the Company.
- 5.2 In the case of an Investor Director only, the authorisations in Article 5.1 shall extend to any direct or indirect interest that conflicts or possibly may conflict with the interests of the Company which may reasonably be expected to arise out of any of the situations or matters so authorised and which is capable of being authorised at law. In particular (without limitation) such authorisations shall extend to and include any direct or indirect interest of a director arising (or which may arise) in connection with:
    - 5.2.1 any dealing or other change (or proposed dealing or other change) in any interest in shares, securities or other interests in the Company or Investment Entity, the exercise of voting or other rights relating to any such interest and any interest in dividends and other distributions made by the Company or, in the case of an Investor Director, any Investment Entity; and
    - 5.2.2 any relationship proposed, made, terminated or varied between any Investment Entity including in each case, without limitation, in relation to the provision of management, administration, trustee, advisory or other services, the supply of goods, the provision of finance facilities or the use of property or other assets.
  - 5.3 Matters and situations authorised under Articles 5.1 and 5.2 may also be specifically authorised by the directors or Shareholders in accordance with Article 6 (to the extent that it applies), although there is no requirement to do so. The authorisations in Articles 5.1 and 5.2 shall not apply, insofar as they relate to section 175 of the Companies Act 2006, to any situation or matter relating to any director (other than an Investor Director) which:
    - 5.3.1 the directors or Shareholders have (upon request) refused to authorise under Article 6; or
    - 5.3.2 in respect of which a specific authorisation under Article 6 has been terminated.

Otherwise Articles 5.1 and 5.2, insofar as they authorise any matter or situation for the purposes of section 175 of the Companies Act 2006, shall (except insofar as they relate to

an Investor Director) be deemed to be subject to the same terms, conditions and limitations (if any) as may be imposed by the directors or Shareholders from time to time in any authorisation of that matter or situation under Article 6. To the extent that Articles 5.1 and 5.2 authorise matters and situations of an Investor Director, such authorisations shall apply notwithstanding any action or determination of the directors or Shareholders under Article 6 and shall not be limited by Article 6.

5.4 No director shall, by reason of his holding office as a director of the Company (or of the fiduciary relationship established by his holding that office) be liable to account to the Company for any remuneration, profit or other benefit received as a result of any interest permitted by Articles 5.1 and 5.2 (nor shall the receipt of any such remuneration, profit or other benefit constitute a breach of his duty under section 176 of the Companies Act 2006) and no transaction or arrangement shall be liable to be avoided by reason of any director having any interest or having received any benefit permitted by Articles 5.1 and 5.2.

5.5 For the purposes of Articles 4.4, 5, 6 and 7:

5.5.1 an interest of (i) a person who is connected with a director, and (ii) the Appointor in relation to any alternate, shall be treated as an interest of the director or alternate (as appropriate), in each case in addition to any interest which the director or alternate otherwise has. In this Article 5, "connected" has the meaning given in sections 252 to 254 of the Companies Act 2006 (excluding any statutory modification of such definition not in force at the date of adoption of these Articles);

5.5.2 references to a transaction or arrangement include a proposed transaction and a proposed arrangement and references to an arrangement include a contract or any other form of arrangement, and

5.5.3 references to a conflict of interest include a conflict of interest and duty and a conflict of duties.

5.6 For the purposes of Article 5.1, in relation to transactions and arrangements with the Company, a director shall declare to the other directors the nature and extent of any interest he may have in any way permitted by the CA 2006 and shall only be required to make such declaration to the extent required under the CA 2006. In relation to other situations of actual or potential conflict of interest, a director shall declare the nature and extent of his interest at a meeting of the directors, or as otherwise determined by the directors, but shall not be required to declare the nature and extent of his interest to the extent that:

5.6.1 the other directors are already aware of the interest and its extent;

5.6.2 the director is not aware of the interest (except where he ought reasonably to be aware of it); or

5.6.3 the interest cannot reasonably be regarded as likely to give rise to a conflict of interest.

## **6 CONFLICTS OF INTEREST**

6.1 Any matter (a "Relevant Matter") which would otherwise constitute or give rise to a breach by a director, other than an Investor Director, of his duty under section 175 of the Companies Act 2006 to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts or possibly may conflict with the interests of the Company (including a breach which



- would arise by virtue of his appointment as director of the Company) may be authorised by the Investor in accordance with the Companies Act 2006 and this Article 6.
- 6.2 Any director may propose that a Relevant Matter be authorised by the Shareholders by ordinary resolution, except where any greater majority is otherwise required by the Companies Act 2006 or other applicable law.
- 6.3 Such proposal and any authorisation given by the Shareholders shall be effected in the same way as any other matter may be proposed to, and resolved upon by, the Shareholders in accordance with these Articles, except that no authorisation shall be effective unless the requirements of section 175(6) of the Companies Act 2006 have been complied with.
- 6.4 Any authorisation of a matter in accordance with this Article 6 shall, unless it states otherwise, extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter so authorised. Any such authorisation shall be subject to such terms, conditions and limitations as the Shareholder(s) may specify, whether at the time of giving the authorisation or subsequently, provided that no such terms, conditions or limitations may limit the rights or authorisations of an Investor Director under Articles 4.4, 5 and 7. Any authorisation in accordance with this Article 6 may be terminated or varied at any time by the Shareholders, but no such termination or variation shall be of retrospective effect. The director concerned must act in accordance with any terms, conditions or limitations so specified.
- 6.5 No director shall, by reason of his office as director of the Company (or by reason of the fiduciary relationship established by holding that office), be liable to account to the Company for any benefit derived from any Relevant Matter to the extent that the Relevant Matter has been authorised in accordance with this Article 6 (nor shall receipt of any such benefit constitute a breach of his duty under section 176 of the Companies Act 2006). No transaction or arrangement shall be liable to be avoided by reason of any interest of a director to the extent that it has been so authorised.
- 7 MANAGEMENT OF DIRECTORS' CONFLICTS OF INTEREST**
- 7.1 Where this Article 7.1 applies, a director shall be deemed to have the authority, without breaching the general duties he owes to the Company by virtue of sections 171 to 177 of the CA 2006 to (and, except in the case of an Investor Director, shall if so requested by the other directors or the Shareholders) take such steps as may be necessary or desirable for the purpose of managing any conflict of interest to which this Article 7.1 applies, including (without limitation) by:
- 7.1.1 complying with any procedures laid down from time to time by the Shareholder(s) for the purpose of managing conflicts of interest generally or any specific procedures approved by the directors in relation to the situation, matter or interest in question;
- 7.1.2 excluding himself from attending and voting at board meetings to the extent relating to such situation, matter or interest or from participating in discussions (whether at meetings of the board or otherwise), or receiving documents or information, relating to any such situation, matter or interest (including without limitation, notice of meetings, board papers, minutes or draft minutes and legal advice given to the Company);
- 7.1.3 arranging for documents or information relating to any such situation, matter or interest to be reviewed by a professional adviser to ascertain the extent to which it might be appropriate for him to have access to such documents or information; and/or

- 7.1.4 not disclosing to the Company, or not using in relation to the Company's affairs, information which he obtains or has obtained otherwise than through his position as a director of the Company which relates to such situation, matter or interest

and which is confidential to a third party, where to do so would amount to a breach of confidence or breach of duty to the third party.

- 7.2 Article 7.1 shall apply where a director has or could have

- 7.2.1 a direct or indirect interest that conflicts or possibly may conflict with the interests of the Company, provided that the interest or the existence of the situation or relationship leading to the interest has been authorised in accordance with Article 5.1 or Article 6 and (except in the case of an Investor Director) unless otherwise specified by the terms and conditions of such authorisation; or

- 7.2.2 a direct or indirect interest in a transaction or arrangement with the Company and such interest has been declared to the other directors to the extent required by the Companies Act 2006.

- 7.3 Where a director obtains or has obtained information, otherwise than through his position as a director of the Company, which is confidential to a third party other than the Company, then provided that the duty of confidentiality does not arise out of a situation in which the director has or may have a direct or indirect conflict of interest with the Company, the director shall not be required to disclose such information to the Company or use it in relation to the Company's affairs. This Article is without prejudice to the ability of a director to withhold such information from the Company in accordance with the provisions of Article 7.1.

- 7.4 Articles 7.1 and 7.3 are without prejudice to any equitable principle or rule of law which may otherwise excuse or release the director from any requirement to disclose information or use information in relation to the Company's affairs, participate in discussions or receive documents or information.

## 8 INVESTOR DIRECTORS AND OBSERVERS

- 8.1 Notwithstanding any other provisions of these Articles, the Investor Shareholder shall be entitled by written notice to the Company to appoint as directors of the Company up to four people (each, an "Investor Director") and at any time and from time to time to remove from office in like manner any person so appointed and to appoint another person in his place.

- 8.2 On any resolution proposed in general meeting to remove an Investor Director or proposed in general meeting or by written resolution to remove or amend Article 8.1, the A Ordinary Shares shall carry at least one vote in excess of 75% of the votes capable of being cast on such resolution whether such resolution is proposed at a general meeting (on a show of hands or on a poll) or by written resolution.

- 8.3 The Investor Shareholder shall have the right to designate up to two representatives to attend, as observers, and speak but not vote at all meetings of the directors and at all meetings of all committees of the directors. Such representatives will be entitled to receive all written materials and other information given to the directors and to members of the committees of the directors in connection with such meetings at the same time as those materials or information are given to the directors or, as the case may be, to such members.

## 9 ALTERNATE DIRECTORS

- 9.1 Subject to Articles 9.2 and 9.3, any director, other than an alternate director (an "Appointor") may appoint as an alternate any other director, or any other person who is willing to act, to exercise (in the absence of the Appointor) the Appointor's powers as a director generally, and in particular but without limitation (in the absence of the Appointor) to carry out the Appointor's responsibilities in relation to the taking of decisions by directors.
- 9.2 No director (other than an Investor Director) may appoint an alternate director without consent of the Investor Shareholder.
- 9.3 An Investor Director shall be entitled to appoint any person willing to act, whether or not he is a director, to be his alternate director. For the avoidance of doubt, the appointment of an alternate director by an Investor Director shall not require approval by a resolution of the directors.
- 9.4 Any appointment or removal of an alternate must be effected by notice in writing to the Company signed by the Appointor, or in any other manner approved by the directors. The notice must identify the proposed alternate and, in the case of a notice of appointment, contain a statement signed by the proposed alternate that the proposed alternate is willing to act as the alternate of the director giving the notice.
- 9.5 An alternate director has the same rights, in relation to any directors' meeting or decision of the directors, as the alternate's Appointor and, without limitation, is entitled to receive notice of all meetings of directors and committees of directors and all meetings of Shareholders which their Appointor is entitled to receive and in the absence of their Appointor, to attend, speak and vote at all such meetings at which the Appointor is entitled to attend, speak and vote.
- 9.6 Except as these Articles specify otherwise, alternate directors are deemed for all purposes to be directors, are liable for their own acts and omissions, are subject to the same restrictions as their Appointors, and are not deemed to be agents of or for their Appointors.
- 9.7 Subject to Article 9.8, a person who is an alternate director, but not a director:
- 9.7.1 may be counted as participating in a directors' meeting for the purposes of determining whether a quorum is present and may vote on any proposal made at a directors' meeting (if that person's Appointor is not participating but would have been an eligible director in relation to that proposal had he been participating); and
- 9.7.2 may take part in decisions of the directors pursuant to Article 4.2 (provided that person's Appointor does not take part in making the decision but would have been an eligible director in relation to that decision had he taken part in making it).
- 9.8 A person may be appointed as the alternate director of more than one director. Where a person is appointed as the alternate director of more than one director, or is an alternate director and a director himself, that alternate director shall (subject to Article 4.4):
- 9.8.1 be entitled at meetings of the directors to one vote in respect of every director by whom he has been appointed (and who is not himself participating, but who would have been an eligible director in relation to the proposal had he been participating) in addition to his own vote (if any) as a director;
- 9.8.2 may be counted more than once for the purpose of determining whether or not a quorum is present; and

9.8.3 shall be entitled to take part in decisions of the directors pursuant to Article 4.2 on behalf of each director by whom he has been appointed (and who would have been an eligible director in relation that decision) as well as being able to take part in making the decision for himself (if he is a director).

9.9 An alternate director is not entitled to receive any remuneration from the Company for serving as an alternate director except such part of the remuneration of the alternate's Appointor as the Appointor may direct by notice in writing made to the Company.

9.10 An alternate director's appointment as an alternate for a particular Appointor shall terminate:

9.10.1 when that Appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;

9.10.2 on the death of that Appointor; or

9.10.3 when the directorship of that Appointor terminates,

and an alternate director's appointment as an alternate for an Appointor (and, if the person is an alternate for more than one director, that person's appointment as an alternate for each Appointor) shall terminate on the occurrence in relation to the alternate of any event which, if it occurred in relation to any Appointor of that alternate, would result in the termination of that Appointor's appointment as a director.

## **10 APPOINTMENT AND REMOVAL OF DIRECTORS**

10.1 Any person who is willing to act as a director, and who is permitted by law to do so, may be appointed to be a director by ordinary resolution, or by a decision of the directors and any person (other than an Investor Director) may be removed as a director by ordinary resolution or by a decision of the directors.

10.2 A person ceases to be a director as soon as:

10.2.1 that person ceases to be a director by virtue of any provision of the CA 2006 or these Articles or is prohibited from being a director by law;

10.2.2 (in case of a director who is a natural person) a bankruptcy order is made against that person or a composition is made with that person's creditors generally in satisfaction of that person's debts;

10.2.3 (in the case of a director which is a body corporate) that body corporate (i) passes any resolution for voluntary winding up (within the meaning of section 84(2) Insolvency Act 1986 or otherwise) or is wound up by the court, (ii) is the subject of an administration order or an administrator is appointed in respect of that body corporate, (iii) makes any proposal under Part I Insolvency Act 1986 or otherwise for a composition in satisfaction of its debts or a scheme of arrangement of its affairs or makes any proposal under part 26 Companies Act 2006 or otherwise for a compromise or arrangement between it and its creditors or any class of them, makes any arrangement or compromise with creditors generally or ceases to carry on all or substantially all of its business, (iv) has an administrative receiver, receiver or manager appointed over all or any substantial part of its assets; or is the subject of any occurrence substantially similar in nature or effect, whether in England and Wales or any other jurisdiction;

- 10.2.4 a registered medical practitioner who is treating that person gives a written opinion to the Company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than six months;
- 10.2.5 (where the director has not participated by reason of that person's mental health) a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have;
- 10.2.6 (where the director has not participated in decision making of the directors for more than six months and the directors believe this to be by virtue of any mental or physical incapacity of the director) the directors resolve that his office be vacated;
- 10.2.7 notification is received by the Company from the director that the director is resigning from office as director and such resignation has taken effect in accordance with its terms; and
- 10.2.8 the Remuneration and Appointments Committee has determined in accordance with clause 16.1.1 of the Shareholders' Agreement that a director shall be removed as a director of the Company.

## **11 DIRECTORS' EXPENSES**

The Company may pay any reasonable expenses which the directors (including any alternate director or Investor Director) or the Company Secretary properly incur in connection with their attendance at meetings of directors or committees of directors, general meetings, or separate meetings of the holders of any class of Shares or of debentures of the Company, or otherwise in connection with the proper exercise of their powers and the discharge of their responsibility in relation to the Company.

## **12 SHARES: GENERAL**

- 12.1 All Shares shall be issued fully paid.
- 12.2 Subject to these Articles, but without prejudice to the rights attached to any existing Share, the Company may issue Shares with such rights or restrictions as may be determined by ordinary resolution with consent of the Investor Shareholder.
- 12.3 The Company may issue Shares which are to be redeemed, or are liable to be redeemed at the option of the Company or the relevant Shareholder, and the directors, with Investor Consent, may determine the terms, conditions and manner of redemption of any such Shares.
- 12.4 Subject to the CA 2006 but without prejudice to any other provision of these Articles, the Company may purchase its own shares in accordance with Chapter 4 of Part 18 of the Companies Act 2006, including (without limitation) out of capital in accordance with section 692(1ZA) of the Companies Act 2006.
- 12.5 Except as required by law, no person is to be recognised by the Company as holding any Share upon any trust, and except as otherwise required by law or these Articles, the Company is not in any way to be bound by or recognise any interest in a Share other than the Shareholder's absolute ownership of it and all the rights attaching to it.
- 12.6 The Company must issue each Shareholder, free of charge, with one or more certificates in respect of the Shares which that Shareholder holds.

12.7 Every certificate must specify.

12.7.1 in respect of how many Shares and of what class, it is issued,

12.7.2 the nominal value of those Shares,

12.7.3 that the Shares are fully paid, and

12.7.4 any distinguishing numbers assigned to them,

and no certificate may be issued in respect of Shares of more than one class. Certificates must have affixed to them the Company's common seal, or be otherwise executed in accordance with the CA 2006.

12.8 If more than one person holds a Share, only one certificate may be issued in respect of it and delivery to one joint Shareholder shall be a sufficient delivery to all of them.

12.9 If a certificate issued in respect of a Shareholder's Shares is damaged or defaced, or said to be lost, stolen or destroyed, that Shareholder is entitled to be issued with a replacement certificate in respect of the same Shares. A Shareholder exercising the right to be issued with such a replacement certificate may at the same time exercise the right to be issued with a single certificate or separate certificates and (if it is damaged or defaced) must return the certificate which is to be replaced to the Company, and must comply with such conditions as to evidence and indemnity as the directors decide.

### 13 SHARE RIGHTS

Except as expressly provided otherwise in these Articles, the Shares shall rank pari-passu in all respects.

#### Income

13.1 The profits of the Company available for distribution may, with Investor Consent, be distributed among the holders of the Shares as follows:

13.1.1 the A Ordinary Shares carry the right to receive up to 60% of any distribution available, pursuant to article 13.1;

13.1.2 the B and B1 Ordinary Shares carry the right to receive up to 40% of any distribution available, pursuant to article 13.1; pro rata to the respective holdings

13.1.3 the C Ordinary Shares and C1 Ordinary Shares carry no rights to receive any distribution available, pursuant to article 13.1; and

13.1.4 the D and E Ordinary Shares carry no rights to receive any income which may be distributable available, pursuant to article 13.1.

#### Capital

13.2 On a, return of assets on liquidation or capital reduction or otherwise the surplus assets of the Company remaining after payment or discharge of its liabilities (as the case may be) ("Distributable Sum") shall be distributed amongst the holders of the A Ordinary Shares, B Ordinary Shares, C Ordinary Shares, B1 Ordinary Shares and C1 Ordinary Shares and to the holders of the D and E Ordinary Shares as follows:

- 13.2.1 To the D and E Ordinary Shareholders a sum equal to the price at which such D or E Ordinary Share was issued and subject thereto
- 13.2.2 To the holders of the A Ordinary Shares 60% of the Distributable Sum less such payment payable pursuant to Article 13.2.1.
- 13.2.3 To the B Ordinary Shareholders, B1 Ordinary Shareholders, C Ordinary Shareholders and C1 Ordinary Shareholders pari passu as if the same constituted one class of share pro rata to their holdings 40% of the Distributable Sum less any sum to be distributed in accordance with Article 13.2.1.
- 13.3 Voting
  - 13.3.1 Subject to any special rights or restrictions as to voting attached to any Shares by or in accordance with these Articles, the A Ordinary Shares and the B and B1 Ordinary Shares shall, respectively, confer on each holder thereof, the right to receive notice of and to attend, speak and vote at all general meetings of the Company and to vote on written resolutions and on a poll or written resolution to exercise one vote per Share, provided that for so long as the holders of the B and B1 Ordinary Shares shall, together, be the legal and beneficial owner of 39.255% of the issued share capital of the Company, such shares so held shall, together, confer 40% of the total voting rights of all Shares.
  - 13.3.2 For the avoidance of doubt, the C and C1 Ordinary Shares, D Ordinary Shares and E Ordinary Shares shall confer the holder thereof no right to receive notice of, or attend, speak or vote at any general meeting of the Company or vote on any written resolution or on a poll.
  - 13.3.3 If a Material Default has occurred and the Investor Shareholder delivers a written notice (a "voting adjustment notice") to that effect to the Company then the voting rights attaching to the A Ordinary Shares shall be amended with effect from the date of the voting adjustment notice to the effect that in relation to any resolution of the Company (whether proposed at a general meeting of the Company or as a written resolution) each holder of A Ordinary Shares (or the duly appointed proxy or corporate representative of such Shareholder) shall (whether the vote on such resolution, if proposed at any general meeting of the Company, is taken on a show of hands or on a poll) have two votes for every A Ordinary Share in the capital of the Company of which he is the holder until the earlier of:
    - 13.3.3.1 the date that the Material Default has been rectified; and
    - 13.3.3.2 the date that the Investor Shareholder gives notice in writing to the Company cancelling the voting adjustment notice.
  - 13.3.4 The provisions of this Article 13.3.4 shall apply at any time after any occurrence of a Material Default;
  - 13.3.5 subject to Article 13.3.11 the Investor Shareholder shall be entitled to convene a general meeting of the Company or to require the circulation of written resolutions of the Company for the purpose of considering a resolution or resolutions to approve the terms of any additional capital support for the Company, and for this purpose to consider a resolution or resolutions to appoint additional directors and any and all resolutions required by the terms of the additional capital support including, without limitation, a resolution or resolutions

- constituting and issuing new classes of Shares in the capital of the Company and disapplying any pre-emption rights on the issue of such Shares;
- 13.3.6 at any meeting called pursuant to this Article 13.3.4 the quorum shall be qualifying persons holding not less than 75% in nominal value of the A Ordinary Shares.
- 13.3.7 At any meeting called pursuant to Article 13.3.4 only the holders of A Ordinary Shares may vote on any resolution relating to its adjournment.
- 13.3.8 The Investor Shareholder shall have the right, subject to Article 13.3.11, to determine the terms and timing of the additional capital support referred to in Article 13.3.4 at their discretion.
- 13.3.9 The provisions of sections 561 and 562 of the Companies Act 2006 and Article 14.1 shall not apply to the Company in relation to any allotment or issue of Shares pursuant to Article 13.3.4.
- 13.3.10 The voting and other rights conferred upon the holders of A Ordinary Shares by Articles 13.3.4, 13.3.7 and 13.3.8 shall cease to apply upon the first to occur of:
- 13.3.10.1 the date on which the Material Default which triggered such rights is rectified; or
- 13.3.10.2 the Investor Shareholder giving written notice to the Company that such rights shall no longer accrue to the holders of such Shares.
- 13.3.11 If any equity securities are allotted under Article 13.3.4 (a "Non Pre-emptive Issue"), the Company shall within 20 Business Days of such Non Pre-Emptive Issue make an offer to all holders of Shares (excluding Leavers) who did not participate in the Non Pre-emptive Issue ("Non Participants") to subscribe for the same class of equity securities at the same price and on the same terms as the Non Pre-emptive Issue. The offer shall be made by written notice in hard copy form and shall specify:
- 13.3.11.1 the equity securities offered to the relevant Non Participant, which shall be the aggregate number of equity securities that, if applied for in full, would result in the relevant Non Participant holding in aggregate the same proportion of equity securities as were held by them immediately prior to the Non Pre-emptive Issue;
- 13.3.11.2 the price payable for each equity security and when it is payable;
- 13.3.11.3 whether it is a condition of acceptance of the offer that the Non Participant also applies for any other class of shares or loan stock or other securities ("Stapled Securities") which were allotted in connection with the Non Pre-emptive Issue and, if so the notice shall specify:



13.3.11.3.1 the Stapled Securities required to be subscribed for, which shall have an aggregate nominal value or principal amount so that the combination of equity securities and Stapled Securities being offered to the Non-Participant is in the same proportions of equity securities and Stapled Securities as that subscribed for on the Non-Pre-Emptive Issue;

13.3.11.3.2 the price payable for each Stapled Security, which shall be the same price payable on the allotment of the Stapled Securities in connection with the Non Pre-emptive Issue; and

13.3.11.3.3 the terms of the issue of the Stapled Securities, which shall be the same terms as applied to the allotment of the Stapled Securities in connection with the Non Pre-emptive Issue, and

13.3.11.4 the offer period (being not less than 20 Business Days) at the end of which the offer, if or to the extent not accepted, will be deemed to have been declined (provided, for the avoidance of doubt, that the equity securities do not need to be subscribed for during the offer period).

#### 13.4 Class Rights

13.4.1 Whenever the capital of the Company is divided into different classes of Shares the special rights attached to any class may be varied or abrogated with the consent in writing of the holders of 75% in nominal value of the issued Shares of that class.

13.4.2 Unless otherwise expressly provided by the terms of their issue, the rights attaching to any class of Shares shall not be deemed to be varied or abrogated by:

13.4.2.1 the creation, allotment or issue of further Shares, or securities convertible into shares, ranking subsequent to, pari-passu with, or in priority to them, or the issue of any debt securities by the Company, or the purchase or redemption by the Company of its own Shares in accordance with the CA 2006; or

13.4.2.2 any alteration to these Articles made conditional on a Share Sale.

#### 14 ISSUES OF SHARES

14.1 Subject to first obtaining Investor Consent, before any equity securities are allotted, they shall all be offered to all of the holders of Shares as if the Shares constituted one class of Share. Every offer shall be made by written notice in hard copy form and shall specify the number of equity securities offered, the price payable for each equity security and when it is payable, the offer period (being not less than 14 days and not more than 28 days) at the end of which the offer, if or to the extent not taken up, will be deemed to have been declined, the people (if already identified) to whom the Company (with Investor Consent) intends to allot all or any of the equity securities if they are not applied for by the holders of Shares, and whether or not the offer is conditional on all or a specified minimum number of equity securities being taken up. Where Shares are held by two or more persons jointly, the offer may be made to the joint holder first named in the register of members in respect of those Shares.

14.2 Applications for equity securities offered in accordance with Article 14.1 shall be made by written notice to the Company within the offer period set out in the Company's notice, and shall specify the number of equity securities applied for. No member may revoke an

application which it makes. Unless the offer to the holders of Shares lapses in accordance with Article 14.5, each member applying for equity securities shall be allotted the number applied for or, if the aggregate number applied for exceeds the number on offer, the number allocated to it in accordance with Article 14.3. No person entitled to the allotment of any equity securities may assign its entitlement to any other person.

- 14.3 If the aggregate number of equity securities applied for by the holders of Shares exceeds the number on offer, the equity securities on offer shall be allocated to the applying members in proportion to the number of Shares held as between those applying members at the date of the offer or (in the case of a member who has informed the Company under section 152(2) or (3) of the CA 2006 that it is not exercising all the rights attaching to the Shares registered in its name, or that it is exercising such rights in different ways) in proportion to the number of Shares over which such rights are exercised in any particular way, in favour of an application for equity securities. The equity securities shall be allocated to the applying members on the basis set out above until all equity securities are allocated save that no member shall be allocated more equity securities than it has applied for. Fractional entitlements to equity securities shall be ignored
- 14.4 In the event that an offer made under Article 14.1 fails to become unconditional because the aggregate number of equity securities applied for is less than any minimum number of equity securities specified in the offer, then the offer shall lapse.
- 14.5 For the purposes of this Article 14, a person to whom Shares have been allotted but who has not been registered as the holder of those Shares on the date of an offer made under Article 14.1 shall be deemed to be a member of the Company and to hold those Shares on that date.
- 14.6 Any equity securities offered under Article 14.1 which are not applied for or are the subject of an offer which has lapsed, and equity securities comprised of fractions ignored as provided in Article 14.3, may be allotted (with Investor Consent) by the directors to the people (if any) specified in the Company's offer or (if none) to such people as the directors (with Investor Consent) may determine, provided that:
- 14.6.1 no equity securities shall be so allotted more than three months after the end of the offer period referred to in Article 14.1 unless the procedure set out in Article 14.1 is repeated in respect of those equity securities, with this Article 14.6.1 applying equally to any repetition of that procedure; and
- 14.6.2 no equity securities shall be allotted at a price less than that at which they were offered to the members in accordance with Article 14.1.
- 14.7 Section 561 of the Companies Act 2006 shall not apply to any allotment by the Company of equity securities.
- 15 PROVISIONS APPLYING ON EVERY TRANSFER OF SHARES**
- 15.1 Shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the directors, which is executed by or on behalf of the transferor. No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any Share and the Company may retain any instrument of transfer which is registered.

- 15.2 The transferor remains the holder of a Share until the transferee's name is entered in the register of members as Shareholder in respect of it.
- 15.3 The Board shall refuse to register any transfer of Shares made in contravention of the provisions of these Articles but shall not otherwise be entitled to refuse to register any transfer of Shares. Any transfer of Shares made or purported to be made in contravention of the provisions of these Articles shall be void and have no effect. If the Board refuses to register a transfer of a Share, it shall comply with the requirements of the CA 2006 to give the transferee notice of such refusal together with reasons as soon as practicable and in any event within two months after the date on which the transfer was lodged.
- 15.4 Save for transfers pursuant to Articles 16 no Shares may be transferred unless:
- 15.4.1 Investor Consent has been obtained; and
- 15.4.2 save as otherwise required pursuant to the Shareholders' Agreement, the proposed transferee has entered into an agreement to be bound by the Shareholders' Agreement in the form required by that agreement.
- 15.5 A reference in these Articles to a transfer of Shares shall include a transfer of any interest in Shares (whether legal, beneficial, or otherwise and including any declaration of trust) and any charge, mortgage or other encumbrance granted over Shares and these Articles shall take effect accordingly.
- 15.6 No holder of D or E Ordinary Shares is permitted to transfer such D or E Ordinary Shares.
- 16 PERMITTED TRANSFERS**
- Permitted transfers
- 16.1 Notwithstanding any other provision in these Articles, the following transfers may be made without restriction as to price or otherwise and any such transfers shall be registered by the directors (subject to stamping), the Investor Shareholder may transfer any of its Shares to:
- 16.1.1 its ultimate parent undertaking;
- 16.1.2 any other undertaking controlled, directly or indirectly, by it or its ultimate parent undertaking; or
- 16.1.3 any member of the Defined Group or to any trustee or nominee for any such member.
- 16.2 Other Permitted Transfers
- 16.2.1 Transfers to the Company
- Any holder of Shares may at any time, with Investor Consent, transfer Shares to the Company in accordance with the CA 2006 and these Articles.
- 16.2.2 Transfers with Investor Consent
- Save as provided otherwise in these Articles, no Shares shall be transferred without Investor Consent. Notwithstanding any other provisions of these Articles a transfer of any Shares made with Investor Consent may be made without restriction as to price or otherwise.

- 16.3 Transfers in respect of Leavers other than those holding D or E Ordinary Shares
- 16.3.1 Within the period commencing on the relevant Leaving Date and expiring at midnight on the first anniversary of such date, the Company, with Investor Consent, may serve a written notice on a Leaver ("Leaver Notice") notifying him that he is, with immediate effect, deemed to have served one or more Transfer Notices in respect of such number and class of his Leaver's Shares as is specified in the Leaver Notice (the "Sale Shares"), in which event the provisions of Article 21 (Transfer Arrangements) and Article 22 (Pre-Emption Rights) shall apply.
- 16.3.2 Any Transfer Notice deemed to have been served by a Leaver in accordance with Article 16.3.1 may be revoked by the Board (with Investor Consent) at any time prior to the Leaver's Shares being transferred in accordance with Article 21 (Transfer Arrangements) and Article 22 (Pre-Emption Rights).
- 16.4 Leaver provisions in respect to those holding D or E Ordinary Shares
- With effect from the Termination Date the Leaver shall with immediate effect be deemed to have issued one or more Transfer Notices in respect to the number of D or E Ordinary Shares he or she holds in which event the provisions of this Article 16.4 shall apply.
- 16.4.1 Upon a Transfer Notice being deemed to have been given by a Leaver in accordance with Article 16.4, the D or E Ordinary Shares held by the Leaver ("Sale Shares") shall be offered to the Company in accordance with the provisions of Articles 16.4.2 to 16.4.5 (inclusive). The sale price for the D or E Ordinary Shares subject to the Transfer Notice shall, subject to article 16.4.2, be the price at which such D or E Ordinary Shares was subscribed for at (D/E Share Sale Price).
- 16.4.2 The Board may in its absolute discretion with Investor Consent resolve that such Leaver's holding D or E Ordinary Shares are to be acquired at such other higher D/E Share Sale Price, with such resolution to be made within 30 days of the Termination Date and communicated as soon as practicable thereafter. In the absence of such determination communicated to the holder of the D or E Ordinary Shares, the Sale Price shall be the price at which such D or E Ordinary Shares was subscribed for at.
- 16.4.3 The Company shall, if permitted by law and subject to all relevant approvals being obtained, buy back any Sale Shares at the D/E Share Sale Price (or such other price determined in accordance with Article 16.4.2) by serving notice in writing on the Leaver (the "Buy Back Notice") at any time.
- 16.4.4 The Buy Back Notice shall state the number of the D/E Ordinary Shares agreed to be purchased by the Company and shall specify a place and time and date at which the sale and purchase shall be completed. Upon the giving by the Company of any such Buy Back Notice the Leaver shall be unconditionally bound (subject only to due payment of the D Share Sale Price) to complete the sale of the Sale Shares to which such notice relates in accordance with its terms.
- 16.4.5 If the Company is not legally able to purchase the Sale Shares, the Leaver may retain the applicable number of Sale Shares, but the Company may call on the Leaver at any time after the Termination Date to sell the Sale Shares at the D/E Share Sale Price being the price at which such D or E Ordinary Shares was subscribed for and on giving of such notice the Leaver shall be unconditionally bound to proceed with the sale of the Sale Shares in accordance with the provisions of this Article.

- 16.4.6 If the Leaver fails to comply with the provisions of this Article 16.4:
- 16.4.6.1 the chairperson of the Company or, failing the chairperson, one of the Directors, or some other person nominated by a resolution of the Board, may on behalf of the Leaver:
- 16.4.6.2 complete, execute and deliver in the Leaver's name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Company;
- 16.4.6.3 receive the D/E Share Sale Price and give a good discharge for it;
- 16.4.6.4 (subject to the transfer being duly stamped (if required) deal with any filings and cancel such number of Sale Shares; and
- 16.4.6.5 the Company will pay the D/E Share Sale Price into a separate bank account in the Company's name on trust (but without interest) for the Leaver until such Leaver has delivered to the Company their certificate or certificates for the relevant Sale Shares (or an indemnity for lost certificate in a form acceptable to the Board).

## 17 PUT AND CALL OPTIONS

### Grant of the Options

- 17.1 The Investor Shareholder shall have an option, in accordance with this article, to purchase (or to procure the purchase of) each B Ordinary Share and C Ordinary Share at the Option Price and on the terms, and subject to the conditions, of this article (the "Call Option").
- 17.2 The Investor Shareholder shall have an option, in accordance with this article, to purchase (or to procure the purchase of) each B1 Ordinary Share and C1 Ordinary Share at the Second Option Price and on the terms, and subject to the conditions, of this article (the "Second Call Option").
- 17.3 Each B Ordinary Shareholder and C Ordinary Shareholder shall have an option, in accordance with this Article, to require the Investor Shareholder to purchase (or to procure the purchase of) the B Ordinary Shares and the C Ordinary Shares at the Option Price on the terms and subject to the conditions of this Article (the "Put Option")
- 17.4 Each B1 Ordinary Shareholder and C1 Ordinary Shareholder shall have an option, in accordance with this Article, to require the Investor Shareholder to purchase (or to procure the purchase of) the B1 Ordinary Shares and the C1 Ordinary Shares at the Second Option Price on the terms and subject to the conditions of this Article (the "Second Put Option").
- 17.5 An Option may be exercised on or before 30 November 2030 and if not exercised prior to this date all of the Options shall lapse and subject to:
- 17.5.1 in respect to the Call Option or Put Option if the Relevant Accounts showing actual Option EBITDA are in excess of £2,500,000 for the 12 month period ending on the date to which the Relevant Accounts are prepared (EBITDA Target); and
- 17.5.2 in respect to the Second Call Option or Second Put Option on the occurrence of an Exit Event subject to the Call Option or the Put Option having been exercised;

- 17.6 All of the Options may be exercised together by either party on the occurrence of an Exit Event.

The Option Price and Second Option Price

- 17.7 The consideration payable by the Investor Shareholder to each B Ordinary Shareholder and C Ordinary Shareholder in respect of the purchase of the B Ordinary Shares and C Ordinary Shares following the exercise of a Call Option or Put Option shall be the aggregate Option Price in respect of all B Ordinary Shares and/or C Ordinary Share held by that B Ordinary Shareholder and/or C Ordinary Shareholder.

- 17.8 The consideration payable by the Investor Shareholder to each B1 Ordinary Shareholder and C1 Ordinary Shareholder in respect of the purchase of the B1 Ordinary Shares and C1 Ordinary Shares following the exercise of the Second Call Option or Second Put Option an Option shall be the aggregate Second Option Price in respect of all B1 Ordinary Shares and/or C1 Ordinary Shares held by that B1 Ordinary Shareholder and/or C1 Ordinary Shareholder.

- 17.9 The Option Price and Second Option Price shall be the price per B or B1 Ordinary Share and the C or C1 Ordinary Share upon the exercise of the applicable Option as follows:

- 17.9.1 upon the Draft EBITDA Statement becoming the Agreed EBITDA Statement the payment for the B Ordinary Shares and the C Ordinary Shares is (£25,000,000/the total number of Shares in issue minus the D and E Ordinary Shares) X the number of B or C Ordinary Shares held by each holder of B or C Ordinary Shares (Option Price);

- 17.9.2 the payment for the B1 and C1 Ordinary Shares is a multiple of 10 times Option EBITDA /the total number of Shares in issue minus the D and E Ordinary Shares X the number of B1 and C1 Ordinary Shares held by each holder of B1 or C1 Ordinary Shares (Second Option Price);

- 17.9.3 where the Options are exercised on the occurrence of an Exit Event the payment for the B and B1 and C and C1 Ordinary Shares is a multiple of 10 times Option EBITDA, less any sums owing by the Company to any member of its group (howsoever arising) /the total number of Shares in issue less the number of D and E Ordinary Shares) X the number of B and B1 and C and C1 Ordinary Shares held by each holder of B and B1 or C and C1 Ordinary Shares; and

- 17.9.4 pursuant to any exercise of an Option on the occurrence of an Exit Event the E Call Option pursuant to Article 20 will be triggered and the Investor Shareholder shall be authorized to deduct from the applicable purchase price such amount which is required to be paid to the holders of the E Ordinary Shares pursuant to Article 20 and such purchase shall complete immediately prior to the purchase pursuant to Article 17.8.3 and therefore the price paid for the Ordinary Shares shall be £1 for all such shares so acquired.

Exercise of an Option

- 17.10 The Investor Shareholder may only exercise the Call Option or Second Call Option by serving an Exercise Notice on the B or B1 or C or C1 Ordinary Shareholder during the Option Period.

- 17.11 The Put Option or Second Put Option may only be exercised by all shareholders holding the B and B1 Ordinary Shares, C and C1 Ordinary Shares serving an Exercise Notice on the Investor Shareholder during the Option Period.
- 17.12 The Call Option or Second Call Option may only be exercised in respect of all (and not some only) of the applicable B or B1 Ordinary Shares and the C or C1 Ordinary Shares then in issue and which are subject to the respective Option.
- 17.13 A Put Option or Second Put Option may only be exercised by all relevant shareholders for and on behalf of each B or B1 Ordinary Shareholder and C or C1 Ordinary Shareholder in respect of all (and not some only) of the B or B1 Ordinary Shares and C or C1 Ordinary Shares then in issue and which are subject to the respective Option.
- 17.14 Exercise of an Option shall oblige the B or B1 Ordinary Shareholders and C or C1 Ordinary Shareholders to sell and the Investor Shareholder to purchase (or procure the purchase of) the B or B1 Ordinary Shares and the C or C1 Ordinary Shares which are subject to the respective Option.
- 17.15 The B or B1 Ordinary Shares and the C or C1 Ordinary Shares shall be sold to the Investor Shareholder free from all liens, charges and encumbrances and together with all rights attaching to the B or B1 or C or C1 Ordinary Shares, which are subject to the respective Option.
- 17.16 In respect of the Call Option or Put Option accompanying the Exercise Notice, will be a statement from the party exercising the Option (Exercising Party) setting out the EBITDA Target (Draft EBITDA Statement). The receiving party (Receiving Party) has a period of two months from receipt of the Draft EBITDA Statement to verify and agree (if possible) the Draft EBITDA Statement so that it becomes the Agreed EBITDA Statement, pursuant to the provisions of Article 18.
- Completion of the sale of the B or B1 Ordinary Shares and C or C1 Ordinary Shares following the exercise of an Option
- 17.17 Completion of the sale and purchase of the B or B1 Ordinary Shares and C or C1 Ordinary Shares following the exercise of an Option shall take place at the registered office of the Company on the date which is 5 Business Days after agreement or determination of the Option Price (or such other place or time as the parties may agree).
- 17.18 Upon completion of a transfer of B or B1 Ordinary Shares and C or C1 Ordinary Shares pursuant to this Article each relevant B or B1 Ordinary Shareholder and C or C1 Ordinary Shareholder shall deliver or procure the delivery to (or as directed by) the Investor Shareholder of:-
- 17.18.1 duly executed transfers in respect of the B or B1 Ordinary Shares and C or C1 Ordinary Shares in favour of (or as directed by) the Investor Shareholder; and
- 17.18.2 the certificates representing the B or B1 Ordinary Shares and the C or C1 Ordinary Shares (or an express indemnity in a form satisfactory to the Investor Shareholder in the case of any found to be missing);
- 17.19 On the exercise of the relevant Option, the Investor Shareholder may require the holders of the B or B1 Ordinary Shares and C or C1 Ordinary Shares to enter into a sale and purchase agreement in respect of the acquisition of the Option Shares pursuant to the Option (the

- "Option SPA"). The Option SPA shall, include, inter alia, a restrictive covenant period for a period of two years from the date of exercise of the relevant Option and shall be on similar, but not identical, terms as those previously agreed between the parties hereto. In respect to the holders of the C or C1 Shares any restrictive covenant agreed shall be on similar, but not identical, terms as and shall be on similar, but not identical, terms as those previously agreed between the parties hereto.
- 17.20 The Investor Shareholder may also require the holders of the B or B1 Ordinary Shares and C or C1 Ordinary Shares to complete and return to the Investor a due diligence questionnaire in the form prescribed by it in respect to the Company and deliver a draft disclosure letter to the Investor Shareholder in respect to any warranties prescribed by the Investor Shareholder in the applicable Option SPA.
- 17.21 Such other documents as may be necessary to enable the Investor Shareholder or its nominee(s) to obtain a good title to the B or B1 Ordinary Shares and the C or C1 Ordinary Shares including, without limitation, any power of attorney pursuant to which the documents referred to in Articles 17.18.1 and 17.18.2 were executed on behalf of B or B1 Ordinary Shareholders and the C or C1 Ordinary Shareholders (if applicable).
- 17.22 The holders of the B or B1 Ordinary Shares and C or C1 Ordinary Shares will severally warrant and undertake to the Investor Shareholder or its nominee(s) that he is the registered holder and has the requisite power, authority and right to sell and transfer the full legal and beneficial interest in all the B or B1 Ordinary Shares and the C or C1 Ordinary Shares held by him free from any lien, charge, equity or encumbrance.
- 17.23 Against delivery of the documents referred to in Article 17.16 the Investor Shareholder or its nominee(s) shall pay the aggregate Option Price to the B or B1 Ordinary Shareholders and the C or C1 Ordinary Shareholders in accordance with Article 17.6.
- 18 EBITDA STATEMENT**
- 18.1 As soon as practicable and, in any event, no later than 10 days from the date on which the party to who the relevant Option has been served (Receiving Party) makes a written request of the party who has exercised the relevant Option (Exercising Party), the Exercising Party shall provide the Receiving Party with access to such of its information, books and records as the Receiving Party may reasonably require in connection with the preparation of the Draft EBITDA Statement.
- 18.2 No later than the last day of the Review Period, the Receiving Party shall serve a written notice on the Exercising Party stating whether or not it agrees with the Draft EBITDA Statement. In the case of any disagreement, the notice (Dispute Notice) shall specify in reasonable detail each matter or item in dispute and, to the extent practicable, any adjustments which the Receiving Party considers should be made to the Draft EBITDA Statement.
- 18.3 During the Review Period, the Exercising Party shall provide the Receiving Party with access to such of its information, books and records as the Receiving Party may reasonably require, in a timely manner, to enable the Receiving Party to review the Draft EBITA Statement.
- 18.4 If, during the Review Period, the Receiving Party:



- 18.4.1 serves a written notice on the Exercising Party confirming its agreement with the Draft EBITDA Statement, it shall, with effect from the date of service of such notice, constitute the Agreed EBITDA Statement and the Agreed EBITDA Statement and shall be final and binding on the parties; or
- 18.4.2 fail to serve a Dispute Notice, the Draft EBITDA Statement shall, with effect from the expiry of the Review Period, constitute the Agreed EBITDA Statement and the Agreed EBITDA Statement and shall be final and binding on the parties.
- 18.5 If the Receiving Party serves a Dispute Notice, the parties shall, during the period of 15 Business Days commencing on the date of service of the Dispute Notice (Resolution Period), seek in good faith to reach agreement on the disputed matters. If, before the Resolution Period expires, the disputed matters are:
  - 18.5.1 resolved by the parties in writing, the Draft EBITDA Statement (revised as necessary to reflect the parties' agreement) shall constitute the Agreed EBITDA Statement, and the Agreed EBITDA Statement shall be final and binding on the parties with effect from the date of their agreement; or
  - 18.5.2 not resolved by the parties in writing, then at any time following the expiry of the resolution period either party may, by written notice to the other party, require the disputed matters to be referred to an Expert for determination in accordance with Article 19.
- 18.6 the Exercising Party and the Receiving Party shall bear and pay their own costs incurred in connection with the preparation, review and agreement of the Draft EBITDA Statement and the Agreed EBITDA Statement.

## **19 EXPERT DETERMINATION**

- 19.1 If a notice is served by either party pursuant to Article 18.5.2, the parties shall use all reasonable endeavours to reach agreement regarding the identity of the person to be appointed as the Expert and to agree terms of appointment with the Expert. Neither party shall unreasonably withhold its agreement to the terms of appointment proposed by the Expert or the other party.
- 19.2 If the parties fail to agree on an Expert and their terms of appointment within 10 Business Days of either party serving details of a proposed Expert on the other, then either party shall be entitled to request the President for the time being of the Institute of Chartered Accountants of England and Wales to appoint the Expert and to agree the terms of appointment on behalf of the parties.
- 19.3 Except for any procedural matters, the scope of the Expert's determination shall be limited to determining the unresolved matters in the Dispute Notice relating to:
  - 19.3.1 whether any errors have been made in the preparation of the Draft EBITDA Statement; and
  - 19.3.2 any consequential adjustments, corrections or modifications that are required in order for the Draft EBITDA Statement to have been prepared in accordance with this agreement.
- 19.4 The parties shall co-operate with the Expert and shall provide (and in the case of the Investor shall procure that the Company provides) such assistance and access to such documents, personnel, books and records as the Expert may reasonably require for the purpose of making their determination.

- 19.5 The parties shall be entitled to make submissions to the Expert and each party shall, with reasonable promptness, supply the other party with all such information and access to its documentation, books and records as the other party may reasonably require in order to make a submission to the Expert in accordance with this Article.
- 19.6 To the extent not provided for in this Article, the Expert may in their reasonable discretion determine such other procedures to assist with the conduct of their determination as they consider just or appropriate.
- 19.7 Unless otherwise agreed by the parties, the Expert shall be required to make their determination in writing (including reasons for their determination) and to provide a copy to each party as soon as reasonably practicable and in any event within 30 Business Days of their appointment.
- 19.8 The Expert shall act as an expert and not as an arbitrator. Save in the event of manifest error or fraud:
- 19.8.1 the Expert's determination of any matters referred under this Article, shall be final and binding on the parties; and
- 19.8.2 the Draft EBITDA Statement, subject to any adjustments, corrections or modifications that are necessary to give effect to the Expert's determination, shall constitute the Agreed EBITDA Statement for the purpose of this agreement.
- 19.9 If an appointed Expert dies or becomes unwilling or incapable of acting, or does not deliver their determination within the period required by this article:
- 19.9.1 the parties shall use all reasonable endeavours to agree the identity and terms of appointment of a replacement Expert;
- 19.9.2 if the parties fail to agree and appoint a replacement Expert within 10 Business Days of a replacement being proposed in writing by one party, then either party may apply to the President for the time being of the Institute of Chartered Accountants of England and Wales to discharge the appointed Expert and to appoint a replacement Expert; and
- 19.9.3 this article shall apply in relation to each and any replacement Expert as if they were the first Expert appointed.
- 19.10 The parties shall act reasonably and co-operate to give effect to the provisions of this Article 19 and shall not do anything to hinder or prevent the Expert from making a determination.
- 19.11 Each party shall bear and pay their own costs incurred in connection with the Expert's determination pursuant to this Article. the Expert's fees and any costs or expenses incurred in making their determination (including the fees and costs of any advisers appointed by the Expert) shall be borne equally between the exercising party on the one hand and the receiving party on the other hand, or in such other proportions as the Expert may direct.
- 20 CALL OPTION IN RESPECT TO THE D AND E ORDINARY SHARES**
- 20.1 The holders of the Ordinary Shares other than those held by the Investor Shareholder shall have an option pro rata to their holdings in accordance with this article, to purchase (or to procure the purchase of) each D Ordinary Share at the D Option Price and on the terms, and subject to the conditions, of this article (the "D Call Option").

- 20.2 The Investor Shareholder shall have an option, in accordance with this article, to purchase (or to procure the purchase of) each E Ordinary Share at the E Option Price and on the terms, and subject to the conditions, of this article (the "E Call Option"),
- (and the D Call Option and the E Call Option being defined as the D/E Call Options).
- 20.3 The D/E Call Options may be exercised on or immediately prior to the occurrence an Exit Event and only be exercised in respect of all (and not some only) of the applicable D or E Ordinary Shares then in issue and which are subject to the D/E Call Options by the issue of a notice to all holders of the D and E Ordinary Shares (D/E Call Options Exercise Notice).
- 20.4 Exercise of the D/E Call Options shall oblige the D and E Ordinary Shareholders to sell and the Investor Shareholder or the holders of the Ordinary Shares other than those held by the Investor Shareholder to purchase (or procure the purchase of) the D and E Ordinary Shares and shall be sold free from all liens, charges and encumbrances and together with all rights attaching to the D or E Ordinary Shares. which are subject to the respective D/E Call Options
- 20.5 Completion of the sale and purchase of the D or E Ordinary Shares following the exercise of the D/E Call Options shall take place at the registered office of the Company on the date which is 3 Business Days after the exercise of the D/E Call Options and each relevant D or E Ordinary Shareholder:
- 20.5.1 shall deliver or procure the delivery to (or as directed by) the Investor Shareholder or holder of Ordinary Shares (other than the Investor Shareholder):-
- 20.5.1.1 duly executed transfers in respect of the D or E Ordinary Shares and Ordinary Shares in favour of (or as directed by) the Investor Shareholder or holder of Ordinary Shares (other than the Investor Shareholder);
- 20.5.1.2 the certificates representing the D or E Ordinary Shares (or an express indemnity in a form satisfactory to the Investor Shareholder in the case of any found to be missing); and
- 20.5.1.3 such other documents as may be necessary to enable the Investor Shareholder or holder of Ordinary Shares (other than the Investor Shareholder to obtain a good title to the D or E Ordinary Shares, without limitation, any power of attorney pursuant to which the documents referred to in Articles 20.5.1.1 and 20.5.1.2 were executed on behalf of D or E Ordinary Shareholders (if applicable).
- 20.6 The holders of the D or E Ordinary Shareholders severally warrant and undertake to the applicable transferee that he is the registered holder and has the requisite power, authority and right to sell and transfer the full legal and beneficial interest in all the D or E Ordinary Shares held by him free from any lien, charge, equity or encumbrance.

- 20.7 Against delivery of the documents referred to in Article 20.5 the Investor Shareholder or the holders of the Ordinary Shares (other than the Investor Shareholder) shall pay the aggregate Option Price to the D or E Ordinary Shareholders in accordance with Article 20.8.
- 20.8 The consideration payable in respect of the purchase of the D Ordinary Shares and E Ordinary Shares following the exercise of the D/E Call Options shall be:

Based on the Investor Shareholder's sole determination of the Company's earnings for the 12 month period ending on the final day of the month prior to the date on which the D/E Call Option Exercise Notice is given, pursuant to Article 20.3. The Company will adopt standard accounting policy in accordance with FRS 102, together with all other generally accepted accounting principles, policies and practices applied in the UK and the applicable accounting requirements of the Companies Act 2006 (Applicable EBITDA).

Upon the Applicable EBITDA being specified the D or E Ordinary Shares shall be acquired in accordance with the following provisions:

Applicable EBITDA bands	Subject to Article 20.8 the aggregate price paid for all D Ordinary Shares	Subject to Article 20.8 the aggregate price paid for all E Ordinary Shares
££500,000 to £1,000,000	£204,000	Nominal value
£1,000,000 to £1,500,000	£408,000	Nominal Value
£1,500,000 to £2,000,000	£612,000	Nominal Value
£2,000,000 to £2,500,000	£816,000	£350,000
£2,500,000 to £3,000,000	£1,020,000	£700,000
£3,000,000 to £3,500,000	£1,224,000	£1,050,000
£3,500,000 to £4,000,000	£1,428,000	£1,400,000
£4,000,000 to £4,500,000	£1,632,000	£1,750,000
£4,500,000	£1,836,000	£2,100,000

In applying the above table if the Applicable EBITDA was between a specified band the calculation will be as follows:

(Applicable EBITDA/ the specified band immediately below the Applicable EBITDA) X  
Total Aggregate Price

So by way of example;

Applicable EBITDA was £1.2m the band below it was £1m therefore it is  
 $1,200,000/1,000,000 \times £408,000 = £489,600$

Applicable EBITDA was £3,600,000 the band below it was £3,500,000 therefore it is  
 $3,600,000/3,500,000 \times £1,428,000 = £1,468,800$  for D Ordinary Shares

$3,600,000/3,500,000 \times £1,400,000 = £1,440,000$  for E Ordinary Shares

If the Applicable EBITDA was greater than £4,500,000 the same calculation as set out above would be applied, with a fixed band of £4,500,000.

The aggregate price for the D and E Ordinary Shares is calculated on the basis that 10,000 D Ordinary Shares and 10,000 E Ordinary Shares are in issue as at the date on which the D/E Call Options are exercised. To the extent that it is a lower number but not a higher number the following formulae shall be applied to adjust the aggregate purchase price in respect to each column:

$M/N \times Y$  where:

M is individually the number of D and E Ordinary Shares in issue if lower than N

N is the aggregate of 10,000 for the D Ordinary Shares and 10,000 for the E Ordinary Shares.

Y is the figure specified in column 2 and column 3

## **21 TRANSFER ARRANGEMENTS**

21.1 In the event that a Shareholder is deemed to have served a Transfer Notice, the provisions of Article 22 shall apply to the Sale Shares and such Shareholder shall be obliged to transfer its Shares in accordance with that Article at a price determined in accordance with this Article 21 (the "Sale Price").

21.2 Any Shares held by a Leaver or which are currently the subject of a Transfer Notice shall not confer the right to receive notice of, attend or vote at any general meeting of the Company or meeting of the holders of Shares of the same class or to receive a copy of or vote in relation to any written resolution of the Company or any written resolution or written consent of that class of Shares and such Shares shall not be counted in determining the total number of votes which may be cast at any such meeting or on any such written resolution or written consent of any Shareholder or class of Shareholders nor shall the holder of such Shares be entitled to participate in any allotment of equity securities pursuant to Article 14. Any Shares the subject of this Article 21.2 shall be deemed to be voting shares for the purpose of calculating whether or not a Controlling Interest has been or is to be acquired.

21.3 Save as otherwise set out in these Articles the Sale Price for the Leaver's Shares shall be (in respect to the B and B1 and C and C1 shares):

21.3.1 in the case of a Good Leaver, the EBITDA Value; and

21.3.2 in the case of a Bad Leaver, the aggregate sum of £1.00.

21.4 If the EBITDA Value falls to be determined by an Independent Expert:

21.4.1 the Company shall immediately instruct the Independent Expert, once nominated pursuant to Article 21.5, to determine the EBITDA Value on the basis which, in the Independent

- Expert's opinion, represents the EBITDA Value calculated following written submissions from the Company and the relevant Leaver;
- 21.4.2 the Independent Expert shall certify the EBITDA Value as soon as possible after being instructed by the Company and in so certifying the Independent Expert shall be deemed to be acting as expert and not as arbitrator and the Arbitration Act 1996 shall not apply;
- 21.4.3 the certificate of the Independent Expert shall, in the absence of manifest error, be final and binding, and
- 21.4.4 the Company shall procure that any certificate required hereunder is obtained with due expedition and the cost of obtaining such certificate shall be borne by the Company unless (i) such an arrangement would not be permitted by the CA 2006.
- 21.5 The Independent Expert shall be nominated by the Board and the Leaver concerned or, in the event of disagreement as to nomination, shall be nominated by the Board (with Investor Consent) from the Independent Experts' List or, if no firm on the Independent Experts' List is able or willing to act, shall be nominated by the President for the time being of the Institute of Chartered Accountants in England and Wales. Once nominated, the Independent Expert shall then be appointed by the Company. The terms of engagement of the Independent Expert shall, subject to the following sentence, be agreed to and signed by the Independent Expert, the Company and the Leaver concerned. If the Leaver fails to agree and sign the terms of engagement on or before the date falling ten days after either the date of the Independent Expert's nomination or appointment or the date on which the terms of engagement are received (if later), the Independent Expert shall be validly appointed under this Article 21.5 by the Company, for and on behalf of itself and the Leaver, by the Company agreeing to and signing the terms of engagement and the appointment of the Independent Expert on such terms, and the Independent Expert's determination of the EBITDA Value (subject only to Article 21.4.1), shall be binding on all parties.
- 21.6 If, after the Sale Price is determined in accordance with this Article 17 but, whether before or after completion of the sale of the Sale Shares, pursuant to Articles 22.1 or 22.6 or otherwise, has taken place: a Good Leaver is or becomes a Bad Leaver then, even though his Sale Shares were offered for sale at a Sale Price determined pursuant to Article 21.3.1, the Sale Price shall be adjusted so as to be the amount determined in accordance with Article 21.3.2, and, to the extent that completion of the Sale Shares has already taken place, the transferor(s) of the Sale Shares shall pay to the transferee(s) an amount that results in the transferee(s) having paid no more than the adjusted Sale Price.
- 22 PRE-EMPTION RIGHTS**
- 22.1 The Investor Shareholder may, within twenty-one days after the Start Date, direct the Company to offer for sale, by written notice in hard copy form, such number of Sale Shares at the Sale Price to such person as may be specified by the Investor Shareholder (including, for the avoidance of doubt, the Investor Shareholder, any Employee or prospective Employee, the Company and/or an Employee Trust). If the offeree of the Sale Shares applies for any of them within six weeks after the Start Date the Company shall (with Investor Consent) within seven days after such application allocate to that offeree the number of Sale Shares applied for. If all of the Sale Shares are so allocated, the provisions of Articles 22.1 to 22.5 (inclusive) shall not apply. If none or some only of the Sale Shares are so allocated, the remaining provisions of this Article shall have effect as if references to Sale Shares shall mean those not allocated in accordance with this Article.

- 22.2 The Company shall:
- 22.2.1 on the fifteenth Business Day following the Start Date (or, if that day is not a Business Day, on the next Business Day) if the Investor Shareholder has not given any direction pursuant to Article 22.1; or
- 22.2.2 on the day immediately following the expiry of the six week period referred to in Article 18.1 (or, if that day is not a Business Day, on the next Business Day), if the Investor Shareholder has given direction pursuant to Article 22.1,
- give written notice in hard copy form to each of the holders of Shares (other than the Seller or an Excluded Person) offering for sale the entire legal and beneficial ownership of the Sale Shares at the Sale Price. The notice shall specify that the Shareholder shall have a period of 15 Business Days from the date of such notice within which to apply for some or all of the Sale Shares.
- 22.3 The Sale Shares shall be treated as having been offered to Shareholders as if they all held one class of Share in proportion (as nearly as may be) to their existing holdings of Shares (the "Proportionate Allocation"). A Shareholder may, if he so desires, indicate in his application for Sale Shares that he would be willing to purchase a particular number of Shares in excess of his Proportionate Allocation ("Extra Shares").
- 22.4 The Company shall allocate the Sale Shares as follows:
- 22.4.1 if the total number of Sale Shares applied for is equal to or less than the available number of Sale Shares, each Shareholder shall be allocated the number applied for in accordance with his application; or
- 22.4.2 if the total number of Sale Shares applied for is greater than the available number of Sale Shares, each Shareholder shall be allocated his Proportionate Allocation or such lesser number of Sale Shares for which he has applied and the balance of the Sale Shares shall be allocated amongst those Shareholders applying for Extra Shares in such proportions as equal (as nearly as may be) the proportions of all the Shares to which the offer is treated as having been made held by such Shareholder or (in the case of a Shareholder who has informed the Company under section 152(2) or (3) of the CA 2006 that it is not exercising all of the rights attaching to the Shares of that class registered in its name or that it is exercising such rights in different ways) in proportion to the number of Shares to which the offer is treated as having been made, over which such rights are being exercised in any particular way, in favour of an application for Sale Shares. The Extra Shares shall be allocated to the applying Shareholders on the basis set out above until all Extra Shares are allocated save that no Shareholder shall be allocated more Extra Shares than it has applied for. Fractional entitlements to Shares shall be ignored.
- 22.5 Fractions of Shares which would otherwise be allocated to Shareholders under Article 22.4 shall be consolidated and allocated by the drawing of lots in any manner thought appropriate by the directors with Investor Consent provided no Shareholder shall be allocated more Shares than it has applied for. Allocations of Sale Shares made by the Company pursuant to this Article shall constitute the acceptance by the Shareholders to whom they are allocated of the offer to sell those Sale Shares on the terms offered to them, provided that no person shall be obliged to take more than the maximum number of Sale Shares that he has indicated to the Company he is willing to purchase.

- 22.6 The Company shall forthwith upon allocating any Sale Shares give written notice in hard copy form (a "Sale Notice") to the Seller and to each person to whom Sale Shares have been so allocated of the number of Sale Shares so allocated and the aggregate price payable therefore. Completion of the sale and purchase of those Sale Shares in accordance with the Sale Notice shall take place within five Business Days after the date of the Sale Notice whereupon the Seller shall, upon payment of the price due in respect thereof, transfer those Sale Shares specified in the Sale Notice to the persons to whom they have been allocated and deliver the relevant Share certificates.
- 22.7 Save in the case of an acquisition of Sale Shares by the Company, if the Seller defaults in transferring any Sale Shares pursuant to this Article 22, the Company may receive the relevant purchase money from the purchaser and may nominate some person to execute an instrument of transfer of such Sale Shares in the name and on behalf of the Seller and thereafter, when the instrument has been duly stamped (if necessary), the Company shall cause the name of the purchaser to be entered in the register of members as the holder of such Sale Shares and shall hold the purchase money on trust (without interest) for the Seller. The receipt of the Company for the purchase money shall be a good discharge to the purchaser (who shall not be bound to see to the application thereof) and, after his name has been so entered in the register of members, the validity of the proceedings shall not be questioned by any person. In the case of an acquisition of Sale Shares by the Company, if the Seller defaults in transferring any Sale Shares pursuant to this Article 22, the Company may nominate some person to execute an instrument of transfer of such Sale Shares in the name and on behalf of the Seller and to execute any other documentation required to be signed by the Seller to give effect to the acquisition of Sale Shares by the Company and thereafter, when such instrument of transfer or the return of purchase of own shares has been duly stamped, the Company shall cause such shares to be cancelled or held as treasury shares in accordance with the CA 2006 and shall hold the purchase money on trust (without interest) for the Seller.
- 22.8 If not all of the Sale Shares are sold under the pre-emption provisions contained in Articles 22.1 to 22.7 (inclusive), the Company shall (forthwith upon the exhaustion of such provisions) so notify the Seller by way of written notice in hard copy form. The Seller shall not be entitled to sell any of the Sale Shares for which no investor has been found.
- 22.9 For the purposes of this Article 22, references to the holders of Shares who are to be offered any Shares the subject of a Transfer Notice (and references to the number of Shares of any particular class held by such Shareholders) shall be deemed to be a reference to those Shareholders who are on the register (and to such Shareholder's holdings of Shares) at the close of business on the date of the Transfer Notice, other than any Shareholder who at any time before such offer is made has given (or is deemed to have given) a current Transfer Notice in respect of any Shares or who is bound under these Articles to give a Transfer Notice in respect of his Shares or any of them. Any such Shareholder who has given or who is deemed to have given a Transfer Notice at the relevant time, shall be deemed to hold only those Shares registered in its name and which are not the subject of the Transfer Notice (if any).
- 23 COMPLIANCE**
- 23.1 For the purpose of ensuring compliance with the transfer provisions of these Articles and/or ensuring that or determining whether a particular transfer of Shares is permitted or required under the provisions of these Articles, the directors may require any Leaver or other Shareholder proposing to transfer Shares to procure that:



- 23.1.1 such Leaver or other Shareholder; or
- 23.1.2 any proposed transferee of any Shares; or
- 23.1.3 such other person as is reasonably believed to have information and/or evidence relevant to such purpose,  
  
provides to the Company any information and/or evidence as the directors or the Investor Shareholder considers (in their complete discretion) necessary or relevant for such purposes and until such information and/or evidence is provided to the satisfaction of the directors and the Investor Shareholder, the directors shall refuse to register any relevant transfer (otherwise than with Investor Consent).
- 23.2 Each Shareholder hereby authorises the Company:
  - 23.2.1 to exercise all the rights attaching to the Shares held by that Shareholder for the purposes of giving effect to the provisions of these Articles;
  - 23.2.2 to do all things as may be necessary or desirable to ensure compliance by that Shareholder with all the obligations imposed on that Shareholder under these Articles; and
  - 23.2.3 to appoint any member of the Board as its substitute and to delegate to that substitute all or any powers hereby conferred (other than this power of substitution) as if he had been originally authorised to exercise such powers.
- 24 DIVIDENDS**
  - 24.1 Procedure for declaring dividends
    - 24.1.1 Subject to Article 13.1:
      - 24.1.1.1 the Company may by ordinary resolution declare dividends, and the directors, with Investor Consent, may decide to pay interim dividends;
      - 24.1.1.2 no dividend may be declared or paid unless it is in accordance with Shareholders' respective rights unless the Shareholders' resolution to declare or the directors' decision to pay a dividend, or the terms on which Shares are issued, specify otherwise, it must be paid by reference to each Shareholder's holding of Shares on the date of the resolution or decision to declare or pay it; and
      - 24.1.1.3 the directors may, with Investor Consent, pay at intervals any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment.
  - 24.2 Payment of dividends and other distributions
    - 24.2.1 Where a dividend or other sum which is a distribution is payable in respect of a Share, it must be paid by one or more of the following means:
      - 24.2.1.1 transfer to a bank or building society account specified either in writing;

24.2.1.2 sending a cheque made payable to the Seller by post (in accordance with article 31.4) to the Seller at the Seller's address;

24.2.1.3 any other means of payment as the directors agree with the Seller in writing.

**24.3 No interest on distributions**

Subject to Article 13.1, the Company may not pay interest on any dividend or other sum payable in respect of a Share unless otherwise provided by the terms on which the Share was issued, or the provisions of another agreement between the Shareholder of that Share and the Company.

**24.4 Unclaimed distributions**

Subject to Article 13.1:

24.4.1 all dividends or other sums which are payable in respect of Shares and which are unclaimed after having been declared or becoming payable, may be invested or otherwise made use of by the directors for the benefit of the Company until claimed. The payment of any such dividend or other sum into a separate account does not make the Company a trustee in respect of it; and

24.4.2 if twelve years have passed from the date on which a dividend or other sum became due for payment and the Shareholder has not claimed it, the Shareholder is no longer entitled to that dividend or other sum and it ceases to remain owing by the Company.

**24.5 Non-cash distributions**

Subject to Article 13.1:

24.5.1 and subject to the terms of issue of the Share in question, the Company may, by ordinary resolution and with Investor Consent, decide to pay all or part of a dividend or other distribution payable in respect of a Share by transferring non-cash assets of equivalent value (including, without limitation, shares or other securities in any company); and

24.5.2 for the purposes of paying a non-cash distribution, the directors may make whatever arrangements they think fit, including (where any difficulty arises regarding the distribution) fixing the value of any assets, paying cash to any Shareholder on the basis of that value in order to adjust the rights of the Shareholder, and vesting any assets in trustees.

**24.6 Waiver of distributions**

24.6.1 Subject to Article 13.1, a Shareholder may waive their entitlement to a dividend or other distribution payable in respect of a Share by giving the Company notice in writing to that effect prior to the declaration of a dividend by a general meeting, or the payment of an interim dividend decided on by the directors, but if the Share has more than one Shareholder, or more than one person is entitled to the Share whether by reason of the death or bankruptcy of one or more joint Shareholders or otherwise, the notice is not effective unless it is expressed to be given, and signed, by all the Shareholders or persons otherwise entitled to the Share.

**25 CAPITALISATION OF PROFITS**

- 25.1 Subject to these Articles, the directors may, if they are so authorised by an ordinary resolution and with Investor Consent:
  - 25.1.1 decide to capitalise any profits of the Company (whether or not they are available for distribution) which are not required for paying a preferential dividend, or any sum standing to the credit of the Company's share premium account or capital redemption reserve; and
  - 25.1.2 appropriate any sum which they so decide to capitalise ("capitalised sum") to the persons who would have been entitled to it if it were distributed by way of dividend ("persons entitled") and in the same proportions.
- 25.2 Capitalised sums must be applied on behalf of the persons entitled, and in the same proportions as a dividend would have been distributed to them.
- 25.3 Any capitalised sum may be applied in paying up new Shares of a nominal amount equal to the capitalised sum which are then allotted credited as fully paid to the persons entitled or as they may direct.
- 25.4 A capitalised sum which was appropriated from profits available for distribution may be applied in paying up new debentures of the Company which are then allotted credited as fully paid to the persons entitled or as they may direct.
- 25.5 Subject to these Articles the directors may, with Investor Consent:
  - 25.5.1 apply capitalised sums in accordance with Articles 25.2 and 25.4 partly in one way and partly in another;
  - 25.5.2 make such arrangements as they think fit to deal with shares or debentures becoming distributable in fractions under this Article (including the issuing of fractional certificates or the making of cash payments or ignoring fractions altogether); and
  - 25.5.3 authorise any person to enter into an agreement with the Company on behalf of all the persons entitled which is binding on them in respect of the allotment of Shares and debentures to them under this Article.
- 26 DECISION-MAKING BY SHAREHOLDERS: ORGANISATION OF GENERAL MEETINGS**
  - 26.1 Attendance and speaking at general meetings
    - 26.1.1 A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate orally to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting;
    - 26.1.2 A person is able to exercise the right to vote at a general meeting when:
      - 26.1.2.1 that person is able to vote, during the meeting, on resolutions put to the vote at the meeting; and
      - 26.1.2.2 that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting;
    - 26.1.3 The directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it;

- 26.1.4 In determining attendance at a general meeting, it is immaterial whether any two or more members attending it are in the same place as each other;
- 26.1.5 Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them. Such a meeting shall be deemed to take place where the largest group of those persons are assembled, or if there is no such group, where the Chairperson of the meeting is located.
- 26.2 Quorum for general meetings
- No business shall be transacted at any general meeting (or adjourned meeting) unless a quorum is present. A quorum shall be two qualifying persons having the right to vote on the business to be transacted at the meeting one of whom must hold (or be entitled to exercise the rights attached to) Shares representing more than 50% of the A Ordinary Shares in issue for the time being.
- 26.3 Class meetings
- Save as otherwise provided by the CA 2006 in relation to meetings or resolutions of holders of a class of Shares (including without limitation meetings or resolutions to consider the variation of class rights) the provisions of these Articles relating to general meetings and written resolutions shall apply, with any necessary modifications, to any separate general meeting or written resolution of the holders of the Shares of any class required to take place by the CA 2006 or these Articles, except that the necessary quorum at any such meeting (other than a meeting to consider the variation of class rights) shall be one member holding Shares of the relevant class present (in the case of an individual) in person or by proxy or (in the case of a company) by a duly authorised representative or by proxy.
- 26.4 Chairing general meetings
- If the directors have appointed a Chairperson, the Chairperson shall chair general meetings if present and willing to do so. If the directors have not appointed a Chairperson, or if the Chairperson is unwilling to chair the meeting or is not present within ten minutes of the time at which a meeting was due to start an Investor Director shall chair the meeting.
- 26.5 Attendance and speaking by directors and non-Shareholders
- 26.5.1 Directors may attend and speak at general meetings, whether or not they are Shareholders.
- 26.6 Notice deemed received
- 26.6.1 A Shareholder present either in person or by proxy, at any meeting of the Company shall be deemed to have received notice of the meeting and, where relevant, of the purposes for which it was called.
- 26.7 Adjournment
- 26.7.1 If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the Chairperson of the meeting must adjourn the meeting, unless it was called at the request of the Shareholders, in which case it must be dissolved. The Chairperson of the meeting must also adjourn a general meeting if directed to do so by a meeting at which a quorum is present.

- 26.7.2 The Chairperson of the meeting may adjourn a general meeting at which a quorum is present if the meeting consents to an adjournment, or it appears to the Chairperson of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or to ensure that the business of the meeting is conducted in an orderly manner.
- 26.7.3 When adjourning a general meeting, the Chairperson of the meeting must either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the directors, and have regard to any directions as to the time and place of any adjournment which have been given by the meeting (where that meeting is quorate).
- 26.7.4 Save where (a) the adjournment is of a temporary nature lasting not more than half an hour, (b) the adjourned meeting is to be held in the same place as the original meeting, and (c) the Chairperson announces whilst a quorum is present the time at which the adjourned meeting shall start, at least 5 clear days' notice shall be given of every adjourned meeting. Such notice shall be given to the same persons to whom notice of the Company's general meetings is required to be given and shall specify the time and place of the meeting and the general nature of the business to be conducted. No further notice of an adjourned meeting is required.
- 26.7.5 No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.

## **27 DECISION-MAKING BY SHAREHOLDERS: VOTING AT GENERAL MEETINGS**

### **27.1 Voting: General**

- 27.1.1 A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with these articles.

### **27.2 Voting: Proxies**

- 27.2.1 Subject to Article 27.2.2, on a vote on a resolution on a show of hands at a meeting, every proxy present who has been duly appointed by one or more members entitled to vote on the resolution has one vote.
- 27.2.2 On a vote on a resolution on a show of hands at a meeting, a proxy has one vote for and one vote against the resolution if the proxy has been duly appointed:
  - 27.2.2.1 by more than one member entitled to vote on the resolution and the proxy has been instructed by one or more of those members to vote for the resolution and by one or more other of those members to vote against the resolution; or
  - 27.2.2.2 by a member entitled to vote on the resolution (and who holds the Shares on behalf of two or more other persons) and the proxy has been instructed by that member to vote for the resolution in relation to some of the Shares held by that member and against the resolution in relation to some other of the Shares held by that member.
- 27.2.3 On a poll taken at a meeting of a company all or any of the voting rights of a member may be exercised by one or more duly appointed proxies.

- 27.2.4 Where a member appoints more than one proxy, Article 27.2.3 does not authorise the exercise by the proxies taken together of more extensive voting rights than could be exercised by the member in person.
- 27.3 Errors and disputes
  - 27.3.1 No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid. Any such objection must be referred to the Chairperson of the meeting, whose decision is final.
- 27.4 Poll Votes
  - 27.4.1 Subject to Article 13.3 a poll on a resolution may be demanded in advance of the general meeting where it is to be put to the vote, or at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared. Unless the Chairperson of the meeting determines it would be impractical or unfair to do so, polls must be taken immediately and shall be taken in such manner as the Chairperson of the meeting directs:
    - 27.4.2 A poll may be demanded by
      - 27.4.2.1 the Chairperson of the meeting;
      - 27.4.2.2 the directors;
      - 27.4.2.3 two or more persons having the right to vote on the resolution; or
      - 27.4.2.4 a person or persons representing not less than one tenth of the total voting rights of all the Shareholders having the right to vote on the resolution.
    - 27.4.3 A demand for a poll may be withdrawn if the poll has not yet been taken, and the Chairperson of the meeting consents to the withdrawal. A demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made.
- 27.5 Content of proxy notices
  - 27.5.1 Proxies may only validly be appointed by a notice in writing ("Proxy Notice") which:
    - 27.5.1.1 states the name and address of the Shareholder appointing the proxy;
    - 27.5.1.2 identifies the person appointed to be that Shareholder's proxy and the general meeting in relation to which that person is appointed;
    - 27.5.1.3 where the proxy is not entitled to exercise the rights attaching to all of the Shares held by that Shareholder, identifies the number of Shares in relation to which the proxy is entitled to exercise such rights;
    - 27.5.1.4 is signed by or on behalf of the Shareholder appointing the proxy, or is authenticated in such manner as the directors may determine; and

- 27.5.1.5 is delivered to the Company in accordance with these articles and any instructions contained in the notice of the general meeting to which they relate.

Only one proxy may be appointed in any Proxy Notice and a Shareholder wishing to appoint more than one proxy must use a separate Proxy Notice for each appointment.

- 27.5.2 The directors may require Proxy Notices to be delivered in a particular form, and may specify different forms for different purposes. Proxy Notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions or may give the proxy discretion as to how to vote on one or more resolutions.

- 27.5.3 Unless a Proxy Notice indicates otherwise, it must be treated as:

- 27.5.3.1 allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting;

- 27.5.3.2 appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself; and

- 27.5.3.3 allowing the person appointed under it as a proxy to exercise the rights attaching to all of the Shares held by the Shareholder appointing that person as a proxy and no person shall be entitled to challenge the validity of the exercise by such proxy of all those rights.

## 27.6 Delivery of proxy notices

- 27.6.1 A Proxy Notice and any authority under which it is signed or otherwise authenticated in such a manner as the directors may determine (or a copy of such authority or other authentication certified notarially or by a solicitor or in some other way approved by the directors) may:

- 27.6.1.1 in the case of a Proxy Notice in hard copy form, be deposited at the registered office (or at such other place within the United Kingdom as is specified in the notice convening the meeting or in any form of proxy sent out by the Company in relation to the meeting) at any time before the time for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote; or

- 27.6.1.2 in the case of a Proxy Notice sent by electronic means where an address has been given by the Company:

- 27.6.1.2.1 in the notice calling the meeting, or

- 27.6.1.2.2 in any form of proxy sent out by the Company in relation to the meeting, or

- 27.6.1.2.3 in any invitation to appoint a proxy issued by the Company in relation to the meeting,

be received at that address (subject to any conditions or limitations specified in the notice) at any time before the time for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote, or

- 27.6.1.2.4 in the case of a poll taken after the date of the meeting or adjourned meeting, be deposited or received as aforesaid at any time before the time appointed for the taking of the poll, and a Proxy Notice which is not deposited, delivered or received in a manner so permitted shall be invalid. Any valid Proxy Notice shall, unless stated to the contrary in it, be valid both for the relevant meeting and for any adjournment of that meeting. In this Article 27.6, "address" includes a number or address used for the purposes of sending or receiving documents or information by electronic means.
- 27.6.2 A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid Proxy Notice has been delivered to the Company by or on behalf of that person.
- 27.6.3 An appointment under a Proxy Notice may be revoked by delivering to the Company at the registered office or at any other place or address specified by the Company pursuant to Article 27.6.1 in relation to the delivery of Proxy Notices for the particular meeting concerned, a notice of revocation of authority in writing given by or on behalf of the person by whom or on whose behalf the Proxy Notice was given.
- 27.6.4 A notice revoking a proxy appointment or the authority of a person authorised by a corporation pursuant to section 323(1) CA 2006, only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates or (in the case of a poll taken after the date of the meeting or adjourned meeting at which the poll was demanded) before the time appointed for taking the poll to which it relates.
- 27.6.5 Subject to Article 27.6.4, the provisions of sections 330(1) to (4) inclusive CA 2006 shall apply mutates mutandis to any termination of the authority of a person authorised by a corporation pursuant to section 323(1) Companies Act 2006.
- 27.6.6 If a Proxy Notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf.

## **28 COMPANY SECRETARY**

The Company shall not be required to have a secretary, but may choose to have one. Any Company Secretary shall be appointed by the directors for such term and at such remuneration and upon such conditions as they think fit, and any Company Secretary so appointed may be removed by them.

## **29 AUTHENTICATION**

Any director, the Company Secretary or any person appointed by the directors for the purpose shall have power to authenticate any documents affecting the constitution of the Company, any resolutions of the Company or the board or any committee, and any books, records, documents and accounts relating to the business of the Company, and to certify copies of, or extracts from, them as true copies or extracts. A document purporting to be a copy of a resolution, or an extract from the minutes of a meeting, of the Company or of the board or any committee which is certified in accordance with this Article shall be conclusive evidence in favour of a person dealing with the Company upon the faith of that document that such resolution has been duly passed or, as the case may be, that such minutes or extract is a true and accurate record of proceedings at a duly constituted meeting.



### **30** COMPANY SEALS

- 30.1 Any common seal may only be used by the authority of the directors and the directors may decide by what means and in what form any common seal is to be used.
- 30.2 Unless otherwise decided by the directors, if the Company has a common seal and it is affixed to a document, the document must also be signed by at least one authorised person in the presence of a witness who attests the signature. For the purposes of this article, an authorised person is:
- 30.2.1 any director of the Company;
- 30.2.2 the Company Secretary; or
- 30.2.3 any person authorised by the directors for the purpose of signing documents to which the common seal is applied.

### **31** NOTICES AND COMMUNICATIONS

- 31.1 Notwithstanding anything to the contrary in the remainder of this Article 31, any notice or other communication required by Article 14 (issues of shares) or Article 22 (pre-emption rights) to be given in hard copy form may only be given in hard copy form, signed by or on behalf of the person giving it, by either:
- 31.1.1 hand delivery to the intended recipient; or
- 31.1.2 prepaid, first-class post or (in the case of an address outside the United Kingdom) by prepaid airmail,
- to an address specified for the purpose by the intended recipient or, where the intended recipient is a member, to his address shown in the Company's register of members or to the Company at its registered office.
- 31.2 Except as provided in Articles 4.3.3 or 31.1 or as otherwise provided in these Articles:
- 31.2.1 subject to Article 31.4, any document or information to be given, sent or supplied under these Articles by the Company shall be in writing and given, sent or supplied in any way in which the Company may send or supply documents or information in writing to the intended recipient under schedule 5 of the CA 2006 including, without limitation, in hard copy form, in electronic form or by making it available on a website, subject to, and in accordance with, the requirements of that schedule; and
- 31.2.2 subject to Article 31.4, any document or information to be given, sent or supplied under these Articles to the Company shall be in writing and given, sent or supplied in any way in which documents or information in writing may be sent or supplied by the sender to the Company under schedule 5 of the CA 2006 (where the sender is a body corporate) or schedule 4 of the Companies Act 2006 (in all other cases) subject to, and in accordance with, the requirements of schedule 4 or schedule 5 of the CA 2006, as applicable.
- 31.3 Articles 31.2.1 and 31.2.2 shall apply whether the document or information is authorised or required to be sent or supplied by the CA 2006 or otherwise. References in Articles 31.2.1 and 31.2.2 to documents or information being given, sent or supplied by or to the Company include references to documents or information being given, sent or supplied by or to the directors of the Company acting on the Company's behalf.

- 31.4 Articles 31.2.1 and 31.2.2 shall apply as if schedules 4 and 5 of the CA 2006 required documents and information sent by post to be sent by prepaid first class post or (in the case of an address outside the United Kingdom) by prepaid airmail.
- 31.5 In the case of joint holders of a Share, all notices, documents and information shall be given to the joint holder whose name stands first in the register of members in respect of the joint holding and any notices, documents and information so given shall be sufficiently given to all the joint holders.
- 31.6 Proof that an envelope containing a notice, document or information was properly addressed, prepaid first-class (or, in the case of an address outside the United Kingdom, prepaid airmail) and posted or properly addressed and delivered by hand shall be conclusive evidence that the notice, document or information was given. Proof that a notice, document or information sent by electronic means was sent or given in accordance with guidance issued by the Institute of Chartered Secretaries and Administrators shall be conclusive evidence that the notice, document or information was sent or given. The Board may require authentication of any document or information given, sent or supplied to the Company in electronic form in such manner as it may reasonably determine.
- 31.7 Except as otherwise provided in these Articles, a notice, document or information sent or supplied under these Articles or for the purposes of any provision of the CA 2006, that authorises or requires documents or information to be sent or supplied shall be deemed to have been received by the intended recipient:
- 31.7.1 where the document or information is properly addressed and sent by prepaid first-class post to an address in the United Kingdom or by airmail to an address outside the United Kingdom, 48 hours after it was posted;
- 31.7.2 where the document or information is properly addressed and delivered by hand, when it was given or left at the appropriate address;
- 31.7.3 where the document or information is properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied; and
- 31.7.4 where the document or information is sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website.
- 31.8 In this Article 31, "address" includes (where the context permits) a number or address used for the purposes of sending or receiving documents or information by electronic means
- 31.9 Section 1147 of the CA 2006 shall not apply.
- 32 INDEMNITIES AND FUNDING OF PROCEEDINGS**
- 32.1 Subject to the provisions of and so far as may be consistent with the CA 2006:
- 32.1.1 the directors may exercise all the powers of the Company to indemnify any person who is, or was at any time, a director of the Company against any liabilities incurred by or attaching to him in connection with his duties, powers or office in relation to any such company of which he is or was a director, to the fullest extent permitted by law;
- 32.1.2 where the Company is or was at any time a trustee of an occupational pension scheme (as defined in section 235(6) of the Companies Act 2006), the directors may exercise all the

- powers of the Company to indemnify any person who is or was at any time a director of that company against any liabilities incurred by him in connection with that company's activities as trustee of the occupational pension scheme, to the fullest extent permitted by law; and
- 32.1.3 the directors may exercise all the powers of the Company to provide any director of the Company or any of its parent undertakings from time to time with funds to meet expenditure incurred or to be incurred by him of the kind referred to in sections 205(1) (a) and 206(a) of the CA 2006 and otherwise take any action to enable any such director to avoid incurring such expenditure, to the fullest extent permitted by law.
- 33** INSURANCE
- 33.1 The directors may decide to purchase and maintain insurance, at the expense of the company, for the benefit of any relevant director in respect of any relevant loss.
- 33.2 In this article—
- 33.2.1 a “relevant director” means any director or former director of the company or an associated company;
- 33.2.2 a “relevant loss” means any loss or liability which has been or may be incurred by a relevant director in connection with that director’s duties or powers in relation to the company, any associated company or any pension fund or employees’ share scheme of the company or associated company, and
- 33.2.3 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.