

THE COMPANIES ACTS 1985 AND 1989

PRIVATE COMPANY LIMITED BY SHARES

SPECIAL RESOLUTIONS

of

FRAMLEYDOVE LIMITED

21 At an extraordinary general meeting of the Company held at 200 Aldersgate Street, London EC1A 4JJ on 19 September 1995 the following resolutions were passed as special resolutions.

SPECIAL RESOLUTIONS

1. That the two issued shares of £1 in the capital of the Company each be subdivided into 100 shares of 1p each and reclassified as "A" ordinary shares of 1p each having the rights set out in the new Articles of Association referred to in resolution 4.
2. That the 98 unissued shares of £1 each in the capital of the Company be subdivided into 9,800 shares of 1p each and reclassified as 9,800 "A" ordinary shares of 1p each having the rights set out in the new Articles of Association referred to in resolution 4.
3. That the authorised capital of the Company be increased to £6,782,299.50 by the creation of 190,000 "A" ordinary shares of 1p each, 466,667 "B" preferred ordinary shares of 1p each, 46,667 "C" ordinary shares of 1p each, 66,666 deferred shares of 1p each and 9,032,666 redeemable cumulative preference shares of 75p each having the rights set out in the new Articles of Association referred to in resolution 4.
4. That the articles of association in the form of the draft produced to the meeting and initialled by the Chairman be adopted as the new Articles of Association of the Company in replacement of the existing Articles of Association of the Company.



5. That the directors be authorised pursuant to section 80 of the Companies Act 1985 ("the Act") to exercise all powers of the Company to allot relevant securities (within the meaning of that section) up to an aggregate nominal amount of £6,782,297.50 in the form of up to 199,800 "A" ordinary shares of 1p each, up to 466,667 "B" preferred ordinary shares of 1p each, up to 66,666 deferred shares of 1p each and up to 9,032,666 redeemable cumulative preference shares of 75p each in accordance with the Shareholders Agreement dated 19 September 1995 and to issue warrants pursuant to an instrument by way of deed poll relating to warrants in registered form to subscribe for "C" ordinary shares of 1p each and to allot up to 46,667 "C" ordinary shares of 1p each pursuant to such instrument for a period expiring on 19 September 1996 (or pursuant to an agreement entered into before 19 September 1996).
6. That section 89(1) of the Act shall not apply to the allotment of equity securities (within the meaning of section 94(2) of the Act) pursuant to the authority conferred by resolution 5.



CHAIRMAN

Robri Olysham
Chairman

THE COMPANIES ACTS 1985 AND 1989

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

FRAMLEYDOVE LIMITED

Incorporated on 31 July 1995

ADOPTED BY SPECIAL RESOLUTION

Passed on 21 September 1995

CLIFFORD CHANCE

COMPANIES HOUSE 25/09/95

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THE COMPANIES ACTS 1985 AND 1989

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

- of -

FRAMLEYDOVE LIMITED

adopted by a Special Resolution passed
on 21 September 1995

1. **Interpretation**

1.1 In these Articles:

"the Act" means the Companies Act 1985 including any statutory modification or re-enactment for the time being in force;

"A Deferred Share" means an "A" Deferred Share arising out of conversion of an "A" Ordinary Share pursuant to Article 9.1 and having the rights set out in Article 9.6;

"Hambros Group" means (i) Hambros PLC and its subsidiary undertakings from time to time and (ii) Hambro European Ventures Limited and its subsidiary undertakings from time to time and any partnership, unit trust or fund of which any of them is general partner, manager or adviser;

"Investor Director" means a director appointed as such pursuant to Article 8 and Investor Directors shall be interpreted accordingly;

"Listing" means the admission of any of the Company's shares to the Official List of the London Stock Exchange or to any other recognised investment exchange within the meaning of the Financial Services Act 1986 and such admission becoming effective;

"Mezzanine Agreement" means the mezzanine facility agreement dated 21 September 1995 made by (1) Kleinwort Benson Limited (as agent), (2) Kleinwort Benson European Mezzanine Fund II BV (as the initial lender) and (3) the Company and (4) Hambros Bank Limited (as security trustee) as from time to time varied, amended, supplemented and restated;

"Option" means an option to be granted (pursuant to the terms of a joint venture agreement dated 5 October 1994 between Hambro European Ventures Limited and Caxton-Iseman

Capital Inc) by Caxton-Iseman (Glass), L.P. to a member of the Hambros Group within one month of the date of adoption of these Articles in respect of part of Caxton-Iseman (Glass) L.P.'s holding of shares in the Company;

"Overdraft Letter" means the overdraft letter dated 21 September 1995 between (1) Hambros Bank Limited and (2) Glass's Information Services Limited, a wholly owned subsidiary of the Company as from time to time amended, varied, supplemented and restated;

"Preference Shareholders" means a holder of Preference Shares;

"Sale" means the transfer (whether through a single transaction or a series of transactions) of 90% or more of the "A" Ordinary and "B" Shares in issue taken together to a person and/or any other person:

- (i) who in relation to him is a connected person, as defined in section 839 of the Income and Corporation Taxes Act 1988; or
- (ii) with whom he is acting in concert, as defined in The City Code on Takeovers and Mergers;

"Senior Facility Agreement" means the senior facility agreement dated 21 September 1995 made by (1) Hambros Bank Limited and (2) the Company, as from time to time varied, amended, supplemented and restated;

"Senior Facility Documents" means the Senior Facility Agreement and the Overdraft Letter;

"Shareholders Agreement" means the agreement dated 21 September 1995 made by (1) the Company (2) M.R. Oliphant and others, (3) Hambro European Ventures Limited and others and (4) ShelfCo (No. 1071) Limited as amended from time to time; and

"Warrant" means the 7 per cent warrant to subscribe for "C" Ordinary Shares pursuant to the warrant instrument executed by the Company and dated 21 September 1995 (the **"Warrant Instrument"**).

- 1.2 Words and expressions defined in the Act have the same meanings in these Articles, unless inconsistent with the context.
- 1.3 The renunciation of a right to be allotted shares shall be treated as if it were a transfer of those shares and therefore shall be governed by Articles 10 to 16.
- 1.4 Any reference in these Articles to any matter requiring the consent, agreement or approval of or notice being given by the Investor Directors shall mean the consent, agreement or approval of or notice being given by both Investor Directors.

2. **Table A**

- 2.1 The regulations contained in Table A in the Schedule to the Companies (Tables A-F) Regulations 1985, as amended ("**Table A**"), apply to the Company except to the extent that they are excluded by or inconsistent with these Articles.
- 2.2 The first sentence of regulation 24 and regulations 64, 73 to 78, 80, 81, 90, 94, 95, 115 and 118 of Table A do not apply.

3. **Private company**

The Company is a private company and accordingly any invitation to the public to subscribe for any shares or debentures of the Company is prohibited.

4. **Share capital**

The share capital of the Company at the date of adoption of these Articles is £6,782,299.50 divided into:

200,000 "A" ordinary shares of 1p ("**A** Ordinary Shares");

466,667 "B" preferred ordinary shares of 1p ("**B** Shares");

46,667 "C" ordinary shares of 1p ("**C** Ordinary Shares");

66,666 "B" deferred shares of 1p ("**Deferred Shares**"); and

9,032,666 redeemable cumulative preference shares of 75 pence each ("**Preference Shares**").

5. **Preference Shares**

The rights attaching to the Preference Shares are set out below.

5.1 ***Dividend***

5.1.1 The Preference Shareholders have the right to a fixed cumulative preferential dividend ("**Preference Dividend**") at the yearly rate of 6 per cent (including any associated tax credit) of the nominal amount and premium paid on each Preference Share.

5.1.2 The Preference Dividend shall be paid before the transfer of any sums to reserves.

The right to the Preference Dividend has priority over the rights of the holders of any other class of shares.

5.1.3 The Preference Dividend accrues from day to day from 1 October 1996 and shall be paid, subject to the provisions of Article 18.12, quarterly every 1 April, 1 July, 1 October and 1 January (each a "Quarter Date") in respect of the three months

ending the day immediately preceding those dates out of the profits of the Company available for distribution, except that the first Preference Dividend shall be paid, subject as aforesaid, on 1 April 1997 and calculated in respect of the period from 1 October 1996 up to and including 31 March 1997.

- 5.1.4 Any unpaid Preference Dividend shall be carried forward and paid in priority to the Preference Dividend payable on any later date, increased by an amount representing interest on the unpaid amount at 10% a year which shall accrue from day to day and compound on each Quarter Date. A reference in these Articles to an unpaid Preference Dividend is deemed to include the amount representing interest on the unpaid amount.
- 5.1.5 Every Quarter Date, the amount of the Preference Dividend, including any unpaid Preference Dividend carried forward, shall ipso facto and without any resolution of the board or of the Company in general meeting, become a debt due from and immediately payable by the Company to the extent the Company has profits available for distribution.
- 5.1.6 The holders of a majority of the Preference Shares in issue are entitled to require, by serving notice on the Company, the Company to procure that its subsidiary undertakings distribute to the Company sufficient profits to enable the Company to pay any accrued and/or unpaid Preference Dividend.

5.2 *Return of capital*

On a return of capital on liquidation or otherwise the assets of the Company available for distribution among the shareholders shall be applied in paying to the Preference Shareholders, in priority to any payment to the holders of any other class of shares:

first, the nominal amount and premium paid on each of their Preference Shares;

secondly, a redemption premium in respect of each Preference Share equal to 10.5 per cent (inclusive of any associated tax credit) per annum of the nominal amount and premium paid on each Preference Share compounding daily from the date of issue up to and including the date of return of capital (the "**Redemption Premium**"); and

thirdly, a sum equal to any accrued and/or unpaid Preference Dividend calculated to the date of return of capital and payable whether or not the Company has enough profits available for distribution to pay the accrued and/or unpaid Preference Dividend.

5.3 *Further participation*

The Preference Shares do not confer any further right of participation in the profits or assets of the Company.

5.4 *Scheduled redemption*

Subject to the provisions of Article 18.12, the Company shall redeem all the Preference Shares on the date which is eight years after the date of adoption of these Articles (the "Redemption Date").

5.5 *Early redemption on events of default*

5.5.1 Subject to the provisions of Article 18.12, the holders of a majority of the Preference Shares in issue are entitled to require redemption of some or all the Preference Shares if any of the following events occur and if, within 28 days afterwards, they serve the Company with notice specifying their requirements:

Events

- (i) the Preference Dividend due is not paid in full on a due date, whether or not the Company has enough profits available for distribution to pay it;
- (ii) when Preference Shares are due for redemption, the Company does not pay all the redemption money then payable to Preference Shareholders, whether or not the Company has enough profits available for distribution or other requisite funds to pay the redemption money;
- (iii) those Preference Shareholders become aware of a material breach of Article 10, 11 or 12;
- (iv) those Preference Shareholders become aware of a material breach of the Shareholders Agreement or;
- (v) those Preference Shareholders become aware that any indebtedness of the Company or a subsidiary undertaking has become repayable before its specified maturity or has been the subject of a demand for repayment.

5.5.2 For the purposes of Article 5.8 the Redemption Date for such a redemption is the date specified in the Preference Shareholders' notice.

5.5.3 The holders of a majority of the Preference Shares are entitled to withdraw the notice requiring redemption if they serve the Company with notice to that effect before the redemption takes place.

5.6 *Early redemption by Company*

Subject to the provisions of Article 18.12, the Company may redeem all or 100,000 multiples of the Preference Shares at any time by serving notice on the Preference Shareholders specifying the number of Preference Shares to be redeemed and a date between 14 and 28 days later (the "Redemption Date") on which the redemption is to take place.

5.7 *Redemption on Sale or Listing*

5.7.1 Subject to the provisions of Article 18.12, the Company shall redeem all the Preference Shares immediately before a Sale or Listing.

5.7.2 For the purposes of Article 5.8:

- (i) the Redemption Date on a Sale is the date of Sale; and
- (ii) the Redemption Date on a Listing is the day immediately before the Listing and the redemption money is to be paid immediately after the Listing.

5.8 *Provisions applying to all redemptions*

5.8.1 When only some of the Preference Shares are being redeemed, the redemption shall take place in proportion as nearly as possible to each Preference Shareholder's holding of Preference Shares.

5.8.2 On the Redemption Date the Company shall pay the following amount in cash in respect of each Preference Share to be redeemed:

- (i) the nominal amount and premium paid on the share;
- (ii) the amount of the Redemption Premium on the share; and
- (iii) a sum equal to any accrued and/or unpaid Preference Dividend calculated to the Redemption Date and payable whether or not the Company has enough profits available for distribution to pay the accrued and/or unpaid Preference Dividend.

The amount payable in respect of all the Preference Shares to be redeemed comprises the "redemption money".

5.8.3 Subject to the provisions of Article 18.12, on the Redemption Date the redemption money shall become a debt due and payable by the Company to the Preference Shareholders, whether or not the Company has enough profits available for distribution or other requisite funds to pay the redemption money.

5.8.4 Subject to the provisions of Article 18.12, on the Redemption Date the redemption money shall be paid to each Preference Shareholder in respect of those Preference Shares which are to be redeemed against receipt of the relevant share certificate or an indemnity in a form reasonably satisfactory to the Company in respect of a share certificate which cannot be produced. If a Preference Shareholder produces neither the share certificate nor an indemnity the Company may retain his redemption money until delivery of the certificate or an indemnity.

5.8.5 The Company shall cancel share certificates in respect of redeemed Preference Shares and issue fresh certificates without charge in respect of any Preference Shares represented by those certificates and remaining outstanding.

5.8.6 As from the relevant Redemption Date the Preference Dividend shall cease to accrue on the Preference Shares to be redeemed unless, despite presentation of the relevant share certificate or an indemnity, the Company fails to pay the redemption money in respect of all the Preference Shares to be redeemed. In that case the Preference Dividend shall continue to accrue or be deemed to continue to accrue on the Preference Shares in respect of which redemption money is outstanding.

5.9 *Preference Share Capital Redemption Reserve*

5.9.1 At the end of each financial year, the Company shall reserve from the profits available for distribution and note in its accounts the Redemption Premium accrued in that financial year and that amount plus the amount necessary to pay the Preference Dividend due in the next financial year shall constitute the Redemption Reserve.

5.9.2 The Redemption Reserve shall only be used for the purposes of redeeming the Preference Shares unless the holders of not less than 75% of the Preference Shares in issue agree otherwise in general meeting or in writing.

5.10 *Votes*

Preference Shareholders are entitled to receive notice of and to attend and speak at general meetings of the Company. Preference Shareholders may not vote at general meetings of the Company unless:

- (i) the Preference Dividend is not paid in full on a due date, whether or not the Company has enough profits available for distribution to pay it;
- (ii) when Preference Shares are due for redemption, the Company does not pay all the redemption money then payable to the Preference Shareholders, whether or not the Company has enough profits available for distribution or other requisite funds to pay the redemption money; or
- (iii) any indebtedness of the Company or a subsidiary undertaking has become repayable before its specified maturity or has been the subject of a demand for repayment.

For so long as such a default continues Preference Shareholders may vote at general meetings of the Company on the basis set out in regulation 54 of Table A.

5.11 *Transfer*

5.11.1 The Preference Shares are freely transferable but only in the proportions 466.667 "B" Shares: 66.666 Deferred Shares: 9,032.666 Preference Shares unless the written consent of the holders of 75% of the "A" Ordinary Shares and "B" Shares together

in issue is obtained provided always that the Preference Shares shall not be transferable to a competitor of the Company and its subsidiaries except in circumstances where Article 15 applies.

- 5.11.2 The directors may not register a transfer of Preference Shares unless the proposed transferee has entered into an agreement to be bound by the Shareholders Agreement in the form required by that agreement.

6. **"A" Ordinary, "B" and "C" Ordinary Shares**

- 6.1 Except as provided otherwise in these Articles, "A" Ordinary Shares, "B" Shares and "C" Ordinary Shares rank *pari passu* but they constitute three separate classes of shares.
- 6.2 In these Articles, a reference to a "B" Share or to a "B" Shareholder shall, other than in Articles 5.11.1, 8 and 9 and other than as expressly provided to the contrary, be deemed to include a reference to a "C" Ordinary Share or to a "C" Ordinary Shareholder as the case may be.

7. **Minimum Dividend**

- 7.1 Subject to the provisions of Article 18.12.1 and the payment of the Preference Dividend and with effect from the financial year ending on or after 31 December 2001, the "A" Ordinary Shareholders and the "B" Shareholders are entitled to a dividend (the "**Minimum Dividend**") of a cash sum (excluding any associated tax credit) equal to 25% of the net profits of the Company and its subsidiary undertakings for the relevant financial year.
- 7.2 The Ordinary Shareholders are not entitled to a Minimum Dividend if it is waived in writing by the holders of 51% or more of the "B" Shares in issue having consulted with the board of directors of the Company.
- 7.3 For the purpose of calculating the Minimum Dividend, "net profits" means the net profits of the Company and its subsidiary undertakings available for distribution, as shown by the audited consolidated profit and loss account of the Company and its subsidiary undertakings for the relevant financial year:
- 7.3.1 before interest and tax and exceptional items;
 - 7.3.2 after provision for the payment of the Preference Dividend due within the next financial year and the transfer of the requisite amount to the Redemption Reserve;
 - 7.3.3 before provision for the payment of any dividend on other shares in the Company or on any shares in its subsidiary undertakings or for any other distribution and before provision for the transfer of any sum to any other reserves;
 - 7.3.4 before writing off any intangible assets or goodwill; and
 - 7.3.5 adjusted by the exclusion of any such profit or loss for the year attributed to minority interests in subsidiary undertakings (if any).

- 7.4 The Minimum Dividend shall be paid no later than 14 days after the annual general meeting at which the audited accounts of the Company for the relevant financial year are laid before the Company. The annual general meeting shall be held no later than four months after the end of each financial year.

8. Investor Directors and Chairman

- 8.1 The holders of "B" Shares are entitled to appoint and remove two Investor Directors as follows:

8.1.1 For so long as the Hambros Group holds at least 25 per cent of the "B" Shares, Hambro European Ventures Limited shall be entitled to appoint and remove an Investor Director;

8.1.2 For so long as Caxton-Iseman (Glass), L.P. (and/or any of its permitted transferees under Articles 13.3.1 or 13.3.3) holds at least 25 per cent of the "B" Shares, it shall be entitled to appoint and remove an Investor Director;

provided always that if the Hambros Group or Caxton-Iseman (Glass) L.P. (or any of such permitted transferees) cease to hold at least 25% of the "B" Shares, the entitlement in 8.1.1 or 8.1.2 (as the case may be) to appoint and remove an Investor Director shall become a right of the holders of 75% of the "B" Shares as a class.

- 8.2 The initial appointment of the two Investor Directors pursuant to Articles 8.1.1 and 8.1.2 shall be made pursuant to the Shareholders Agreement. Subsequent appointments and removals of the Investor Directors shall be made by notice served on the Company but only after prior consultation with the members of the Board.

- 8.3 For so long as the Hambros Group holds at least 25 per cent of the "B" shares, Hambro European Ventures Limited shall be entitled to appoint and remove the non-executive chairman of the Company (who for the avoidance of doubt shall have a casting vote) but only after prior consultation with the members of the board of the Company. In the event that the Hambros Group ceases to hold at least 25 per cent of the "B" Shares, this right shall be exercisable by the holders of 75 per cent of the "B" Shares in issue.

- 8.4 Each Investor Director is entitled to an annual fee from the Company of £10,000 plus VAT (exclusive of travel and other expenses in respect of which each Investor Director is entitled to be reimbursed), payable quarterly in arrears.

9. Ratchet and Deferred Shares

- 9.1 Immediately before a Sale or Listing (the "**Relevant Date**") such number of "A" Ordinary Shares (if any) shall be converted into "A" Deferred Shares and the same number of Deferred Shares shall be converted into "B" Shares so that:-

9.1.1 the number of "A" Ordinary Shares in issue expressed as a percentage of the total of the "A" Ordinary, "B" and "C" Ordinary Shares in issue immediately following such conversions is equal to 20 per cent if the Institutional Return is equal to or less

than 30 per cent; remains at 30 per cent if the Institutional Return is equal to or exceeds 35 per cent; and is 20 per cent plus Y if the Institutional Return is more than 30 per cent but less than 35 per cent where Y equals

(Institutional Return (expressed as a percentage) - 30%) x Two

so that for the avoidance of doubt (but subject to Article 9.1.2) if the Institutional Return is between 30% and 35%:

$$\frac{A\% - 20\%}{30\% - 20\%} = \frac{R\% - 30\%}{35\% - 30\%}$$

where:

A% = the percentage of the Company's issued equity share capital held by the holders of "A" Ordinary Shares after the conversion (if any) of "A" Ordinary Shares into "A" Deferred Shares and the conversion (if any) of Deferred Shares into "B" Shares pursuant to this Article 9, and

R% = the Institutional Return (expressed as a percentage);

- 9.1.2 save that, regardless of the Institutional Return, in the event that the Capital Return is equal to or less than £19,000,000 such number of "A" Ordinary Shares shall be converted into "A" Deferred Shares and the same number of Deferred Shares shall be converted into "B" Shares so that the number of "A" Ordinary Shares in issue expressed as a percentage of the total of the "A" Ordinary, "B" and "C" Ordinary Shares in issue immediately following such conversions is equal to the higher of (i) 20 per cent or (ii) the highest percentage between 20 per cent and 20 per cent plus Y (as defined in Article 9.1.1 above) which gives a Capital Return of £19,000,000. For these purposes the Capital Return means the aggregate of all sums expressed in pounds sterling actually paid from time to time to the holders of the "B" Shares and Preference Shares by way of dividend and return of capital to holders of such shares prior to the Relevant Date (including the Redemption premium and any tax credit) plus the net amount of cash plus the market value of any readily marketable securities received by the "B" Shareholders on the Sale or Listing in respect of their "B" Shares.

9.2 Institutional Return means the amount calculated in accordance with the following provisions:-

- 9.2.1 In respect of each successive period of one calendar month (a "**Period**") beginning with the date (the "**Commencement Date**") of adoption of these Articles (but with a final period which may be shorter than one calendar month ending on the Relevant Date) there shall be ascertained:-

- (a) the total amount of cash invested in the Company during that Period for or in respect of each Unit (as defined below); and

- (b) the total amount of all cash paid by the Company in respect of each Unit during that Period and the tax credit thereon (if any).

The figure which results from deducting (a) from (b) above in respect of any Period is referred to below as the "cash flow for that Period" and it is assumed for the purposes of this Article that the cash flow for any Period arises at the start of that Period.

9.2.2 The Institutional Return is "R"

where "R" is the percentage expressed as the figure which that percentage represents (e.g. 0.32 if the percentage is 32%) such that

$$1 + R = (1 + r)^{12}$$

where "r" is the percentage (expressed as a figure) such that the sum of the amounts calculated in accordance with the following formula for each Period from the first Period (as specified above) to the final Period (which ends on the Relevant Date) is zero:-

$$\frac{\text{Cash flow for Period } t}{(1 + r)^{t - 1}}$$

where t is 1 in respect of the first Period, 2 in respect of the second Period and so on (such that, for the avoidance of doubt, t equals 13 for the period commencing on the date of the first anniversary of the Commencement Date (etc)).

9.2.3 For the purpose of Article 9.2.1 above in calculating the cash flow for the Period which ends on the Relevant Date, the Unit Holder shall be deemed to have received in cash during that Period, and accordingly there shall be included in the figure to be ascertained under Article 9.2.1(b)

- (i) that proportion of the Exit Value of the Company (as defined below) which is attributable to and receivable by the holders of the "B" Shares comprised in the Unit (but after exercise of the Warrant and conversion of shares pursuant to this Article); and
- (ii) the redemption amount including any tax credit received in respect of the Preference Shares redeemed pursuant to Article 5.7.

9.2.4 "Unit" means:-

- (a) 466,667 "B" Shares plus up to 66,666 further "B" Shares arising on conversion of the Deferred Shares; and
- (b) 9,032,666 Preference Shares

and any further shares issued to the holders of "B" Shares or Preference Shares after the date of adoption of these Article.

9.2.5 "Exit Value of the Company" means:-

- (i) in the event of a Listing the result of $P \times N$

Where:

"P" means the price at which the Company's shares which are the subject of the Listing are offered to or placed with the public (or, in the case of an offer for sale by tender, the striking price under such offer) as part of the Listing arrangements; and

"N" means the total number of the Company's shares allotted or in issue immediately following Listing (excluding for the avoidance of doubt any Deferred Shares or "A" Deferred Shares) excluding any new shares which are to be or have been newly subscribed in order to raise additional or replacement capital as part of the Listing arrangements or to finance the redemption of the Preference Shares or the repayment of the facilities under the Senior Facility Agreement or the Mezzanine Agreement or any other financing agreement or for any other reason

- (ii) in the event of a Sale the result of $P \times N$

Where:

"P" means the price payable in cash or readily marketable securities for each "A" Ordinary and "B" Share in the Sale; and

"N" means the total number of the Company's shares comprised in the issued equity share capital immediately prior to the Sale (excluding for the avoidance of doubt any Deferred Shares or "A" Deferred Shares") assuming for these purposes and for the purposes of calculating "P" above that (i) the "C" Shares which fall to be issued on exercise of the Warrant on the Relevant Date have been issued and any corresponding conversion of "B" Shares into Deferred Shares pursuant to Article 9.3 has occurred and (ii) the conversion of "A" Ordinary Shares into "A" Deferred Shares, and the conversion of Deferred Shares into "B" Shares pursuant to Article 9.1 has been effected.

- 9.3 Upon and immediately following the issue of "C" Ordinary Shares pursuant to the Warrant, the Company shall convert a number of "B" Shares into Deferred Shares equal to the number of "C" Ordinary Shares so issued. Any conversion of "B" Shares into Deferred Shares pursuant to this Article shall be made amongst the holders of "B" Shares pro rata as nearly as possible to their holdings of "B" Shares.

- 9.4 In the event of a Listing, following any conversion of shares pursuant to Article 9.1 and 9.3, the "A" Ordinary Shares, "B" Shares and "C" Ordinary Shares shall upon the Listing convert into a single class of ordinary shares.
- 9.5 Any conversion of "A" Ordinary Shares into "A" Deferred Shares pursuant to Article 9.1 shall be made among the holders thereof pro-rata as nearly as possible to their holdings of "A" Ordinary Shares. Any conversion of Deferred Shares into "B" Shares pursuant to Article 9.1 shall be made among the holders of Deferred Shares pro rata as nearly as possible to their holdings of Deferred Shares.
- 9.6 The Deferred Shares and the "A" Deferred Shares (for the purposes of the following provisions of this Article 9.6 only referred to together as the "Deferred Shares") have the following rights:-
- 9.6.1 The Deferred Shares shall entitle the holders thereof to a fixed non-cumulative dividend at the rate of 5 per cent per annum of the nominal value thereof for any financial year of the Company in respect of which the net profits of the Company available for dividend (as certified by the auditors of the Company whose decision shall be final and binding) exceed £5,000,000,000.
- 9.6.2 On a winding up the holders of the Deferred Shares shall be entitled out of the surplus assets of the Company to a return of the capital paid up on the Deferred Shares held by them respectively after a total sum of £1,000,000 has been distributed on such winding up in respect of each "A" Ordinary Share, "B" Share and "C" Ordinary Share.
- 9.6.3 Save as provided above the holders of the Deferred Shares shall not be entitled to any participation in the profits or assets of the Company.
- 9.6.4 The Deferred Shares shall not entitle the holders thereof to attend or vote at any General Meeting of the Company by virtue of or in respect of their holdings of such Deferred Shares.
- 9.6.5 The Deferred Shares shall only be capable of transfer prior to a Sale or Listing in accordance with Articles 13 to 16 as if references in those Articles to "B" Shares and "B" Shareholders included a reference to Deferred Shares and Deferred Shareholders. Following a Sale or Listing the Deferred Shares shall be freely transferable and the provisions and restrictions of Articles 11, 13 and 14 shall not apply to them.
- 9.7 Any conversion of shares pursuant to Article 9.3 or Article 9.5 shall be made in such manner in accordance with the law as the directors may determine and the shareholders of the Company shall take such action and execute such documents as may be required to effect such conversions.
10. **Provisions applying on every transfer of "A" Ordinary and "B" Shares**
- 10.1 The directors may not register a transfer of "A" Ordinary or "B" Shares unless:

- 10.1.1 it is permitted by Article 11 or 13 or has been made in accordance with Articles 14 and, if appropriate, 15 or Article 12 or 16; and
- 10.1.2 the proposed transferee has entered into an agreement to be bound by the Shareholders Agreement in the form required by that agreement.
- 10.2 Shareholders are not entitled to transfer "A" Ordinary or "B" Shares unless the transfer is permitted by Article 11 or 13 or has been made in accordance with Articles 14 and, if appropriate, 15 or Article 12 or 16.
- 11. **Transfer restrictions for "A" Ordinary Shareholders**
 - 11.1 No "A" Ordinary Share may be transferred other than:
 - 11.1.1 subject to obtaining the prior written consent of the Investor Directors (such consent not to be unreasonably withheld), to the trustees of a trust of which the only beneficiaries (and the only people capable of being beneficiaries) are the "A" Ordinary Shareholder who established the trust and who is transferring the relevant shares and/or his spouse and/or his lineal descendants by blood or adoption; and the trustees of such a trust may not transfer "A" Ordinary Shares under this Article 11.1.1 other than to replacement trustees of the same trust;
 - 11.1.2 when required by Article 12;
 - 11.1.3 to the personal representatives or beneficiaries of an "A" Ordinary Shareholder who has died and was an employee of the Company or any of its subsidiary undertakings, once the "A" Ordinary Shareholder's personal representatives can no longer be bound to sell shares pursuant to Article 12;
 - 11.1.4 on and after Listing;
 - 11.1.5 in acceptance of an offer by a proposed transferee made under Article 15 or when required by Article 16;
 - 11.1.6 with the written consent of the Investor Directors, in accordance with Article 11.2; or
 - 11.1.7 with the written consent of the Investor Directors, in circumstances in which Articles 11.1.1 to 11.1.6 do not apply.
 - 11.2 11.2.1 An "A" Ordinary Shareholder ("**Selling Shareholder**") who wishes to transfer "A" Ordinary Shares to a person to whom Articles 11.1.1 to 11.1.5 do not apply but who has obtained the written consent of the Investor Directors to make a transfer pursuant to Article 11.1.6 and this Article 11.2 shall serve a notice on the Company ("**Sale Notice**") enclosing the consent of the Investor Directors and stating the number of shares that he wishes to sell ("**Sale Shares**") and his asking price for each share ("**Asking Price**").

11.2.2 The Sale Notice shall make the Company the agent of the Selling Shareholder for the sale of the Sale Shares and the Sale Shares shall then be offered for sale free from all liens, charges and encumbrances together with all rights attaching to them at the Asking Price for each Sale Share to any person or persons nominated for this purpose by the Investor Directors who is or are:

- (i) a person or persons intended to take the employee's place;
 - (ii) any of the existing employees of the Company or any of its subsidiary undertakings; and/or
 - (iii) an employees' share scheme of the Company and its subsidiary undertakings;
- (each a "**Priority Offeree**").

11.2.3 In the event that offers are not received from Priority Offerees to acquire all the Sale Shares within 21 days of the date of the Sale Notice the Sale Shares for which offers have not been received (the "**Remaining Sale Shares**") shall be offered by the Company as agent on the following terms, which the Company shall notify to all the other "A" Ordinary Shareholders within seven days of the end of the 21 day period referred to in Article 11.2.2:

- 11.2.3.1 the price for each Remaining Sale Share is the Asking Price;
- 11.2.3.2 the Remaining Sale Shares are to be sold free from all liens, charges and encumbrances together with all rights attaching to them;
- 11.2.3.3 each of the other "A" Ordinary Shareholders is entitled to buy the Sale Shares in proportions reflecting, as nearly as possible, the nominal amount of their existing holdings of "A" Ordinary Shares; an "A" Ordinary Shareholder is entitled to buy fewer Remaining Sale Shares than his proportional entitlement;
- 11.2.3.4 "A" Ordinary Shareholders may offer to buy any number of the Remaining Sale Shares that are not accepted by the other "A" Ordinary Shareholders ("**Excess Shares**"); and
- 11.2.3.5 21 days after the Company's despatch of the terms for the sale of the Remaining Sale Shares in accordance with 11.2.3 (the "**Closing Date**"):
 - (i) the Sale Notice shall become irrevocable;
 - (ii) an "A" Ordinary Shareholder who has not responded to the offer in writing shall be deemed to have declined it; and
 - (iii) each offer made by an "A" Ordinary Shareholder to acquire Remaining Sale Shares shall become irrevocable.

- 11.2.4 If the Company receives offers for more "A" Ordinary Shares than the number of Remaining Sale Shares, each "A" Ordinary Shareholder who offered to buy Excess Shares shall be entitled to a number of Excess Shares reflecting, as nearly as possible, the number of Excess Shares he offered to buy as a proportion of the total number of Excess Shares for which offers were received.
- 11.2.5 Within seven days after the Closing Date, the Company shall notify the Selling Shareholder and the "A" Ordinary Shareholders who offered to buy Remaining Sale Shares of the result of the offer (and the result of the offer if any made pursuant to Article 11.2.2) and, if any Sale Shares are to be sold pursuant to either such offer:
- 11.2.5.1 the Company shall notify the Selling Shareholder of the names and addresses of the Priority Offerees and/or "A" Ordinary Shareholders who are to buy Sale Shares and the number to be bought by each;
 - 11.2.5.2 the Company shall notify each "A" Ordinary Shareholder and Priority Offeree of the number of Sale Shares he is to buy; and
 - 11.2.5.3 the Company's notices shall state a place and time, between seven and 14 days later, on which the sale and purchase of the Sale Shares is to be completed.
- 11.2.6 If the Selling Shareholder does not transfer Sale Shares in accordance with Article 11.2.5, the directors may authorise any director to transfer the Sale Shares on the Selling Shareholder's behalf to the Priority Offerees and buying "A" Ordinary Shareholders concerned against receipt by the Company of the Asking Price per share. The Company shall hold the Asking Price in trust for the Selling Shareholder without any obligation to pay interest. The Company's receipt of the Asking Price shall be a good discharge to the buying Priority Offerees and "A" Ordinary Shareholder. The directors shall then authorise registration of the transfer once appropriate stamp duty has been paid. The defaulting Selling Shareholder shall surrender his share certificate for the Sale Shares to the Company. On surrender, he shall be entitled to the Asking Price for the Sale Shares.
- 11.2.7 If, by the Closing Date, the Company has not received offers for all the Sale Shares, the Company shall offer any Remaining Sale Shares for which offers were not received pursuant to Article 11.2.3 to the "B" Shareholders and the provisions of Articles 11.2.3 to 11.2.6 shall apply mutatis mutandis to such offer.
- 11.2.8 If by the next Closing Date following offers made pursuant to Article 11.2.7 the Company has not received offers for all Sale Shares, unless it was a term of the Investor Directors' consent under Article 11.1.6 that this Article 11.2.8 should not apply, the Selling Shareholder may within the next two months transfer the Sale Shares for which offers were not received to any person at no less than the Asking Price per share with any other terms being no more favourable than those in the Sale Notice.

12. **Compulsory transfer**

12.1 Article 12 applies when an employee of the Company or any of its subsidiary undertakings who:

- (i) is an "A" Ordinary Shareholder; and/or
- (ii) has established a trust which holds "A" Ordinary Shares or has made a transfer pursuant to Article 11 (a "**Permitted Transfer**") (the person holding such shares being a "**Permitted Transferee**"),

ceases for any reason to be an employee of the Company or any of its subsidiary undertakings (the "**Departing Employee**").

12.2 Within two months after the cessation of employment, the Investor Directors may serve notice requiring the "A" Ordinary Shareholder (or his personal representatives in the case of his death) and/or each trustee of the trust and/or any other Permitted Transferee ("**Compulsory Sellers**") to offer some or all (but in the circumstances envisaged in Article 12.4.1, in the event that employment ceased after the first anniversary of the date of adoption of these Articles, not more than 75 per cent and in the event that employment ceased after the second anniversary of the date of adoption of these Articles, not more than 50 per cent) of the "A" Ordinary Shares held by the Compulsory Sellers ("**Sale Shares**") to:

- (i) a person or persons intended to take the employee's place (if any);
- (ii) any of the existing employees of the Company or any of its subsidiary undertakings; and/or
- (iii) an employees' share scheme of the Company and its subsidiary undertakings; or
- (iv) the other holders of "A" Ordinary Shares; or
- (v) where Sale Shares have been offered to but not accepted by a person or persons falling within any of (i), (ii), (iii) or (iv) above to any other person or persons determined by the Investor Directors

("Offerees").

The Investor Directors' notice may reserve to the Investor Directors the right to finalise the identity of the Offerees once the price for the Sale Shares has been agreed or certified.

12.3 The Compulsory Sellers shall then offer the Sale Shares to the Offerees, as identified by the Investor Directors, free from all liens, charges and encumbrances and together with all rights attaching to them on the following terms.

12.4 The price for each Sale Share shall be:

- 12.4.1 in the event that the Departing Employee has ceased employment because of death, ill-health or wrongful dismissal or in circumstances where the Board has agreed or an industrial tribunal has determined that the dismissal was unfair, the price agreed between the Departing Employee (or his personal representatives in the case of death) and the Investor Directors, or, if they do not agree a price within 14 days of the Investor Directors' notice, the price to be determined at the Company's expense by the Company's auditors or, if the auditors are unwilling or unable to act, by an independent Chartered Accountant appointed for the purpose by agreement between the parties, acting as experts and not as arbitrators, to be the fair market value of the Sale Shares (assuming a willing buyer and a willing seller and ignoring whether or not the Sale Shares constitute a minority interest, the transfer restrictions which apply to the Sale Shares pursuant to these Articles and any discount to reflect the fact that the Sale Shares do not carry a running dividend yield (if such is the case) but taking full account of the preference share capital and debt structure of the Company) upon the cessation of employment ("**Market Value**") subject to receiving an irrevocable undertaking from the Departing Employee to apply any proceeds of sale in respect of the Sale Shares first towards the repayment of any amounts due from the Departing Employee to the Company or any of its subsidiaries; and
- 12.4.2 in all other cases, the issue price of the Sale Shares or, if lower, their Market Value subject to receiving the same undertaking as is contemplated in Article 12.4.1.
- 12.5 Within seven days after the price has been agreed or certified:
- 12.5.1 the Company shall confirm to or notify the Compulsory Sellers of the names and addresses of the Offerees and the number of Sale Shares to be offered to each;
- 12.5.2 the Company shall notify each Offeree of the number of Sale Shares on offer to him; and
- 12.5.3 the Company's notices shall specify the price per share and state a date, between seven and 14 days later, on which the sale and purchase of the Sale Shares is to be completed ("**completion date**").
- 12.6 By the completion date the Compulsory Sellers shall deliver stock transfer forms for the Sale Shares, with the relevant share certificates, to the Company. On the completion date the Company shall pay the Compulsory Sellers, on behalf of each of the Offerees, the agreed or certified price for the Sale Shares to the extent the Offerees have put the Company in the requisite funds. The Company's receipt for the price shall be a good discharge to the Offerees. The Company shall hold the price in trust for the Compulsory Sellers without any obligation to pay interest.
- 12.7 To the extent that Offerees have not, by the completion date, put the Company in funds to pay the agreed or certified price, the Compulsory Sellers shall be entitled to the return of the stock transfer forms and share certificates for the relevant Sale Shares and the Compulsory Sellers shall have no further rights or obligations under Article 12 in respect of those Sale Shares.

12.8 If a Compulsory Seller fails to deliver stock transfer forms for Sale Shares to the Company by the completion date, the directors may (and shall, if requested by any Investor Director) authorise any director to transfer the Sale Shares on the Compulsory Seller's behalf to each Offeree to the extent the Offeree has, by the completion date, put the Company in funds to pay the agreed or certified price for the Sale Shares offered to him. The directors shall then authorise registration of the transfer once appropriate stamp duty has been paid. The defaulting Compulsory Seller shall surrender his share certificate for the Sale Shares to the Company. On surrender, he shall be entitled to the agreed or certified price for the Sale Shares.

12.9 While "A" Ordinary Shares are Sale Shares by virtue of Article 12.2, they may not be transferred under Article 11.

13. Transfer restrictions for "B" Shareholders

No "B" Share may be transferred other than:

13.1 with the written consent of the holders of 90% or more of the "B" Shares in issue taken together;

13.2 by one member of the Hambros Group to any other member of the Hambros Group and in the case of a "B" Shareholder which is a body corporate, to a member of the same group (meaning a subsidiary or holding company of the body corporate or a subsidiary of a holding company of the body corporate) if the transferee gives an undertaking to the Company that if the transferee ceases to be a member of the same group, all its shares in the Company will, before the cessation, be transferred to another member of the same group;

13.3 in the case of a "B" Shareholder which is a limited partnership or which holds "B" Shares as general partner, nominee or trustee for a limited partnership or unit trust which is a pooled investment fund:

13.3.1 to another general partner, nominee or trustee for the limited partnership or unit trust;

13.3.2 on a distribution in kind or otherwise under the relevant partnership agreement or trust deed, to the partners of the limited partnership or their nominees or the holders of units in the unit trust or their nominees; or

13.3.3 to a general partner, nominee or trustee for a limited partnership, unit trust or investment trust which is a pooled investment fund and which is advised or managed by the adviser or manager of the limited partnership or unit trust the general partner nominee or trustee of which is the transferor of "B" Shares or by a person who is a connected person in relation to such adviser or manager (as defined in section 839 of the Income and Corporation Taxes Act 1988);

13.4 in the case of a "B" Shareholder which is an investment trust (as defined in The Listing Rules of the London Stock Exchange) whose shares are listed on the London Stock Exchange, to another such investment trust which is also managed by the manager of the "B" Shareholder;

- 13.5 to a "**Co-Investment Scheme**", being a scheme under which certain officers, employees or partners of an Investor (as defined in the Shareholders Agreement) or its adviser or manager are entitled (as individuals or through a body corporate or any other vehicle) to acquire shares which the Investor would otherwise acquire;
- 13.6 in the case of a Co-Investment Scheme which holds "B" Shares through a body corporate or another vehicle, to:
- 13.6.1 another body corporate or another vehicle which holds or is to hold shares for the Co-Investment Scheme; or
- 13.6.2 the officers, employees or partners entitled to the "B" Shares under the Co-Investment Scheme;
- 13.7 from Caxton-Iseman (Glass) L.P. (or any of its permitted transferees under Articles 13.3.1 or 13.3.3) to a member of the Hambros Group pursuant to the terms of the Option;
- 13.8 on and after Listing;
- 13.9 in acceptance of an offer made under Article 15 or when required by Article 16; or
- 13.10 in accordance with Article 14.

14. Pre-emption rights

- 14.1 A "B" Shareholder ("**Selling Shareholder**") who wishes to transfer "B" Shares to a person to whom Articles 13.1 to 13.8 do not apply shall serve notice on the Company ("**Sale Notice**") stating the number of shares it wishes to transfer ("**Sale Shares**") and its asking price for each share ("**Asking Price**").
- 14.2 The Selling Shareholder may state in the Sale Notice that:
- 14.2.1 it is only willing to transfer all the Sale Shares, in which case no Sale Shares can be sold unless offers are received for all of them; and/or
- 14.2.2 the Sale Shares can only be transferred with a specified number of his Preference Shares at a specified price per Preference Share, and/or with a specified number of his Deferred Shares at a specified price per Deferred Share in which case:
- (i) an offer for Sale Shares must include an offer for a corresponding proportion of the Preference Shares and/or of Deferred Shares at the specified price per share; and
- (ii) Article 14 applies mutatis mutandis to the sale of the Preference Shares and/or Deferred Shares (as the case may be) on the basis that a reference to Sale Shares is a reference to those Preference Shares and/or Deferred Shares (as the case may be) and a reference to the Asking Price is to the specified price per Preference Share and/or Deferred Shares (as the case may be).

- 14.3 The Sale Notice shall make the Company the agent of the Selling Shareholder for the sale of the Sale Shares on the following terms, which the Company shall notify to the other "B" Shareholders within seven days of receiving the Sale Notice:
- 14.3.1 the price for each Sale Share is the Asking Price;
 - 14.3.2 the Sale Shares are to be sold free from all liens, charges and encumbrances together with all rights attaching to them;
 - 14.3.3 each of the other "B" Shareholders is entitled to buy the Sale Shares in proportions reflecting, as nearly as possible, the nominal amount of their existing holdings of "B" Shares; a "B" Shareholder is entitled to buy fewer Sale Shares than his proportional entitlement;
 - 14.3.4 "B" Shareholders may offer to buy any number of the "B" Shares that are not accepted by the other "B" Shareholders ("Excess Shares");
 - 14.3.5 any additional terms pursuant to Article 14.2 apply; and
 - 14.3.6 21 days after the Company's despatch of the terms for the sale of the Sale Shares (the "Closing Date"):
 - (i) the Sale Notice shall become irrevocable;
 - (ii) a "B" Shareholder who has not responded to the offer in writing shall be deemed to have declined it; and
 - (iii) each offer made by a "B" Shareholder to acquire Sale Shares shall become irrevocable.
- 14.4 If the Company receives offers for more "B" Shares than the number of Sale Shares, each "B" Shareholder who offered to buy Excess Shares shall be entitled to a number of Excess Shares reflecting, as nearly as possible, the number of Excess Shares he offered to buy as a proportion of the total number of Excess Shares for which offers were received.
- 14.5 Within seven days after the Closing Date, the Company shall notify the Selling Shareholder and the "B" Shareholders who offered to buy Sale Shares of the result of the offer and, if any Sale Shares are to be sold pursuant to the offer:
- 14.5.1 the Company shall notify the Selling Shareholder of the names and addresses of the "B" Shareholders who are to buy Sale Shares and the number to be bought by each;
 - 14.5.2 the Company shall notify each "B" Shareholder of the number of Sale Shares he is to buy; and
 - 14.5.3 the Company's notices shall state a place and time, between seven and 14 days later, on which the sale and purchase of the Sale Shares is to be completed.

14.6 If the Selling Shareholder does not transfer Sale Shares in accordance with Article 14.5, the directors may authorise any director to transfer the Sale Shares on the Selling Shareholder's behalf to the buying "B" Shareholders concerned against receipt by the Company of the Asking Price per share. The Company shall hold the Asking Price in trust for the Selling Shareholder without any obligation to pay interest. The Company's receipt of the Asking Price shall be a good discharge to the buying "B" Shareholder. The directors shall then authorise registration of the transfer once appropriate stamp duty has been paid. The defaulting Selling Shareholder shall surrender his share certificate for the Sale Shares to the Company. On surrender, he shall be entitled to the Asking Price for the Sale Shares.

14.7 If, by the Closing Date, the Company has not received offers for all the Sale Shares, the Selling Shareholder may within the next two months transfer the Sale Shares for which offers were not received (or, if the Sale Notice stated that he was only willing to transfer all the Sale Shares, all the Sale Shares) to any person at no less than the Asking Price per share with any other terms being no more favourable than those in the Sale Notice.

15. Transfers which change control

15.1 Article 15 applies when a transfer of "A" Ordinary and/or "B" Shares made under Article 11 (other than Article 11.1.1, 11.1.2 or 11.1.3), 13 (other than under any of Articles 13.2 to 13.7 inclusive) or 14 would, if registered, result in a person and/or any other person:

- (i) who in relation to him is a connected person, as defined in section 839 of the Income and Corporation Taxes Act 1988; or
- (ii) with whom he is acting in concert, as defined in The City Code on Takeovers and Mergers

(each being "a member of the purchasing group") holding or increasing a holding of 30% or more of the "A" Ordinary and "B" Shares in issue taken together.

Article 15 does not apply on a transfer of shares to a person who is an original party to the Shareholders Agreement as an Investor.

15.2 No transfer to which Article 15.1 applies may be made or registered unless:

15.2.1 it is agreed to in writing by the holders of 75% or more of the "A" Ordinary Shares and "B" Shares in issue taken together; or

15.2.2 the proposed transferee has made an offer to buy all the other "A" Ordinary Shares and "B" Shares and all the Deferred Shares which fall to be converted into "B" Shares because of the implementation of Article 9 on the terms set out in Article 15.3 and the offer has closed and each accepted offer has been completed, unless failure to complete is the fault of the offeree.

15.3 The terms of the proposed transferee's offer shall be as follows:

15.3.1 the offer shall be open for acceptance for at least 21 days;

15.3.2 the consideration for each "A" Ordinary Share and "B" Share (and for each Deferred Share which would be converted into a "B" Share because of the implementation of Article 9) shall be the higher of:

- (i) the highest consideration offered for each "A" Ordinary Share and "B" Share whose proposed transfer has led to the offer; and
- (ii) the highest consideration paid by any member of the purchasing group for an "A" Ordinary Share and "B" Share in the twelve months up to the offer

taking into account any adjustment appropriate because of the implementation of Article 9 (assuming that as a result of the transfer of shares a Sale occurs); and

15.3.3 the proposed transferee shall offer to buy each Preference Share for a cash consideration equal to the amount which would be payable to the holder if the Preference Share were redeemed on the date of its purchase, unless the Preference Share is redeemed in accordance with Article 5.7.

15.4 Any dispute on the appropriate consideration for the "A" Ordinary Shares and "B" Shares shall be referred to an umpire chosen by the parties concerned or, if they cannot agree on an umpire, nominated by the president of the Institute of Chartered Accountants in England and Wales. The umpire shall act as an expert and not as an arbitrator and his decision shall be final and binding. The Selling Shareholder wishing to sell "B" Shares to the proposed transferee shall pay half the umpire's costs and the "A" Ordinary and "B" Shareholders in dispute with the proposed transferee shall pay the other half.

15.5 A transfer of "A" Ordinary Shares to the proposed transferee shall be made in accordance with Article 14 mutatis mutandis:

- (i) the "Selling Shareholder" being the "A" Ordinary Shareholder who wishes to transfer "A" Ordinary Shares to the proposed transferee;
- (ii) the "Sale Shares" being the "A" Ordinary Shares it wishes to transfer; and
- (iii) references to "the other "B" Shareholders" being to "the "B" Shareholders".

15.6 A transfer of "B" Shares to the proposed transferee shall be made in accordance with Article 14.

16. Drag-along rights

If transfers under Article 11 (other than Article 11.1.1, 11.1.2 or 11.1.3), 13 (other than under any of Articles 13.2 to 13.7 inclusive), 14 and/or 15 result in members of the purchasing group holding or increasing their shareholding to 69 per cent or more of the "A" Ordinary Shares and "B" Shares in issue taken together, the members of the purchasing group may, by serving a "Compulsory Purchase Notice" on each other "A" Ordinary Shareholder and "B" Shareholder ("**Minority Shareholder**"), require all the Minority Shareholders to sell all their "A" Ordinary and "B" Shares to one or more persons identified by the members of

the purchasing group at the consideration specified in Article 15.3.2. If the members of the purchasing group hold all the Preference Shares and Deferred Shares except those of the Minority Shareholders, their Compulsory Purchase Notices shall also require the Minority Shareholders to sell all their Preference Shares and Deferred Shares (if any) to one or more persons identified by the members of the purchasing group in the case of the Preference Shares at the consideration specified in Article 15.3.3, unless the Preference Shares are redeemed in accordance with Article 5.7 and, in the case of the Deferred Shares (but without prejudice to the assumptions in Article 15.3.2 and on the basis that any Deferred Shares which fall to be converted into "B" Shares because of the implementation of Article 9 are treated for these purposes as "B" Shares), at 1p in aggregate for all their Deferred Shares.

The shares subject to the Compulsory Purchase Notices shall be sold and purchased in accordance with the provisions of Articles 12.6 to 12.8 *mutatis mutandis*:

- (i) the "completion date" being the date which is 14 days after the service of the Compulsory Purchase Notices;
- (ii) "Sale Shares" being the Minority Shareholder's "A" Ordinary Shares and "B" Shares and, if covered by the Compulsory Purchase Notice, his Preference Shares and Deferred Shares (if any);
- (iii) "Compulsory Sellers" being the Minority Shareholders; and
- (iv) "Offerees" being the persons identified as purchasers in the Compulsory Purchase Notice.

While Article 16 applies to a Minority Shareholder's shares, those shares may not be transferred otherwise than under Article 16.

Articles 14 and 15.5 and 15.6 do not apply to transfers of shares made under Article 16.

17. Conversion of "A" Ordinary and "B" Shares

- 17.1 When "A" Ordinary Shares are transferred to a "B" Shareholder they shall be converted into "B" Shares, except for the purposes of Article 9 when they shall be deemed to remain "A" Ordinary Shares.
- 17.2 When a "B" Share is transferred to an "A" Shareholder it shall be converted into an "A" Ordinary Share, except for the purposes of Article 9 when it shall be deemed to remain a "B" Share.

18. General provisions

18.1 *Shareholders' meetings and resolutions*

- 18.1.1 Regulation 37 of Table A is modified by the deletion of the words "eight weeks" and the substitution for them of the words "28 days" and by the insertion of the words "or the Investor Directors acting alone" after the second word of that regulation.

- 18.1.2 A corporation which is a member of the Company may, by resolution of its directors or other governing body, authorise such person as it thinks fit to act as its representative at any meeting of the Company or at any meeting of any class of members of the Company. The person so authorised is entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual member.
- 18.1.3 A poll may be demanded by the chairman or by any member present in person or by proxy and entitled to vote and regulation 46 of Table A is modified accordingly.
- 18.1.4 Where an ordinary resolution of the Company is expressed to be required for any purpose, a special or extraordinary resolution is also effective for that purpose, and where an extraordinary resolution is expressed to be required for any purpose, a special resolution is also effective for that purpose.
- 18.1.5 Regulation 53 of Table A is modified by the addition at the end of the following sentence: "If a resolution in writing is described as a special resolution or as an extraordinary resolution it shall have effect accordingly."
- 18.1.6 Regulation 57 of Table A is modified by the inclusion after the word "shall" of the phrase "unless the directors otherwise determine".
- 18.1.7 Regulation 59 of Table A is modified by the addition at the end of the following sentence: "Deposit of an instrument of proxy shall not preclude a member from attending and voting at the meeting or at any adjournment of it."
- 18.1.8 Regulation 62 of Table A is modified by the deletion in paragraph (a) of the words "deposited at" and by the substitution for them of the words "left at or sent by post or by facsimile transmission to", by the substitution in paragraph (a) of the words "one hour" in place of "48 hours" and by the substitution in paragraph (b) of the words "one hour" in place of "24 hours".

18.2 *Number of directors*

Unless otherwise determined by ordinary resolution, the number of directors (other than alternate directors) is not subject to any maximum and the minimum number is one.

18.3 *Alternate directors*

- 18.3.1 Each Investor Director is entitled to appoint any person willing to act, whether or not he is a director of the Company, to be an alternate director. That person need not be approved by resolution of the directors but his appointment shall be subject to prior consultation with the other directors (unless impracticable and save for the appointment of an alternate to attend not more than three consecutive board meetings) and regulation 65 of Table A is modified accordingly.

18.3.2 An alternate director who is absent from the United Kingdom is entitled to receive notice of all meetings of directors and meetings of committees of directors and regulation 66 of Table A is modified accordingly.

18.3.3 Regulation 68 of Table A is modified by the addition at the end of the following sentence: "Any such notice may be left at or sent by post or facsimile transmission to the office or such other place as may be designated for the purpose by the directors."

18.4 *Appointment, retirement and removal of directors*

18.4.1 The directors are not subject to retirement by rotation and any reference in any regulation of Table A to retirement by rotation is to be disregarded.

18.4.2 The Company may by ordinary resolution appoint a person who is willing to act to be a director either to fill a vacancy or as an additional director.

18.4.3 A person appointed by the directors to fill a vacancy or as an additional director need not retire from office at the annual general meeting next following his appointment and the last two sentences of regulation 79 of Table A are deleted.

18.4.4 The holders of a majority of the shares giving the right to vote at general meetings may at any time and from time to time by serving notice on the Company remove any director from office and appoint any person to be a director. A removal or appointment takes effect when the notice is received by the Company or on a later date specified in the notice.

Article 18.4.4 does not apply to the removal or appointment of an Investor Director or of the director appointed pursuant to and in accordance with the Warrant Instrument.

18.5 *Disqualification and removal of directors*

18.5.1 The office of a director shall be vacated if:

- (i) he ceases to be a director by virtue of any provision of the Act or he becomes prohibited by law from being a director;
- (ii) he becomes bankrupt or makes any arrangement or composition with his creditors generally;
- (iii) he becomes, in the opinion of all his co-directors, incapable by reason of mental disorder of discharging his duties as director;
- (iv) he resigns his office by notice in writing to the Company; or
- (v) he has for more than six consecutive months been absent without permission of the directors from meetings of directors held during that period and his

alternate director (if any) has not during such period attended any such meetings instead of him, and the directors resolve that his office be vacated;

- 18.5.2 A person voting against a resolution under section 303 of the Act to remove an Investor Director is deemed, in respect of that resolution, to have three times the votes of a person voting in favour of the resolution and regulation 54 of Table A is modified accordingly.

18.6 *Proceedings of directors*

- 18.6.1 Regulation 88 of Table A is modified by the exclusion of the third sentence and the substitution for it of the following sentence: "Every director shall receive notice of a meeting, whether or not he is absent from the United Kingdom. A director may waive the requirement that notice be given to him of a board meeting, either prospectively or retrospectively."
- 18.6.2 A director or his alternate may validly participate in a meeting of the directors or a committee of directors through the medium of conference telephone or similar form of communication equipment if all persons participating in the meeting are able to hear and speak to each other throughout such meeting. A person participating in this way is deemed to be present in person at the meeting and is counted in a quorum and entitled to vote. Subject to the Act, all business transacted in this way by the directors or a committee of the directors is for the purposes of the Articles deemed to be validly and effectively transacted at a meeting of the directors or of a committee of the directors although fewer than two directors or alternate directors are physically present at the same place. The meeting is deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the chairman of the meeting then is.
- 18.6.3 Meetings of the board of directors shall take place no less frequently than once per calendar month and at least five working days' notice shall be given to each director provided that with the consent of a majority of the directors, including the Investor Directors, board meetings may be held less frequently and convened on less notice.
- 18.6.4 If and for so long as there is a sole director, he may exercise all the powers conferred on the directors by the Articles by resolution in writing signed by him, and regulations 88, 89, 91 and 93 of Table A and Article 18.6.2 shall not apply to any such exercise.
- 18.6.5 Without prejudice to the obligation of any director to disclose his interest in accordance with section 317 of the Act, a director may vote at a meeting of directors or of a committee of directors on any resolution concerning a matter in which he has, directly or indirectly, an interest or duty. The director shall be counted in the quorum present when any such resolution is under consideration and if he votes his vote shall be counted.

18.7 *Borrowing powers of directors*

The directors may exercise all the powers of the Company to borrow and raise money and to mortgage and charge all or any part of the undertaking, property and uncalled capital of the Company and, subject to the provisions of the Act, to issue debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

18.8 *Dividends*

The directors may deduct from any dividend or other moneys payable to a person in respect of a share any amounts due from him to the Company on account of a call or otherwise in relation to a share. For the avoidance of doubt, if the holders of Warrants are entitled to receive an amount in respect of a dividend pursuant to the Warrant Instrument, the Company shall not be entitled to deduct the amount which would fall to be paid by such holders on exercise of the Warrants for so long as the Warrants remain unexercised.

18.9 *Capitalisation of profits*

The directors may, with the authority of an ordinary resolution of the Company, resolve that any shares allotted under regulation 110 of Table A to any member in respect of a holding by him of any partly paid shares rank for dividends, so long as those shares remain partly paid, only to the extent that those partly paid shares rank for dividend and regulation 110 of Table A is modified accordingly.

18.10 *Notices*

- 18.10.1 Regulation 112 of Table A is modified by the deletion of the last sentence and the substitution for it of the following: "A member whose registered address is not within the United Kingdom shall be entitled to have notices given to him at that address."
- 18.10.2 A notice sent by post to an address within the United Kingdom is deemed to be given 24 hours after posting, if pre-paid as first class, or 48 hours after posting, if pre-paid as second class. A notice sent by post to an address outside the United Kingdom is deemed to be given seven days after posting, if pre-paid as airmail or within 72 hours if sent by courier. Proof that an envelope containing the notice was properly addressed, pre-paid and posted is conclusive evidence that the notice was given. A notice not sent by post but left at a member's registered address is deemed to have been given on the day it was left.
- 18.10.3 Regulation 116 of Table A is modified by the deletion of the words "within the United Kingdom".
- 18.10.4 Where the Articles require notice to be given by the holders of a stated percentage of shares, notice may consist of several documents in similar form each signed by or on behalf of one or more shareholders.

18.11 *Indemnity*

- 18.11.1 Subject to the provisions of the Act, but without prejudice to an indemnity to which he may otherwise be entitled, every director, alternate director or secretary of the Company shall be indemnified out of the assets of the Company against all costs, charges, losses and liabilities incurred by him in the proper execution of his duties or the proper exercise of his powers, authorities and discretions including, without limitation, a liability incurred defending proceedings (whether civil or criminal) in which judgment is given in his favour or in which he is acquitted or which are otherwise disposed of without a finding or admission of material breach of duty on his part, or in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company.
- 18.11.2 The directors may exercise all the powers of the Company to purchase and maintain insurance for the benefit of a person who is a director, alternate director, secretary or auditor, or former director, alternate director, secretary or auditor, of the Company or of a company which is a subsidiary of the Company or in which the Company has an interest (whether direct or indirect), or who is or was trustee of a retirements benefit scheme or another trust in which a director, alternate director or secretary or former director, alternate director or secretary is or has been interested, indemnifying him against liability for negligence, default, breach of duty or breach of trust or any other liability which may lawfully be insured against by the Company.

18.12 *Mezzanine Agreement and Senior Facility Documents*

- 18.12.1 Notwithstanding any other provision in these Articles no dividend shall be paid or become payable on any shares and no Preference Shares shall be redeemed by the Company if and for so long as the Company is prohibited from paying a dividend or redeeming shares pursuant to the Senior Facility Documents or the Mezzanine Agreement.
- 18.12.2 Notwithstanding any other provision in these Articles, if any dividend is not paid or redemption of Preference Shares not made on the due date because of the provisions of Article 18.12.1, the relevant shareholders' rights in respect of such dividend or redemption and the failure to pay the same shall continue to accrue and such dividend or redemption shall be paid or made (as the case may be) as soon as the Company is no longer prohibited from making such payment or redemption pursuant to the Senior Facility Documents or the Mezzanine Agreement as set out in Article 18.12.1 but save as aforesaid the shareholder shall not be entitled to take any action against the Company in relation to such non-payment for as long as it is so prohibited.