

Company Number: 03760451

**THE COMPANIES ACT 2006
COMPANY LIMITED BY SHARES**

**ARTICLES OF ASSOCIATION
of
HAND PICKED HOTELS LIMITED
(Amended by a written resolution passed on 5 March 2018)**

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PRELIMINARY

1. Table A

- 1.1 Except as otherwise provided in these Articles the regulations contained in Table A shall constitute the regulations of the Company. In the case of any inconsistency between these Articles and the regulations of Table A, the provisions of these Articles shall prevail.
- 1.2 Regulations 8, 24, 40, 50, 57, 64 to 69 (inclusive), 73 to 78 (inclusive), 80, 81, 84, 87 to 89 (inclusive), 93, 94, 95, 97, 101, 105, 112, 115 and 118 of Table A shall not apply to the Company

2. Definitions and Interpretation

- 2.1 In these Articles, unless the context otherwise requires:

"A Share Fraction", at any time, means the fraction the numerator of which is the number of A Shares issued and outstanding at that time and the denominator of which is the aggregate of (i) the number of A Shares issued and outstanding at that time and (ii) the Restricted Share Reference Number,

"A Shares" means A ordinary shares of £0.01 in the capital of the Company having rights and being subject to the restrictions set out in these Articles;

"Accumulated Proceeds", in relation to any Restricted Share as at a specified date, means the Proceeds paid in relation to that Restricted Share prior to that date and the amount of any dividend on such Restricted Share which has been declared but not paid at that date and which is paid after that date,

"the Act" means the Companies Act 2006;

"Acting in Concert" has the meaning given to it in the City Code on Take-overs and Mergers published by the Panel on Take-overs and Mergers (as amended from time to time),

"Adjusted Restricted Share Participation" in relation to any Restricted Share (in this definition, the "Relevant Restricted Share") means the Restricted Share Participation of the Relevant Restricted Share:

(a) excluding any Accumulated Proceeds (if any) referred to in whichever of paragraphs:

- (a)(i), (a)(ii) (A) or (b) of the definition of B Share Participation,
- (b)(i)(A), (b)(i)(B)(1) or (b)(ii) of the definition of C Share Participation,
- (b)(i)(A), (b)(i)(B)(1) or (b)(ii) of the definition of D Share Participation, (b)(i)(A) or (b)(i)(B)(1) of the definition of E Share Participation,

is applicable to the Relevant Restricted Share; and

(b) disregarding in each of the definitions of "C Share Participation", "D Share Participation" and "E Share Participation" the words occurring prior to paragraph (b)(i) of such definition,

"Adoption Date" means the date of the adoption of these Articles as the articles of association of the Company;

"Affiliate" means, in respect of any person:

- (a) any person connected with such person (and "connected with" bears the meaning set out in sections 993 and 994 of the Income Tax Act 2007), and/or
- (b) any company under the control of such person (and "control" bears the meaning set out in section 995 of the Income Tax Act 2007); and/or
- (c) any associated company of such person (and "associated company" bears the meaning set out in section 416 of ICTA immediately prior to its amendment by the Income Tax Act 2007);

"Apportioned Exit Value"

- (a) in relation to any C Share means the Exit Value less the sum of the Adjusted Restricted Share Participation of the Corresponding B Share and the Unvested Restricted Value of the Corresponding B Share (if any);
- (b) in relation to any D Share means the Exit Value less the sum of the Adjusted Restricted Share Participations of the Corresponding B Share and C Share and the Unvested Restricted Value of the Corresponding B Share and C Share (if any),
- (c) in relation to any E Share means the Exit Value less the sum of the Adjusted Restricted Share Participations of the Corresponding B Share, C Share and D Share and the Unvested Restricted Value of the Corresponding B Share, C Share and D Shares (if any);

in each case as adjusted on or following Exit in accordance with the definition of B Share Participation, C Share Participation, D Share Participation or E Share Participation, if and to the extent applicable, but so that, for the avoidance of doubt, no such Adjusted Restricted Share Participation shall be affected by, or recalculated by reference to, any change in Market Value at any time after the applicable date referred

to the paragraphs (i), (ii), (iii) or (iv) of the definition of "Apportioned Market Value" (other than an adjustment referred to in this paragraph by reason of the Exit Value being less than the relevant Market Value);

"Apportioned Market Value"

- (a) in relation to any C Share, means the Market Value as at the applicable date referred to paragraph (b)(i) or (ii) of the definition of C Share Participation less the sum of the Adjusted Restricted Share Participation of the Corresponding B Share and the Unvested Restricted Value of the Corresponding B Share (if any);
- (b) in relation to any D Share, means the Market Value as at the applicable date referred to paragraph (b)(i) or (ii) of the definition of D Share Participation less the sum of the Adjusted Restricted Share Participations of the Corresponding B Share and C Share and the Unvested Restricted Value of the Corresponding B Share and C Share (if any);
- (c) in relation to any E Share, means the Market Value as at the applicable date referred to paragraph (b)(i) of the definition of E Share Participation less the sum of the Adjusted Restricted Share Participations of the Corresponding B Share, C Share and D Share and the Unvested Restricted Value of the Corresponding B Share, C Share and D Shares (if any);

and for the avoidance of doubt, no such Adjusted Restricted Share Participation shall be affected by, or recalculated by reference to, any change in Market Value at any time after.

- (i) in relation to the Adjusted Restricted Share Participation of any B Share, the applicable date referred to in paragraph (a) or (b) of the definition of B Share Participation,
- (ii) in relation to the Adjusted Restricted Share Participation of any C Share, the applicable date referred to in paragraph (b)(i) or (ii) of the definition of C Share Participation;
- (iii) in relation to the Adjusted Restricted Share Participation of any D Share, the applicable date referred to in paragraph (b)(i) or (ii) of the definition of D Share Participation, or
- (iv) in relation to the Adjusted Restricted Share Participation of any E Share, the applicable date referred to in paragraph (b)(i) of the definition of E Share Participation;

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

"Asset" means all forms of asset other than cash;

"Asset Sale" means the completion of any transaction whereby any person or group of persons purchases the whole or substantially the whole of the business and assets of the Company and/or of the Group;

"Asset Value" means the fair market value of any Asset transferred or to be transferred to a member in relation to his holding of Restricted Shares (including distributions of whatever kind, consideration for the purchase or cancellation of Restricted Shares, return of assets on liquidation, winding up or other return of capital by whatever means

effected) as determined in accordance with Article 4.6 (whether or not the distribution is of a kind mentioned in Article 4.6)

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

"B Shares" means B shares of £0.01 each in the capital of the Company having the rights and being subject to the restrictions set out in these Articles;

"B Share Participation"

- (a) in relation to any B Share (other than a B Share described in paragraph (b) of this definition) that has at any time been held by or on behalf of a person who is or was either (1) the Reference Employee for that B Share and a Leaver or (2) a Permitted Transferee of the Reference Employee for the B Share where such Reference Employee is a Leaver:
 - (i) for the purposes of any distribution pursuant to Article 4.1 made or declared at any time prior to an Exit or a Capital Payment pursuant to Article 4.2 made at any time prior to an Exit, means the sum of the Accumulated Proceeds (if any) in relation to that B Share as at the Leaving Date of the Reference Employee and the Vested Percentage of Market Value as at the Leaving Date of such Reference Employee; and
 - (ii) for the purposes of Article 4.5, and for the purposes of any distribution pursuant to Article 4.1 made or declared at any time after an Exit or a Capital Payment pursuant to Article 4.2 made at any time after an Exit means the greater of:
 - (A) the sum of Accumulated Proceeds (if any) in relation to that B Share as at the Leaving Date of the Reference Employee and the lesser of (1) the Vested Percentage of the Exit Value and (2) the Vested Percentage of the Market Value as at the Leaving Date of such Reference Employee, and
 - (B) the Accumulated Proceeds (if any) in relation to that B Share as at the Exit Date; or
- (b) in relation to a B Share:
 - (i) that was allotted and issued to a Non-Employee Shareholder, and
 - (ii) the Corresponding C Share of which was allotted and issued to a Non-Employee Shareholder, and
 - (ii) that was held by or on behalf of a Non-Employee Shareholder at all times prior to the date on which the Corresponding C Share was transferred by the Non-Employee Shareholder to an Employee or an Employee Nominee (as the case may be);

means the sum of the Accumulated Proceeds (if any) in relation to that B Share as at the date on which the Corresponding C Share was transferred by the Non-Employee Shareholder to an Employee or an Employee Nominee (as the case may be) and the Market Value as at that date, or

- (c) (subject to the following proviso) in relation to any B Share other than a B Share described in paragraph (a) or (b) of this definition, means an unlimited amount,

provided that the B Share Participation of any B Share that is cancelled shall be the aggregate Proceeds properly paid in relation to such B Share on or prior to, or in relation to, its cancellation;

"Bad Leaver" means:

- (a) any person who becomes a Leaver under any circumstances which would not qualify him as a Good Leaver; or
- (b) any person who was a Good Leaver at the time he became a Leaver and in relation to whom any of the events set out in Article 3.6(b)(i) to 3.6(b)(iv) inclusive occurs within 12 months (or such lesser period as the Board may determine) of becoming a Leaver;

"Bad Leaver Shareholder" has the meaning set out in Article 14.1,

"Bad Leaver Shares" has the meaning set out in Article 14.1;

"Board" means the board of directors of the Company for the time being,

"Business Day" means a day other than a Saturday or Sunday on which banks are open for business in London;

"C Shares" means the C shares of £0.01 each in the capital of the Company having the rights and being subject to the restrictions set out in these Articles;

"C Share Participation" in relation to any C Share:

- (a) unless or until the aggregate Proceeds paid on the B Share Corresponding to that C Share equal the B Share Participation of that B Share, means zero; or
- (b) with effect from such time as the aggregate Proceeds paid on the B Share Corresponding to that C Share equal the B Share Participation of that B Share:
 - (i) in relation to any C Share (other than a C Share described in paragraph (ii) of this definition) that has at any time been held by or on behalf of a person who is or was either (1) the Reference Employee for that C Share and such Reference Employee is a Leaver or (2) a Permitted Transferee of the Reference Employee for that C Share and the Reference Employee for that C Share is a Leaver:
 - (A) for the purposes of any distribution pursuant to Article 4.1 made or declared at any time prior to an Exit or a Capital Payment pursuant to Article 4.2 made at any time prior to an Exit, means the sum of the Accumulated Proceeds (if any) in relation to that C Share as at the Leaving Date of the Reference Employee and the Vested Percentage of the Apportioned Market Value as at the Leaving Date of such Reference Employee; and
 - (B) for the purposes of Article 4.5 and for the purposes of any distribution pursuant to Article 4.1 made or declared at any time after an Exit or a Capital Payment pursuant to Article 4.2 made at any time after an Exit, means the greater of.

- (1) the sum of Accumulated Proceeds (if any) in relation to that C Share as at the Leaving Date of the Reference Employee and the lesser of (i) the Vested Percentage of the Apportioned Exit Value and (ii) the Vested Percentage of the Apportioned Market Value as at the Leaving Date of such Reference Employee; and
 - (2) the Accumulated Proceeds (if any) in relation to that C Share as at the Exit Date; or
- (ii) where that C Share:
 - (A) was allotted and issued to a Non-Employee Shareholder; and
 - (B) had a Corresponding D Share which was allotted and issued to a Non-Employee Shareholder; and
 - (C) was held by or on behalf of a Non-Employee Shareholder at all times prior to the date on which the Corresponding D Share was transferred by the Non-Employee Shareholder to an Employee or an Employee Nominee (as the case may be),

means the sum of the Accumulated Proceeds (if any) in relation to that C Share as at the date on which the Corresponding D Share was transferred by the Non-Employee Shareholder to an Employee or an Employee Nominee (as the case may be) and the Apportioned Market Value as at that date, or

- (ii) (subject to the following provisos) in relation to any C Share other than a C Share described in paragraph (a), (b)(i) or (ii) of this definition, means an unlimited amount,

provided that where the B Share Participation of the Corresponding B Share is an unlimited amount, the C Share Participation shall be zero; and provided further that the C Share Participation of any C Share that is cancelled shall be the aggregate Proceeds properly paid in relation to such C Share on or prior to, or in relation to, its cancellation and provided further that the C Share Participation shall exclude the Unvested Restricted Value (if any) of the Corresponding B Share;

"Capital Payment" has the meaning set out in Article 4.2,

"Cause" in the context of a termination by any Group Company of the employment of a person (the **"Relevant Person"**), means, notwithstanding anything in the contract of employment of the Relevant Person and whether the termination of employment was lawful or unlawful termination:

- (a) any serious or persistent breach of the Relevant Person's obligations under his contract of employment, or
- (b) any gross misconduct or conduct (whether in connection with his employment or not) that is materially harmful to any Group Company, or which brings or is likely to bring, or if made public would bring or be likely to bring any Group Company into disrepute; or
- (c) gross negligence in relation to his employment or gross dereliction of duty, or
- (d) dishonesty; or

- (e) conviction of an offence (other than a motoring offence which does not result in imprisonment) whether in connection with the employment or not; or
- (f) disqualification from being a director of a company or body corporate (in any jurisdiction), or
- (g) a serious act of inappropriate behaviour towards another employee, including threatened or actual physical assault, sexual or other harassment or discriminatory behaviour; or
- (h) disclosure or misuse of confidential information of or relating to the business of any Group Company or relating to any Group Company's employees' private and personal matters or the nature and status of the activities of any client of any Group Company; or
- (l) committing any Group Company to a material financial commitment when unauthorised to do so;

"Charitable Beneficiary" means any person (including an individual, company, body corporate, unincorporated association, governmental or quasi governmental entity, partnership or other form of legal entity) which is a charity or to whom a transfer of property is or may be made solely for a charitable purpose;

"Company" means Hand Picked Hotels Limited,

"Controlling Interest" means A Shares together entitling the holder to exercise a majority of the votes at a general meeting of the Company;

"Controlling Shareholder" means the member(s) holding a Controlling Interest;

"Corresponding" in relation to any Restricted Share means another Restricted Share having the equivalent serial number disregarding the letter indicating the class of share and **"Corresponds"** shall be construed accordingly. For the purpose of illustration only (i) the Restricted Shares with serial numbers "C1", "D1 ", "E1" and "Z1" are Corresponding to the Restricted Share with the serial number "B1" and vice versa and (ii) the Restricted Shares with serial numbers "C2", "D2", "E2" and "Z2" are Corresponding to the Restricted Share with the serial number "B2" and vice versa and so on;

"Counterparty" has the meaning set out in Article 3 6,

"D Shares" means D shares of £0.01 in the capital of the Company having the rights and being subject to the restrictions set out in these Articles;

"D Share Participation" in relation to any D Share:

- (a) unless or until (1) the aggregate Proceeds paid on the B Share Corresponding to that D Share equal the B Share Participation of that B Share and (2) the aggregate Proceeds paid on the C Share Corresponding to that D Share equal the C Share Participation of that C Share, means zero, or
- (b) with effect from such time as (1) the aggregate Proceeds paid on the B Share Corresponding to that D Share equal the B Share Participation of that B Share and (2) the aggregate Proceeds paid on the C Share Corresponding to that D Share equal the C Share Participation of that C Share

- (i) in relation to any D Share (other than a D Share described in paragraph (ii) of this definition) that has at any time been held by or on behalf of a person who is or was either (1) the Reference Employee for that D Share and such Reference Employee is a Leaver or (2) a Permitted Transferee of the Reference Employee for that D Share and the Reference Employee for that D Share is a Leaver:

- (A) for the purposes of any distribution pursuant to Article 4.1 made or declared at any time prior to an Exit or a Capital Payment pursuant to Article 4.2 made at any time prior to an Exit, means the sum of the Accumulated Proceeds (if any) in relation to that D Share as at the Leaving Date of the Reference Employee and the Vested Percentage of the Apportioned Market Value as at the Leaving Date of such Reference Employee, and

- (B) for the purposes of Article 4.5 and for the purposes of any distribution pursuant to Article 4.1 made or declared at any time after an Exit or a Capital Payment pursuant to Article 4.2 made at any time after an Exit, means the greater of:

- (1) the sum of Accumulated Proceeds (if any) in relation to that D Share as at the Leaving Date of the Reference Employee and the lesser of (i) the Vested Percentage of the Apportioned Exit Value and (ii) the Vested Percentage of the Apportioned Market Value as at the Leaving Date of such Reference Employee; and

- (2) the Accumulated Proceeds (if any) in relation to that D Share as at the Exit Date;

or

- (ii) where that D Share:

- (A) was allotted and issued to a Non-Employee Shareholder, and

- (B) had a Corresponding E Share which was allotted and issued to a Non-Employee Shareholder; and

- (C) was held by or on behalf of a Non-Employee Shareholder at all times prior to the date on which the Corresponding E Share was transferred by the Non-Employee Shareholder to an Employee or an Employee Nominee (as the case may be),

means the sum of the Accumulated Proceeds (if any) in relation to that D Share as at the date on which the Corresponding E Share was transferred by the Non-Employee Shareholder to an Employee or an Employee Nominee (as the case may be) and the Apportioned Market Value as at that date, or

- (iii) (subject to the following provisos) in relation to any D Share other than a D Share described in paragraph (a), (b)(i) or (ii) of this definition, means an unlimited amount,

provided that where the Restricted Share Participation of the Corresponding B Share or Corresponding C Share is an unlimited amount, the D Share Participation shall be zero; and provided further that the D Share Participation of any D Share that is cancelled shall be the aggregate Proceeds properly paid in relation to such D Share on or prior to, or in relation to, its cancellation; and provided further that the D Share Participation shall exclude the Unvested Restricted Value (if any) of the Corresponding B Share and Corresponding C Share;

"Defaulting Shareholder" has the meaning set out in Article 12.3;

"Determination Notice" has the meaning set out in Article 4 7;

"Drag Along Notice" has the meaning set out in Article 12.1;

"EBITDA" means the consolidated net earnings of the Company and its subsidiaries before interest, taxes, depreciation and amortisation in each case for the last financial year of the Company ended before the date at which the Market Value is to be determined;

"EBT" means an employee benefits trust;

"electronic communication" has the same meaning as in the Electronic Communications Act 2000;

"Employee" means an employee of any Group Company;

"Employee Nominee" in relation to any Restricted Share means any person who holds the legal title to that Restricted Share or following a transfer of that Restricted Share to such person will hold the legal title to that Restricted Share as a nominee of an Employee or a person described in any of paragraphs (a), (b), (c), (d) or (f) of the definition of "Permitted Transferee";

"Encumbrance" means any mortgage, charge, security interest, lien, pledge, assignment by way of security, equity, claim, right of pre-emption, option, covenant, restriction, reservation, lease, trust, order, decree, judgment, title defect (including retention of title claim), conflicting claim of ownership or any other encumbrance of any nature whatsoever (whether or not perfected other than liens arising by operation of law);

"E Shares" means E shares of £0.01 each in the capital of the Company having the rights and being subject to the restrictions set out in these Articles;

"E Share Participation" in relation to any E Share

- (a) unless or until the (1) the aggregate Proceeds paid on the B Share Corresponding to that E Share equal the B Share Participation of that B Share and (2) the aggregate Proceeds paid on the C Share Corresponding to that E Share equal the C Share Participation of that C Share and (3) the aggregate Proceeds paid on the D Share Corresponding to that E Share equal the D Share Participation of that D Share, means zero,
- (b) with effect from such time as (1) the aggregate Proceeds paid on the B Share Corresponding to that E Share equal the B Share Participation of that B Share and (2) the aggregate Proceeds paid on the C Share Corresponding to that E Share equal the C Share Participation of that C Share and (3) the aggregate Proceeds paid on the D Share Corresponding to that E Share equal the D Share Participation of that D Share:

- (i) where that E Share has at any time been held by or on behalf of a person who is or was either (1) the Reference Employee for that E Share and such Reference Employee is a Leaver or (2) a Permitted Transferee of the Reference Employee for that E Share and the Reference Employee for that E Share is a Leaver:
 - (A) for the purposes of any distribution pursuant to Article 4.1 made or declared at any time prior to an Exit or a Capital Payment pursuant to Article 4.2 made at any time prior to an Exit, means the sum of the Accumulated Proceeds (if any) in relation to that E Share as at the Leaving Date of the Reference Employee and the Vested Percentage of the Apportioned Market Value as at the Leaving Date of such Reference Employee; and
 - (B) for the purposes of Article 4.5 and for the purposes of any distribution made or declared at any time after an Exit pursuant to Article 4.1 or a Capital Payment pursuant to Article 4.2 made at any time after an Exit, means the greater of:
 - (1) the sum of Accumulated Proceeds (if any) in relation to that E Share as at the Leaving Date of the Reference Employee and the lesser of (i) the Vested Percentage of the Apportioned Exit Value and (ii) the Vested Percentage of the Apportioned Market Value as at the Leaving Date of such Reference Employee, and
 - (2) the Accumulated Proceeds as at the Exit Date; or
- (ii) (subject to the following provisos) in relation to any E Share other than an E Share described in paragraph (a) or (b)(i) of this definition, means an unlimited amount,

provided that where the Restricted Share Participation of the Corresponding B Share or Corresponding C Share or Corresponding D Share is an unlimited amount, the E Share Participation shall be zero; and provided further that the E Share Participation of any E Share that is cancelled shall be the aggregate Proceeds properly paid in relation to such E Share on or prior to, or in relation to, its cancellation, and provided further that the E Share Participation shall exclude the Unvested Restricted Value (if any) of the Corresponding B Share, Corresponding C Share and Corresponding D Share;

"Exit" means an Asset Sale or a Share Sale or an IPO Exit and **"Exit Date"** means the date on which an Exit occurs,

"Exit Costs" means the aggregate costs and expenses (including but not limited to the costs of legal, accounting and financial advice as well as any corporate finance, underwriters or banking fees) incurred by Group Companies in connection with an Asset Sale or an IPO and IPO Exit and/or incurred by the person who was the Controlling Shareholder immediately prior to completion of a Share Sale in connection with such Share Sale or IPO and IPO Exit;

"Exit Value" means:

- (a) in the case of a Share Sale, the sum equal to the gross proceeds paid in relation to the Share Sale net of Exit Costs and the amount by which the aggregate amount paid to the holders of the Preference Shares in that capacity is less than the aggregate Preferred Participation of all the Preference Shares as at the completion of the Share Sale,

- (b) in the case of an Asset Sale, the market value of all of the issued Shares at the date of completion of the Asset Sale determined in accordance with Article 4.7 after payment or provision for Exit Costs and any Group Company's liability to taxation in relation to the receipt of proceeds of an Asset Sale;
- (c) in the case of an IPO Exit, the market value of all of the issued Shares at the date of the IPO Exit determined in accordance with Article 4.7 after payment or provision for Exit Costs and any Group Company's liability to taxation in relation to the receipt of proceeds of an IPO and IPO Exit;

in each case, divided by the sum of (i) the number of A Shares then issued and outstanding and (ii) the Restricted Share Reference Number,

"Family Trust" in relation to a person means a trust of which that person is settlor and where the trust fund is held wholly for the benefit of beneficiaries consisting only of (i) himself and/or his Immediate Family or (ii) himself and/or his Immediate Family and any Charitable Beneficiary;

"Good Leaver" means a person who is or was an Employee and who becomes a Leaver by reason of any of the following.

- (a) death, serious injury, serious illness or disability (evidenced to the reasonable satisfaction of the Board and being such as would prevent such person from performing his duties or is reasonably expected to prevent such person from performing his duties for a period of exceeding (in total) 120 days in any period of 12 months); or
- (b) resignation where the Employee has agreed the terms of that resignation with his employer Group Company at the time, other than in circumstances in which the employer Group Company would have been entitled to have regarded the employment as terminable for Cause (whether or not any disciplinary or grievance procedure or other process has been complied with) (and, for the avoidance of doubt, where no such terms of resignation have been agreed the Employee will not be a Good Leaver); or
- (c) retirement in accordance with the terms of the Employee's contract of employment with the relevant Group Company or retirement otherwise where the Employee has agreed the terms of retirement with his employer Group Company at the time other than in circumstances in which the employer Group Company would have been entitled to have regarded the employment as terminable for Cause (whether or not any disciplinary or grievance procedure or other process has been complied with) (and, for the avoidance of doubt, where no such terms of retirement have been agreed the Employee will not be a Good Leaver); or
- (d) the Employee's contract of employment having been terminated by the relevant Group Company other than in circumstances in which the employer Group Company would have been entitled to have regarded the employment as terminable for Cause (whether or not any disciplinary or grievance procedure or other process has been complied with);

"Group Company" means the Company and any other company (or other entity) which is for the time being a subsidiary undertaking of the Company (and **"Group"** shall be construed accordingly),

"ICTA" means the Income & Corporation Taxes Act 1988;

"Immediate Family" means in relation to any person the spouse, widow, widower and/or lineal descendants by blood or adoption of that person and the respective spouses, widows, widowers and/or lineal descendants by blood or adoption of any of them;

"Investors" means:

- (a) (i) Guy Hands (chief executive officer and founder of Terra Firma Capital Partners Limited), (ii) any member of Guy Hands' Immediate Family, (iii) any trustee of a trust where the trust fund is held wholly or partly for the benefit of beneficiaries including Guy Hands and/or any member of his Immediate Family or (iv) an Affiliate of any of the aforementioned; and
- (b) a body corporate which is a subsidiary of any person referred to in paragraph (a) of this definition or would be a subsidiary of such person, if any person or persons referred to in paragraph (a) of this definition alone or together were a body corporate,

excluding (i) any Group Company and (ii) any Restricted Shareholder (in that capacity) (and **"Investor"** means any of them);

"IPO" means the admission of any of the share capital of any Group Company to the Official List of the UK Listing Authority or any recognised investment exchange (as defined by section 285 of the Financial Services and Markets Act 2000) or any exchange or market replacing the same or any stock exchange in any major financial centre in the world,

"IPO Exit" means, on or following an IPO, the direct or indirect sale, transfer, exchange or other disposition of ordinary shares in the Group Company whose shares have been the subject of the IPO or issue of shares by such Group Company or any combination of such events, which results in the legal or beneficial ownership of more than 50% of the ordinary shares in that Group Company being held by persons other than (i) one or more Investors (whether directly or indirectly).

"Leaver" means any person who having been an employee of a Group Company ceases to be employed by any Group Company for any reason (including, without limitation death, insanity, resignation, retirement or dismissal), save that such a person will not be regarded as a Leaver where, either immediately following, or within 30 days of such cessation, he or she is or becomes employed by another Group Company,

"Leaving Date" means (i) in relation to any person who becomes a Leaver by reason of his resigning from employment with a Group Company, the date of receipt by his employer of the notice of resignation; and (ii) in relation to any other person who becomes a Leaver, the date on which the relevant person ceases to be employed by any Group Company in circumstances where, following such cessation, he is not employed by any other Group Company;

"Market Value" at any time means:

- (a) (subject to the proviso in paragraph (b) of this definition) the market value of all of the issued Shares at that date determined in accordance with Article 4.7 and then divided by the sum of (i) the number of A Shares then issued and outstanding and (ii) the Restricted Share Reference Number;
- (b) provided that for the purposes of paragraph (b) of the definition of B Share Participation "Market Value" means the higher of

- (i) the amount referred to in paragraph (a) of this definition; and
- (ii) the amount per share equal to the market value for the purposes of the Income Tax (Earnings and Pensions) Act 2003 of the B Share referred to in such part of that definition as at the date on which the Corresponding C Share was transferred by the Non-Employee Shareholder to an Employee or Employee Nominee,

"Multiplier" means such number as the Board determines to be the multiplier of EBITDA to be used for the calculation of the Market Value, as varied from time to time in accordance with Article 4.7;

"Nominated Purchaser" has the meaning set out in Article 14.1;

"Non-Employee Shareholders" means a holder of any A Share and a nominee of it;

"Notional Interest per Share" as at the Reference Date, means the aggregate of the following calculations made daily for each day (a "calculation day") on which a loan made by an Investor to the Company at an interest rate of less than 8% per annum is outstanding during the period from (and including) 1 December 2007 to (and excluding) the applicable Reference Date, and calculated separately in respect of each such loan.

$$\frac{L}{N} \times \frac{A\%}{365}$$

where:

L = the principal of such loan outstanding as at 5pm London time on the relevant calculation date,

N = the number Preference Shares in issue at that time, and

A% = the amount (in percentage points) by which the annual interest rate applicable to such loan is less than 8% per annum.

By way of example only, if a loan of £100,000 were made by an Investor to the Company for a period of 3 days at an annual interest rate of 5% at a time when 10,000 Preference Shares had been issued and were outstanding, the Notional Interest per Share would be:

$$\left(\frac{100,000}{10,000} \times \frac{3\%}{365} \right) + \left(\frac{100,000}{10,000} \times \frac{3\%}{365} \right) + \left(\frac{100,000}{10,000} \times \frac{3\%}{365} \right);$$

"paid" means, in relation to any share, paid or credited as paid,

"Permitted Adjustment" means each of the following

- (a) a redemption or purchase of any Preference Shares in accordance with the Act, or
- (b) a reduction of the Company's share capital in accordance with the Act by way of cancellation or repayment of any amount paid up on the Preference Shares as nominal value or premium, or
- (c) the creation, allotment or issue of preferences shares for the purpose of raising funds in circumstances where the directors of the Company are satisfied that the

proceeds of issue of such shares are required by the Company either (i) to pay any of its debts or discharge or reduce any of its liabilities or (ii) to provide funds (by way of loan, subscription, investment or otherwise) to any subsidiary of the Company to enable it to pay any of its debts or discharge or reduce any of its liabilities;

"Permitted Restricted Shareholder" has the meaning set out in Article 6 5;

"Permitted Transferee" means, in relation to any Restricted Shareholder who is at the time of the proposed transfer (i) the Reference Employee or (ii) the nominee of the Reference Employee or (iii) a person who has acquired any Restricted Share (directly or indirectly) or an interest in a Restricted Share (whether legal or beneficial) as a result of a transfer by the Reference Employee or a nominee of the Reference Employee in accordance with these Articles or (iv) any Controlling Shareholder, any of the following:

- (a) a member of the Reference Employee's Immediate Family; or
- (b) the trustees of a Family Trust of which the Reference Employee is settlor;
- (c) the Reference Employee's attorney appointed under an enduring power of attorney (acting in that capacity) and the receiver, curator bonis or other person appointed to exercise powers with respect to the Reference Employee's property or affairs (as the case may be); or
- (d) the Reference Employee's trustee in bankruptcy, or
- (e) following the death of the Reference Employee, any beneficiary under the will, or person entitled to share in the estate, of a deceased Reference Employee, or
- (f) an Unrestricted Shareholder; or
- (g) any transferee approved by the Controlling Shareholder (which approval may be given or withheld in the absolute and unfettered discretion of Controlling Shareholder and may be given subject to conditions); or
- (h) any person who holds (or following transfer of such Restricted Share to him will hold) the legal title to a Restricted Share as nominee for the Reference Employee or any person referred to in paragraphs (a) to (h) above;

"Preferred Participation" means the Series A Preferred Participation and the Series B Preferred Participation;

"Preferred Return" means in relation to any Series A Preference Share, means the Series A Preferred Return and in relation to any Series B Preference Share, means the Series B Preferred Return;

"Preference Shares" means the Series A Preference Shares and the Series B Preference Shares;

"Proceeds" means all cash paid and the Asset Value of Assets transferred by the Company to a member in relation to his holding of Restricted Shares including distributions of whatever kind, consideration for the purchase or cancellation of Restricted Shares, return of assets on liquidation, winding up or other return of capital by whatever means effected and proceeds of any Share Sale or Asset Sale paid to a member provided that for the purposes of this definition if any holder of a Restricted Share waives a distribution or entitlement to be paid a distribution declared at any time the amount of the cash distribution waived and Asset Value of Assets that would have been transferred to the holder of that Restricted Share but for that waiver shall be treated as having been paid for the purposes of

calculating the Restricted Share Participation of that Restricted Share, notwithstanding that such distribution is not received by the holder of such Restricted Share;

"Proposed Purchaser" in relation to a proposed transfer of Shares means the proposed transferee of such Shares and persons Acting in Concert with the proposed transferee but excludes any Investor;

"Proposing Transferor" has the meaning set out in Article 13.1;

"Qualifying Company" has the meaning set out in Article 11.1(d);

"Reference Date" means, in relation to any dividend or other payment proposed to be made to the shareholders in relation to their holding of shares in the Company, the date on which such payment is to be made,

"Reference Employee" in relation to any Restricted Share means the Employee or former Employee who first acquired an interest (legal or beneficial) in that Restricted Share (other than by virtue of being a trustee of an EBT),

"Relevant Shareholders" has the meaning set out in Article 4.7,

"Restricted Period" has the meaning set out in Article 3.6,

"Restricted Share Fraction", at any time, means the fraction the numerator of which is the Restricted Share Reference Number and the denominator of which is the aggregate of (i) the number of A Shares issued and outstanding at that time and (ii) the Restricted Share Reference Number;

"Restricted Share Reference Number" means, at any time, the sum of (i) the aggregate number of B Shares issued and outstanding at that time and (ii) the aggregate number of B Shares that have previously been issued and been cancelled prior to that time provided that such cancelled B Shares shall only be included in the calculation if there is another issued Restricted Share Corresponding to the cancelled B Share that has not itself been cancelled;

"Restricted Share Participation" means:

- (a) in relation to a B Share, the B Share Participation of that Restricted Share; or
- (b) in relation to a C Share, the C Share Participation of that Restricted Share; or
- (c) in relation to a D Share, the D Share Participation of that Restricted Share; or
- (d) in relation to an E Share, the E Share Participation of that Restricted Share, or
- (e) in relation to an Z Share, the Z Share Participation of that Restricted Share;

"Restricted Shareholder" means the registered holder of a Restricted Share or Restricted Shares (in that capacity);

"Restricted Shares" means B Shares, C Shares, D Shares, E Shares, Z Shares and any other class of shares resulting from a subdivision or conversion of any such share;

"Sale Completion" has the meaning set out in Article 12 1,

"Sale Notice" has the meaning set out in Article 13.1,

"Sale Shares" has the meaning set out in Article 12.1;

"Series A Preference Shares" means series A preference shares of £1 each in the capital of the Company having the rights and being subject to the restrictions set out in these Articles;

"Series B Preference Shares" means series B preference shares of £1 each in the capital of the Company having the rights and being subject to the restrictions set out in these Articles;

"Series A Preferred Participation" in relation to any Series A Preference Share in issue on the Reference Date, means "X" divided by the number of Series A Preference Shares in issue as at the Reference Date, where "X" is the sum of (i) the aggregate Series A Preferred Return of all Series A Preference Shares as at that date, (ii) £80 million and (iii) the aggregate subscription price paid for all Series A Preference Shares issued after the Adoption Date;

"Series B Preferred Participation" in relation to any Series B Preference Share in issue on the Reference Date, means "X" divided by the number of Series B Preference Shares in issue as at the Reference Date, where "X" is the sum of (i) the aggregate Series B Preferred Return of all Series B Preference Shares as at that date and (ii) the aggregate subscription price paid for all Series B Preference Shares;

"Series A Preferred Return" in relation to each Series A Preference Share in issue on the Reference Date, means the preferred return of that Series A Preference Share being aggregate of:

- (a) £1.675 multiplied by 8% per annum compounded on each 30 November of the amount paid on the nominal value of that Preference Share calculated from (and including) 1 December 2007 to (and excluding) the earlier of (i) the Reference Date and (ii) the date on which the aggregate amount paid by the Company on that Preference Share equals the sum of the nominal value of that share and 8% per annum of the amount paid on the nominal value of that Preference Share from (and including) 1 December 2007 compounded on each 30 November in that period; and
- (b) the Notional Interest per Share, provided that no Series A Preference Share shall be entitled to any Notional Interest per Share in relation to any period prior to the date of issue of such Series A Preference Share;

"Series B Preferred Return" in relation to each Series B Preference Share in issue on the Reference Date, means the preferred return of that Series B Preference Share being the aggregate of:

- (a) 8% per annum compounded on each 30 November of the amount paid on the nominal value of that Preference Share calculated from (and including) the date of issue to (and excluding) the earlier of (i) the Reference Date and (ii) the date on which the aggregate amount paid by the Company on that Preference Share equals the sum of the nominal value of that share and 8% per annum of the amount paid on the nominal value of that Preference Share from (and including) the date of issue to (and excluding) such date compounded on each 30 November in that period; and
- (b) the Notional Interest per Share, provided that no Series B Preference Share shall be entitled to any Notional Interest per Share in relation to any period prior to the date of issue of such Series B Preference Share;

"Share Sale" means the completion after the Adoption Date of any transaction whereby any person or persons Acting in Concert purchases or purchase or otherwise acquire or acquires all of the then issued Shares and Preference Shares;

"Shares" means the A Shares and the Restricted Shares;

"Start Date" in relation to any Reference Employee, means the later of (i) the date on which that person became an Employee and (ii) 1 December 2007;

"subsidiary" has the meaning given to it in section 1159 of the Act;

"subsidiary undertaking" has the meaning given to it in section 1162 of the Act;

"Surplus" has the meaning set out in Article 4.2,

"Suspension Period" shall have the meaning set out in Article 4.8;

"Table A" means Table A in the schedule to the Companies (Tables A to F) Regulations 1985 (SI 1985/805) as amended by the Companies (Tables A to F) (Amendment) Regulations 1985 (SI 1985/1052) and Schedule 1 to the Companies Act 1985 (Electronic Communications) Order 2000;

"Tag Along Notice" has the meaning set out in Article 13.2,

"Tag Shares" has the meaning set out in Article 13.1;

"Third Party Purchaser" means any person (other than (i) another Unrestricted Shareholder or (ii) an Investor or (iii) an Affiliate of any of them) whom the Board is satisfied is acting independently of and at arm's length from any Investor;

"Transfer Date" has the meaning set out in Article 14.3;

"Transfer Notice" and **"Transfer Price"** have the respective meanings set out in Article 14.1,

"Unit Allocation" has the meaning set out in Article 4.1;

"United Kingdom" includes England, Scotland, Wales and Northern Ireland but excludes the Channel Islands and the Isle of Man,

"Unrestricted Shareholder" means the registered holder of an Unrestricted Share or Unrestricted Shares,

"Unrestricted Shares" means A Shares and any other class of shares resulting from a subdivision or conversion of any such share;

"Unvested Restricted Value":

- (a) in relation to any Restricted Share (other than a Z Share) that has at any time been held by or on behalf of a person who is or was either (1) the Reference Employee for that Restricted Share where such Reference Employee is a Leaver or (2) a Permitted Transferee of the Reference Employee for that Restricted Share where the Reference Employee for that Restricted Share is a Leaver, means the amount (if any) by which the Adjusted Restricted Share Participation of that Restricted Share is less than the amount which would have been the Adjusted Restricted Share Participation of that Restricted Share if the Vested Percentage in relation to that Restricted Share were 100%;

- (b) in relation to any Restricted Share (other than a Z Share) not falling within paragraph (a) of this definition (including any Restricted Share whose Restricted Share Participation is an unlimited amount or zero) means zero;

"Vested Percentage" means.

- (a) Subject to paragraphs (b) and (c) of this definition in relation to any Restricted Share which has at any time been held by or on behalf of an Employee or a Permitted Transferee (other than an Unrestricted Shareholder or its nominee) (including a Restricted Share held by an Employee Nominee) in circumstances where the Reference Employee for that Restricted Share is a Leaver means the applicable percentage shown in the following table:

Leaving Date falling	%
On or before the first anniversary of the Reference Employee's Start Date	0
After the first anniversary of the Reference Employee's Start Date but on or before the second anniversary of the Reference Employee's Start Date.	10
After the second anniversary of the Reference Employee's Start Date but on or before the third anniversary of the Reference Employee's Start Date.	20
After the third anniversary of the Reference Employee's Start Date but on or before the fourth anniversary of the Reference Employee's Start Date.	30
After the fourth anniversary of the Reference Employee's Start Date but on or before the fifth anniversary of the Reference Employee's Start Date.	40
After the fifth anniversary of the Reference Employee's Start Date but on or before the sixth anniversary of the Reference Employee's Start Date.	50
After the sixth anniversary of the Reference Employee's Start Date but on or before the seventh anniversary of the Reference Employee's Start Date.	75
After the seventh anniversary of the Reference Employee's Start Date	100

or

- (b) in relation to any Restricted Share which has at any time been held by or on behalf of an Employee or a Permitted Transferee (other than an Unrestricted Shareholder or its nominee) (including a Restricted Share held by an Employee Nominee) in

circumstances where the Reference Employee for that Restricted Share is or becomes a Bad Leaver means:

- (i) for the purposes of Articles 4.1 and 4.2, such percentage as will when multiplied by the Apportioned Market Value as at the Leaving Date of the Reference Employee for that Restricted Share result in an amount equal to the sum of the nominal value of that Restricted Share and the premium paid on the allotment of that Restricted Share;
- (ii) for the purposes of Article 4.5, such percentage as will when multiplied by the lesser of (1) the Apportioned Exit Value and (2) the Apportioned Market Value as at the Leaving Date of the Reference Employee for that Restricted Share result in an amount equal to the sum of the nominal value of that Restricted Share and the premium paid on the allotment of that Restricted Share;
- (c) notwithstanding paragraph (a) of this definition, such other percentage (not exceeding 100%) as may be specified in writing by the Company in any letter from the Company to the Reference Employee of such Restricted Shares dated on or about the date of acquisition of an interest in any Restricted Shares setting out the terms of acquisition of such interest in such Restricted Shares by the Reference Employee (whether such Restricted Share is held directly or by an Employee Nominee);

"Z Shares" means Z shares of £0.01 in the capital of the Company having the rights and being subject to the restrictions set out in these Articles; and

"Z Share Participation" means in relation to any Z Share the aggregate of the Unvested Restricted Value of all of the Restricted Shares Corresponding to that Z Share and

- (a) zero, unless or until (1) the aggregate Proceeds paid on the B Share Corresponding to that Z Share equal the B Share Participation of that B Share (2) the aggregate Proceeds paid on the C Share Corresponding to that Z Share equal to the C Share Participation of that C Share (3) the aggregate Proceeds paid on the D Share Corresponding to that Z Share equal the D Share Participation of that D Share and (4) the aggregate Proceeds paid on the E Share Corresponding to that Z Share equal the E Share Participation of that E Share; or
- (b) an unlimited amount with effect from such time as (1) the aggregate Proceeds paid on the B Share Corresponding to that Z Share equal the B Share Participation of that B Share, (2) the aggregate Proceeds paid on the C Share Corresponding to that Z Share equal to the C Share Participation of that C Share (3) the aggregate Proceeds paid on the D Share Corresponding to that Z Share equal the D Share Participation of that D Share and (4) the aggregate Proceeds paid on the E Share Corresponding to that Z Share equal to the E Share Participation of that E Share,

provided that where the Restricted Share Participation of the Corresponding B Share or Corresponding C Share or Corresponding D Shares or Corresponding E Share is an unlimited amount, the Z Share Participation shall be limited to the Unvested Restricted Value of the Corresponding Restricted Shares and provided further that the Z Share Participation of any Z Share that is cancelled shall be the aggregate Proceeds properly paid on such Z Share on or prior to, or in relation to, its cancellation.

2.2 In these Articles reference to:

- (a) **"in writing"** means written or produced by any substitute for writing or partly one and partly another;

- (b) **"month"** and **"year"** means calendar month and calendar year respectively;
- (c) the **"holder"** **"shareholder"** or **"member"** in relation to shares means the person whose name is entered in the register of members as the holder of the shares at the relevant time;
- (d) presence at a general meeting or class meeting shall include presence of a member by a duly authorised representative and shall include presence which is deemed in accordance with these Articles (and "presence" shall be construed accordingly); and
- (e) for the purposes of determining the Restricted Share Participation of a Restricted Share, references in Article 2.1 to an allotment of any B Share, C Share, D Share, E Share or Z Share shall include an allotment of any share that was not a Restricted Share at the time of its allotment and which has subsequently been re-designated as or converted into a Restricted Share.

2.3 In these Articles reference to any statute or statutory provision includes a reference to that statute or statutory provision as amended, extended or re-enacted and for the time being in force and to any regulation, order, instrument or subordinate legislation under the relevant statute or statutory provision for the time being in force; reference to the singular includes a reference to the plural and vice versa and reference to any gender includes a reference to all other genders, headings are included only for convenience and shall not affect meaning; references to persons include bodies corporate, unincorporated associations and partnerships and any reference and, in the case of an individual is also deemed to include his legal personal representatives; and unless otherwise defined or the context otherwise requires, words or expressions bear the same meaning as in the Act and words and expressions defined in regulation 1 of Table A have the same meaning when used in these Articles.

2A **Liability of members**

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

SHARE CAPITAL

3. Share capital

- 3.1 The share capital of the Company at the date of the adoption of these Articles is divided into Series A Preference Shares, Series B Preference Shares, A Shares, B Shares, C Shares, D Shares, E Shares and Z Shares.
- 3.2 Each Restricted Share shall have a distinguishing serial number comprising the letter designating the class of Restricted Share and a number (for example "B1", "C1", "D1", "E1", "Z1", "B2", "C2", "D2", "E2" "Z2" and so on.)
- 3.3 The Company shall maintain a register of Restricted Shares setting out, by reference to the serial number of that Restricted Share, the following information
 - (a) the serial number of the Restricted Share; and
 - (b) the class of that Restricted Share, and
 - (c) the name of the Reference Employee for that Restricted Share (if any), and
 - (d) the date on which the Reference Employee acquired an interest in that Restricted Share (if applicable), and

- (e) the date on which the Reference Employee became a Leaver (if applicable); and
- (f) in the case of a B Share described in paragraph (b) of the definition of "B Share Participation", the date on which beneficial ownership of the Corresponding C Share was transferred to an Employee; and
- (g) in the case of a C Share described in paragraph (b)(ii) of the definition of "C Share Participation", the date on which beneficial ownership of the Corresponding D Share was transferred to an Employee; and
- (h) in the case of a D Share described in paragraph (b)(ii) of the definition of "D Share Participation", the date on which beneficial ownership of the Corresponding E Share was transferred to an Employee, and
- (i) details of all Proceeds paid or transferred on such Restricted Share, and
- (j) the Restricted Share Participation of that Restricted Share and details of any change in that Restricted Share Participation.

Such register shall be conclusive evidence of the entitlement of the holder of the Restricted Share to any Proceeds, save in the case of error determined by a court of competent jurisdiction.

- 3.4 Any Restricted Shareholder shall notify the Board of the identity of, and any change in the identity of, all other persons having an interest in Restricted Shares held by that Restricted Shareholder including whether or not such person is (a) a current or former Employee or holds such Restricted Share or interest in it as nominee for a current or former Employee or (b) a Permitted Transferee or holds such Restricted Share or interest in it as nominee for a Permitted Transferee, the identity of the current or former Employee from whom he acquired such Restricted Share or an interest in a Restricted Share or whose Permitted Transferee he is and any other information referred to in Article 3.3. For these purposes, having an interest shall be construed in accordance with Part 22 of the Act.
- 3.5 If any Restricted Shareholder shall fail to provide information to the Company within 14 days of being required to do so under Article 3.4 or, the information provided shows that in the reasonable opinion of the Board, a beneficial interest in the Restricted Share concerned has been transferred to or created in favour of a person that is not a Permitted Restricted Shareholder or a Permitted Transferee, all rights attaching to any Restricted Shares registered in the name of such person or in which such person may have any interest, beneficial or otherwise (whether to receive dividends, distributions, return of assets, proceeds of sale or otherwise howsoever) shall be suspended until the default is remedied to the satisfaction of the Board. The Company shall be entitled to retain any dividend, payment or distribution paid, payable or made in relation to any Restricted Share where the rights attaching to such Restricted Share have been suspended, until such time as the relevant Restricted Shareholder complies with the requirements of Article 3.4 or, in the event that there has been a transfer of an interest by a current or former Employee or a Permitted Transferee of a current or former Employee to a person who is not a Permitted Transferee of the Reference Employee, a retransfer or transfer of a Restricted Share to a person who is the Reference Employee in relation to such Restricted Share (if any) or a Permitted Transferee of him. Upon such compliance the Company shall account to the Restricted Shareholder then holding such Restricted Share for such retained monies without interest. Where rights attaching to any Restricted Share have been suspended pursuant to this Article, any monies retained by the Company pursuant to this Article in relation to such Restricted Share shall be deemed to have been paid for the purpose of determining the Restricted Share Participation, and the entitlement of any holder, of any Restricted Share Corresponding to that Restricted Share.

- 3.6 If, in respect of any Restricted Shares, the Reference Employee of those Restricted Shares becomes a Leaver then the following provisions apply:
- (a) As soon as is reasonably practicable after the Reference Employee becomes a Leaver, in light of any investigation required as to the circumstances of that person being a Leaver, the Board shall notify in writing the Reference Employee and any Restricted Shareholder holding Restricted Shares for which that Leaver is the Reference Employee that such Restricted Employee is a Leaver, whether such person is a Good Leaver or a Bad Leaver and that Leaver's Leaving Date. The Board shall also give a Determination Notice in accordance with Article 4.7 in relation to the Restricted Shares for which the Leaver is or was the Reference Employee.
 - (b) If, in relation to any person who becomes a Leaver, the Board reasonably determines that one or more of the following events set out in Articles 3.6(b)(i) to (iv) below has occurred within 12 months (or such lesser period as the Board may determine) of that person becoming a Leaver (the "**Restricted Period**"), then upon such determination, that person shall become a Bad Leaver (and shall be deemed to have been a Bad Leaver at all times from his Leaving Date).
 - (i) The Leaver is employed in, acts as a consultant to or carries on for his own account or for any other person, whether directly or indirectly, (or is a director of any company engaged in) any business which is in competition with any business of any Group Company being carried on by such company at the Leaving Date provided such Leaver was concerned or connected with that business at any time during the last 12 months of such Leaver's employment.
 - (ii) During the Restricted Period the Leaver (either on his own behalf or for or with any other person), whether directly or indirectly, canvasses or solicits in competition with any Group Company the custom of any person who at any time during the last 12 months of such Leaver's employment was a customer or client of a Group Company (collectively referred to as "**a Counterparty**") and with whose custom or business the Leaver was personally concerned or an employee reporting directly to the Leaver was personally concerned.
 - (iii) During the Restricted Period the Leaver (either on his own behalf or for or with any other person, whether directly or indirectly,) deals with or otherwise accepts in competition with any Group Company the custom of any person who was during the last 12 months of such Leaver's employment a Counterparty and with whose custom or business the Leaver was personally concerned.
 - (iv) During the Restricted Period the Leaver (either on his own behalf or for or with any other person, whether directly or indirectly,) entices or tries to entice away from any Group Company any person who was during the last 12 months of such Leaver's employment a senior employee, an employee (other than an employee performing solely secretarial, clerical or non-managerial administrative duties), director or officer, of such a company at any time during the Leaver's service with any Group Company and who is still an employee at the time of enforcement and with whom the Leaver had worked at any time during that period
 - (c) Each of the paragraphs contained in Article 3.6(b) constitutes an entirely separate and independent provision. If any provision is found to be invalid this will not affect the validity or enforceability of any of the other provisions.

- (d) The provisions of Article 3.6(b) are separate from and independent of any employment contract or relationship and shall apply regardless of whether or not any provision relating to competitive behaviour in an employment contract has been breached or is enforced by the beneficiary of the provision and whether or not the provisions contained in any contract of employment or other agreement are enforceable.
- (e) If a person has previously been classified as a Leaver and was classified as a Good Leaver and subsequently the Board becomes aware that that person has become a Bad Leaver, the Board shall give a notice to that effect to that person.
- (f) The Board may waive in writing any of the restrictions set out in Article 3.6(b) above in its absolute discretion in relation to any person who would, but for the provisions of Article 3.6(b), be a Good Leaver. Such waiver shall be irrevocable.

4. Rights attaching to Shares and Preference Shares

Subject to Article 4.8, the respective rights attaching to the A Shares, B Shares, C Shares, D Shares, E Shares, Z Shares and Preference Shares shall be as set out in Articles 4.1 to 4.7 inclusive.

4.1 As regards income:

Any profits which the Company may determine to distribute in respect of any financial year shall belong to and be distributed amongst the holders of the Preference Shares, A Shares, B Shares, C Shares, D Shares, E Shares and Z Shares as follows:

- (a) firstly, to the extent that the holders of the Series A Preference Shares have not then received (in that capacity) the Series A Preferred Participation of such Series A Preference Shares, in paying to the holders of the Series A Preference Shares the amount by which the aggregate amount previously paid by the Company to the holders of the Series A Preference Shares (in that capacity) is less than the Series A Preferred Participation of such Series A Preference Shares. To the extent that the profits that the Company determines to distribute are less than the aggregate Series A Preferred Participation of all of the Series A Preference Shares, such profits shall be applied among the holders of the Series A Preference Shares pro rata to the respective Series A Preferred Participations of the Series A Preference Shares held by them,
- (b) after payment of the Series A Preferred Participation to the holders of the Series A Preference Shares, secondly, to the extent that the holders of the Series B Preference Shares have not then received (in that capacity) the Series B Preferred Participation of such Series B Preference Shares, in paying to the holders of the Series B Preference Shares the amount by which the aggregate amount previously paid by the Company to the holders of the Series B Preference Shares (in that capacity) is less than the Series B Preferred Participation of such Series B Preference Shares. To the extent that the profits that the Company determines to distribute are less than the aggregate Series B Preferred Participation of all of the Series B Preference Shares, such profits shall be applied among the holders of the Series B Preference Shares pro rata to the respective Series B Preferred Participations of the Series B Preference Shares held by them;
- (c) after payment of the Preferred Participation to the holders of the Preference Shares, the A Share Fraction of the balance of the aggregate amount for profits resolved to be distributed shall be paid to the holders of the A Shares as nearly as

is practicable pro rata to the amounts paid up on their A Shares provided that the Directors shall be entitled to allocate fractional entitlements as they deem fit, and

- (d) after payment of the Preferred Participation to the holders of the Preference Shares, the Restricted Share Fraction of the balance of the aggregate amount of profits resolved to be distributed shall be divided by the Restricted Share Reference Number (such resulting amount being the "**Unit Allocation**").
- (i) Each holder of a B Share shall be entitled to one Unit Allocation for each B Share held by him provided that no distribution shall be made on a B Share of an amount which when aggregated with all Proceeds previously paid and transferred by the Company in relation to that B Share would exceed the B Share Participation of that B Share and if the payment in full of any Unit Allocation would result in the aggregate Proceeds paid or transferred on that B Share exceeding the B Share Participation of that B Share, the holder of the B Share shall only be entitled to so much of the Unit Allocation (if any) as would, after payment, result in the aggregate Proceeds paid on that B Share equaling the B Share Participation.
- (ii) Any balance of the Unit Allocation not paid in accordance with paragraph (i) of this Article 4.1(d) that represents Unvested Restricted Value in relation to the Corresponding B Share shall be paid to the holder of the Corresponding Z Share and subject thereto the balance shall be paid to the holder of the Corresponding C Share provided that no distribution shall be made on a C Share of an amount which when aggregated with all Proceeds previously paid and transferred by the Company in relation to that C Share would exceed the C Share Participation of that C Share and if the payment of such Unit Allocation (or the balance thereof not paid to the holders of the Corresponding B Share or Corresponding Z Share) would result in the aggregate Proceeds paid or transferred on that C Share exceeding the C Share Participation of that C Share, the holder of the C Share shall only be entitled to so much of the Unit Allocation (if any) as would, after payment, result in the aggregate Proceeds paid on that C Share equaling the C Share Participation
- (iii) Any balance of the Unit Allocation not paid in accordance with paragraph (i) or (ii) of this Article 4.1(d) that represents Unvested Restricted Value in relation to the Corresponding C Share shall be paid to the holder of the Corresponding Z Share and subject thereto shall be paid to the holder of the Corresponding D Share provided that no distribution shall be made on a D Share of an amount which when aggregated with all Proceeds previously paid and transferred by the Company in relation to that D Share would exceed the D Share Participation of that D Share and if the payment of such Unit Allocation (or the balance thereof not paid to the holders of the Corresponding B Share, Corresponding C Share or Corresponding Z Share) would result in the aggregate Proceeds paid or transferred on that D Share exceeding the D Share Participation of that D Share, the holder of the D Share shall only be entitled to so much of the Unit Allocation (if any) as would, after payment, result in the aggregate Proceeds paid on that D Share equaling the D Share Participation
- (iv) Any balance of the Unit Allocation not paid in accordance with paragraph (i), (ii) or (iii) of this Article 4.1(d) that represents Unvested Restricted Value in relation to the Corresponding D Share shall be paid to the holder of the Corresponding Z Share and subject thereto, shall be paid to the holder of the Corresponding E Share provided that no distribution shall be made on an E Share of an amount which when aggregated with all Proceeds previously paid and transferred by the Company in relation to

that E Share would exceed the E Share Participation of that E Share and if the payment of such Unit Allocation (or the balance thereof not paid to the holders of the Corresponding B Share, Corresponding C Share, Corresponding D Share or Corresponding Z Share) would result in the aggregate Proceeds paid or transferred on that E Share exceeding the E Share Participation of that E Share, the holder of the E Share shall only be entitled to so much of the Unit Allocation (if any) as would, after payment, result in the aggregate Proceeds paid on that E Share equaling the E Share Participation.

- (v) Any balance of the Unit Allocation not paid pursuant to paragraphs (i), (ii), (iii) and (iv) of this Article 4.1(d) as a result of the provisos in those paragraphs shall be paid to the holder of the Corresponding Z Share.

4.2 *As regards capital:*

On a return of assets on liquidation, dissolution or winding up of the Company either voluntary or involuntary or other return of capital ("**Capital Payment**"), the surplus assets of the Company remaining after payment of its liabilities (the "**Surplus**") shall be applied as follows:

- (a) firstly to the extent that the holders of the Series A Preference Shares have not then received (in that capacity) the Series A Preferred Participation of each Series A Preference Share held by them, in paying to holders of the Series A Preference Shares the amount by which the aggregate amount previously paid to the holders of the Series A Preference Shares (in that capacity) is less than the Series A Preferred Participation of each Series A Preference Share held by them and if the Surplus is less than the aggregate Series A Preferred Participation of all of the Series A Preference Shares, the Surplus shall be applied among the holders of the Series A Preference Shares pro rata to the respective Series A Preferred Participations of the Series A Preference Shares held by them,
- (b) secondly, to the extent that the holders of the Series B Preference Shares have not then received (in that capacity) the Series B Preferred Participation of each Series B Preference Share held by them, in paying to holders of the Series B Preference Shares the amount by which the aggregate amount previously paid to the holders of the Series B Preference Shares (in that capacity) is less than the Series B Preferred Participation of each Series B Preference Share held by them and if the Surplus is less than the aggregate Series B Preferred Participation of all of the Series B Preference Shares, the Surplus shall be applied among the holders of the Series B Preference Shares pro rata to the respective Series B Preferred Participations of the Series B Preference Shares held by them;
- (c) thirdly, the A Share Fraction of the balance of the Surplus remaining after the payments provided for in Articles 4.2(a) and 4.2(b) shall be distributed with equal priority and pro rata amongst the shareholders holding A Shares in proportion to the number of A Shares held by them irrespective of the amounts (including premium) paid up or credited as paid up on such A Shares; and
- (d) finally, the Restricted Share Fraction of the balance of the Surplus remaining after the payments provided for in Articles 4.2(a) and 4.2(b) shall be distributed in accordance with paragraphs (i) to (v) inclusive of Article 4.1(d) as if references to "the balance of the aggregate amount of profits resolved to be distributed" were to the balance of the Surplus remaining after the payments provided for in Articles 4.2(a) and 4.2(b) and for the purposes of this Article 4.2(d), the Unit Allocation shall be deemed to be the Restricted Share Fraction of the balance of the Surplus

remaining after the payments provided for in Article 4.2(a) and 4.2(b) divided by the Restricted Share Reference Number.

4.3 *As regards redemption*

The Preference Shares shall not be redeemable.

4.4 *As regards voting:*

- (a) The A Shares shall confer on each holder thereof (in that capacity) the right to receive notice of and to attend, speak and vote at all general meetings of the Company.
- (b) The Preference Shares shall confer on each holder thereof (in that capacity) the right to receive notice of and to attend and speak at all general meetings of the Company but shall not confer any right (in that capacity) to vote thereat.
- (c) On a show of hands every holder of an A Share which confers a present right to vote who is present in person or by proxy (or being a corporation is present by a representative) shall have one vote, and on a poll every holder of an A Share conferring such a right who is present in person or by a proxy (or being a corporation is present by a representative) shall have one vote for every such A Share.
- (d) The holders of Restricted Shares shall not be entitled (in that capacity) to attend or to vote at any general meeting of the Company.

4.5 *Sales and Reorganisations*

For the purposes of this Article 4, a liquidation, dissolution or winding up of the Company shall be deemed to include a Share Sale in which case the Company and each shareholder shall procure that the gross proceeds of any such transaction (net of Exit Costs incurred in relation to that Share Sale) shall be distributed to the shareholders in the manner set out in Article 4.2 as if the transaction constituted a liquidation, dissolution or winding up of the Company (for the avoidance of doubt, in the case of a B Share, C Share, D Share or E Share which has at any time been held by or on behalf of a person who is or was either (i) the Reference Employee for that Restricted Share and a Leaver or (ii) a Permitted Transferee of the Reference Employee for that Restricted Share, applying paragraph (a)(ii) of the definition of "B Share Participation", paragraph (b)(i)(B) of the definition of "C Share Participation", paragraph (b)(i)(B) of the definition of the "D Share Participation" and paragraph (b)(i)(B) of the definition of "E Share Participation").

4.6 *Valuation of Non-Cash Consideration*

If any assets of the Company distributed to shareholders in connection with any liquidation, dissolution or winding up of the Company or in the case of Restricted Shares, as Proceeds (of whatever form) are other than cash, then the value of such assets shall be their fair market value as determined in good faith by the Board except that any publicly-traded securities to be distributed to shareholders in a liquidation, dissolution or winding up of the Company shall be valued as follows:

- (a) if the securities are then traded on a securities exchange or quotation system, then the value of the securities shall be deemed to be the average of the closing prices of the securities on such exchange or system over the 10 trading days period ending five trading days prior to the distribution, or

- (b) if the securities are then traded over-the-counter, then the value of the securities shall be deemed to be the average of the closing bid prices of the securities over the 10 trading days period ending five trading days prior to the distribution

In the event of a sale, merger or other acquisition of the Company by another person or entity, the distribution date shall be deemed to be the date such transaction closes.

4.7 *Market Value*

- (a) The Board shall determine the market value of the Shares in good faith for the purposes of the definitions of "Market Value", "Exit Value" and the "Restricted Share Participation" of any Restricted Shares, as soon as reasonably practicable after each of the following events in accordance with the following provisions of this Article 4 7:
 - (i) the date of transfer of a C Share referred to in paragraph (b) of the definition of "B Share Participation", the date of transfer of a D Share referred to in paragraph (b)(ii) of the definition of "C Share Participation" and the date of transfer of an E Share referred to in paragraph (b)(ii) of the definition of "D Share Participation";
 - (ii) the Leaving Date of the Reference Employee for any Restricted Share; and
 - (iii) an Exit.
- (b) Save to the extent that the Board determines that the result of such calculation would manifestly not represent the market value of the Shares as a result of taking account of any advice or representation given to the Board as referred to in paragraph (e) below (in which case the Board shall be entitled to determine the market value of the Shares on such alternative basis as the Board may determine in accordance with this Article), the market value of the Shares shall be determined by multiplying EBITDA by the Multiplier and deducting (i) the amount by which the aggregate amount paid to the holders of the Preference Shares (in that capacity) is less than the aggregate Preferred Participation of all Preference Shares and (ii) the aggregate indebtedness of the Company outstanding at that time
- (c) The Board shall determine the Multiplier (or subject to the other provisions of this Article, an alternative basis of determining the market value of the Shares) to apply to the calculation of Market Value for the purposes of determining the Restricted Share Participation of Restricted Shares for which a person is the Reference Employee as soon as reasonably practicable following the Leaving Date of that Reference Employee taking account of economic factors and prices paid for equity securities of businesses operating in similar sectors and markets to the Company with the intention that the resulting valuation of the Shares reflect the open market value of all of the Shares.
- (d) No change in the Multiplier or basis of determination of the market value of the Shares or in the Market Value at any time shall affect any previous determination of the Market Value, Multiplier or market value of the Shares at a previous time or any previous determination of a Restricted Share Participation or Adjusted Restricted Share Participation.
- (e) The Board shall take account of any advice or representation provided to it in relation to the determining of the Multiplier or alternative basis of valuation of the Shares in order to determine the market value of such Shares at the relevant

time, but shall not be bound to accept or act on such advice or representation provided that the Board acts in good faith.

- (f) If the Board proposes to adopt a method to determine the market value of Shares other than the multiplication of EBITDA by the Multiplier, the Board shall first consult the Auditors or a financial adviser and no such change shall be made to the method of determining such market value such unless the Auditors or financial adviser agrees that the proposed basis of valuation is reasonable in the circumstances.
- (g) As soon as reasonably practicable following its determination of the market value of the Shares in accordance with Article 4.7(a), the Board shall give written notice of such determination of the "Market Value" and (where relevant) of the "Exit Value" and the relative "Restricted Share Participation" of the Restricted Shares in relation to which such determination is made (the **"Determination Notice"**) to the registered holders of such Restricted Shares and to the registered holders of any Restricted Shares that Correspond to such Restricted Shares and whose Restricted Share Participation is or will be affected by the Restricted Share Participation of such Restricted Shares (**"Relevant Shareholders"**).
- (h) The Board, the Auditors and any financial adviser as referred to in this Article shall each be deemed to be acting as experts and not as arbitrators or arbiters and accordingly any provisions of law or statute relating to arbitration shall not apply and, in the absence of fraud, they shall be under no liability to any such person by reason of their determination or certificate or by anything done or omitted to be done by them for the purpose thereof or in connection therewith.

4.8 *Suspension of rights to Proceeds and Unvested Restricted Value*

Notwithstanding the foregoing provisions of this Article 4, if the Reference Employee for any Restricted Share becomes a Good Leaver, then during the period of 18 months commencing on that Reference Employee's Leaving Date (or such shorter period as the Board may determine for the purposes of Article 3.6(b) (the **"Suspension Period"**), any amounts payable in relation to that Restricted Share (including distributions of whatever kind, consideration for the purchase or cancellation of Restricted Shares, return of assets on liquidation, winding up or other return of capital by whatever means effected and proceeds of any Share Sale or Asset Sale) that would exceed the amount that would be the Restricted Share Participation of that Restricted Share if that Leaver were or were to become a Bad Leaver shall be retained by the Company. At the expiry of the Suspension Period such retained amount shall be paid to the holder of the Restricted Share for which that Leaver is the Reference Employee without interest unless, during the Suspension Period the Reference Employee becomes a Bad Leaver as a result of a determination of the Board pursuant to Article 3.6(b). If the Reference Employee for that Restricted Share becomes a Bad Leaver as a result of a determination of the Board pursuant to Article 3.6(b) during the Suspension Period, the monies retained by the Company shall be paid to the holder of the Corresponding Z Share as Unvested Restricted Value. Where rights attaching to any Restricted Share have been suspended pursuant to this Article, any monies retained by the Company pursuant to this Article in relation to such Restricted Share shall be deemed to have been paid for the purpose of determining the Restricted Share Participation, and the entitlement of any holder, of any Restricted Share Corresponding to that Restricted Share.

5. **Variation of rights**

- 5.1 Whenever the share capital of the Company is divided into different classes of shares, the special rights attached to any class may, subject to the provisions of the Act, be

varied or abrogated (i) in such manner (if any) as may be provided by those rights, (ii) either with the consent in writing of the holders of not less than three quarters in nominal value of the issued shares of the class; or (iii) with the sanction of an extraordinary resolution passed at a separate general meeting of the holders of the shares of that class (but not otherwise) and may be so varied or abrogated whilst the Company is a going concern or during or in contemplation of a winding-up. To every such separate general meeting all the provisions of these Articles relating to general meetings of the Company and to the proceedings at such general meetings shall with necessary modifications apply, except that:

- (a) the necessary quorum shall be two persons holding or representing by proxy at least one-third in nominal value of the issued shares of the class (but so that if at any adjourned meeting a quorum as defined above is not present, any one holder of any shares of the class present in person or by proxy shall be a quorum); and
- (b) the shares of the class in question shall carry the right to vote at such meeting notwithstanding that such shares would not entitle the holders of such shares to vote at a general meeting of the Company; and
- (c) any holder of shares of the class present in person or by proxy may demand a poll and every such holder shall on a poll have one vote for every share of the class held by him,

provided that, for the purposes of this Article:

- (i) all of the Restricted Shares held by Unrestricted Shareholders shall be treated as one class of shares; and
- (ii) all of the Restricted Shares held by persons other than Unrestricted Shareholders shall be treated as one class of shares.

5.2 Article 5.1 shall apply to the variation or abrogation of the special rights attached to some only of the shares of any class as if each group of shares of the class differently treated formed a separate class the special rights of which are to be varied.

5.3 A Permitted Adjustment shall not constitute or be deemed to constitute a variation of the rights attached to the Restricted Shares.

5.4 The following shall be deemed to constitute a variation of the rights attaching to the A Shares and Restricted Shares:

- (a) any modification or variation of the rights attaching to any other class of shares in the Company, or
- (b) any variation in the amount of issued share capital of the Company or the granting of any option or other right to subscribe for shares or equity securities in the capital of the Company, in each case, other than a Permitted Adjustment

6 Allotment of shares

6.1 The Company has the power to allot and issue shares in the capital of the Company and to grant rights to subscribe for, or to convert any security into, shares in the capital of the Company pursuant to those rights.

6.2 Subject to the provisions of Table A and to the provisions of these Articles, the directors are generally and unconditionally authorised, for the purposes of section 551 of the Act, to allot and issue shares or to grant rights to subscribe for, or to convert any security into, shares

("Relevant Securities") up to an aggregate nominal amount of £100,000,000 comprised as follows:

(a) 34,918,485 Series A Preference Shares;

(b) 65,080,115 Series B Preference Shares;

(c) 90,000 A Shares;

(d) 10,000 B Shares;

(e) 10,000 C Shares;

(f) 10,000 D Shares;

(g) 10,000 E Shares, and

(h) 10,000 Z Shares,

such authority to expire on the fifth anniversary of the date of the adoption of these Articles, unless previously revoked, renewed or varied by the Company in general meeting.

6.3 The directors shall be entitled, pursuant to the authority conferred by Article 6.2 or any renewal or variation of such authority, to make at any time prior to its expiry any offer or agreement which would or might require Relevant Securities to be allotted after such expiry and to allot Relevant Securities pursuant to any such offer or agreement

6.4 The directors may only allot a Restricted Share to a person if that person has signed a deed of adherence in a form approved by the directors (such approval not to be unreasonably withheld or delayed) to each agreement (if any) existing at such date between, inter alia, the other Restricted Shareholders and the Controlling Shareholder containing provisions relating to the transfer of the Restricted Shares

6.5 The directors may only allot and issue B Shares, C Shares, D Shares or E Shares to the following persons (each a "**Permitted Restricted Shareholder**"):

(a) an Employee, or

(b) a holder of any A Shares; or

(c) a nominee for any person described in paragraph (a) or (b) above

6.6 The directors may only allot and issue a B Share if at the same time a Corresponding C Share, Corresponding D Share, Corresponding E Share and Corresponding Z Share are allotted and issued (for example on the allotment and issue of a B Share having the distinguishing number "B1", there shall be allotted and issued a C Share having the distinguishing number "C1", a D Share having the distinguishing number "D1", an E Share having the distinguishing number "E1" and a Z Share having the distinguishing number "Z1") and subject to Article 6.7, such Corresponding C Share, D Share, E Share and Z Share may be allotted and issued to the same person as the person to whom the B Share is allotted and issued or to some other Permitted Restricted Shareholder

6.7 The directors may only allot and issue Z Shares to:

(a) a holder of any A Shares; or

(b) to a nominee for a holder of any A Shares

7 Right of pre-emption

- 7.1 In accordance with section 567(1) of the Act, sections 561 and 562 of the Act shall not apply to any allotment of equity securities (as defined in section 560 of the Act) made by the Company. For the avoidance of doubt the Preference Shares shall not be regarded as equity securities.
- 7.2 Subject to Article 7.3, and unless otherwise determined by special resolution, any equity securities (as defined in section 560 of the Act) shall, before they are allotted on any terms, be first offered by the Company on the same or more favourable terms to the members in proportion as nearly as is practicable to the nominal value of the shares in the Company held by them.
- 7.3 Any offer required to be made under Article 7.2 shall be made by written notice to each member at his registered address or if he has no registered address in the United Kingdom to the address in the United Kingdom notified by him to the Company in writing for the purpose of receiving notices. If a member's registered address is not in the United Kingdom and he has not notified an address in the United Kingdom then the offer shall be deemed to have been made to him even though no notice is sent to him. The notice shall specify the number of equity securities offered and the period, being at least twenty-one days, within which the offer, if not accepted, will be deemed to have been declined. After the expiration of such period, or if earlier on receipt of notice of acceptance or refusal of each offer so made, the Board may, subject to these Articles, allot such equity securities as have not been taken up in such manner as they think fit.
- 7.4 Article 7.2 shall not apply to the allotment of Restricted Shares to any Permitted Restricted Shareholder or to any allotment of Shares or Preference Shares on the Adoption Date.

LIEN

8. The Company shall have a first lien on every share (whether or not fully paid) for any amount (whether presently payable or not) owing to the Company from the holder (whether a sole holder or one of two or more joint holders) and whether or not it is owing in respect of that share.

TRANSFER OF SHARES

9. Limited power of refusal

- 9.1 The directors shall not refuse to register any transfer of any shares or interest in shares other than in following circumstances, in which circumstances, the directors shall refuse to register such a transfer:
- (a) the instrument of transfer:
- (i) is in respect of more than one class of share, or
 - (ii) is not lodged at the registered office of the Company or such other place as the directors may appoint; or
 - (iii) is not accompanied by the relevant share certificate(s) and such other evidence as the directors may reasonably require to show the right of the transferor to make the transfer (and, if the instrument of transfer is executed by some other person on his behalf, the authority of that person so to do), or
 - (iv) is in favour of more than four transferees; or

- (b) the transfer is in favour of a person referred to in Article 10 1; or
- (c) the transfer of shares is in breach of any other provision of these Articles

10. Prohibited transfers

- 10.1 No shares and no interest in shares shall be transferred to any infant, bankrupt or person of unsound mind and the directors shall refuse to register any such transfer.
- 10.2 No transfer will be made or registered by the Company unless and until the proposed transferee has executed a deed of adherence in a form approved by the directors (such approval not to be unreasonably withheld or delayed) to each agreement (if any) made between, inter alia, the other Restricted Shareholders and the Controlling Shareholder containing provisions relating to the transfer of the Restricted Shares.

11. Transfer of Restricted Shares

- 11.1 No Restricted Share and no interest (legal or beneficial) in a Restricted Share shall be transferred and no interest (legal or beneficial) in a Restricted Share shall be created, other than as permitted by this Article 11. For the purposes of determining whether a transfer is a permitted transfer under these Articles or that no circumstances have arisen as a result of which any person might be required to effect a compulsory transfer, the Board may from time to time require any member or any person named as a transferee in any transfer lodged for registration to give the Company such information and evidence as the Board may consider necessary to establish any matter which they may consider relevant for the purpose. Any purported transfer in breach of the restrictions and provisions set out in these Articles shall be of no effect and shall not be registered. Restricted Shares may only be transferred:
 - (a) pursuant to the provisions of Article 12 (Drag-Along) or 13 (Tag Along) or 14 (Bad Leaver Shareholders); or
 - (b) by an Unrestricted Shareholder to an Employee or an Employee Nominee; or
 - (c) where it is demonstrated to the reasonable satisfaction of the Board that the transfer is by a Restricted Shareholder to a person who is a Permitted Transferee provided that the Board shall be entitled to require that any proposed transfer to a Permitted Transferee shall instead be made to a nominee to hold the legal title to such Restricted Shares on behalf of such Permitted Transferee; or
 - (d) by Trustees of a Family Trust (i) to a company of which they hold the whole of the share capital and which they control (a "**Qualifying Company**") or (ii) to the settlor of that Family Trust or to another Permitted Transferee of that settlor provided that if a company to which a Restricted Share has been transferred under this Article 11.1(d) ceases to be a Qualifying Company not later than the date 14 days after the date on which it so ceases, transfer the Restricted Shares held by it to the trustees of the Family Trust or to another Qualifying Company of them failing which the provisions of Article 11.3 shall apply as if the Qualifying Company were a person who was and Permitted Transferee and has ceased to be a Permitted Transferee

Any purported transfer or creation of any interest (including an Encumbrance) in or over any Restricted Shares other than in accordance with the provisions of this Article 11 shall be void and have no effect.

11.2 Whilst any Restricted Shares are being transferred or are the subject of a Drag Along Notice under Article 12 or a Tag Along Notice under Article 13 no transfers of Restricted Shares pursuant to Article 11.1(b) shall be permitted.

11.3 If:

- (a) a Restricted Shareholder purports to transfer any interest (whether legal or beneficial) in a Restricted Share to any person other than pursuant to a transfer referred to in Articles 11.1(a) to (c) inclusive; or
- (b) a Restricted Shareholder (other than an Unrestricted Shareholder or its nominee or the Reference Employee) who was a Permitted Transferee ceases to be a Permitted Transferee in relation to the Reference Employee of such Restricted Share; or
- (c) the beneficial owner of a Restricted Share who was a Permitted Transferee (other than an Unrestricted Shareholder or its nominee) ceases to be a Permitted Transferee in relation to the Reference Employee of such Restricted Share,

then, unless there has been a retransfer of such Restricted Share and the beneficial interest in such Restricted Share to the Reference Employee for that Restricted Share or a Permitted Transferee of him, within 14 days of such occurrence, the Board may give notice to the Restricted Shareholder requiring such a transfer of such Restricted Share and the beneficial interest in such Restricted Share to the Reference Employee or a Permitted Transferee of him and if such transfer is not made within 14 days after the Board gives notice requiring such a transfer (or such longer period as such person and the Board may agree) the Board may by notice to the Restricted Shareholder crystallise the Restricted Share Participation of that Restricted Share on a date specified in such notice (being a date within 30 days of the date of such notice) and upon the giving of such notice the provisions of these Articles shall apply in relation to the Restricted Shares referred to in such notice as if the Reference Employee for that Restricted Share had become a Bad Leaver on the date on specified by the Board.

12. Drag-Along

12.1 If any Unrestricted Shareholder intends to sell all or some of its holding of Unrestricted Shares on bona fide arm's length terms (the Unrestricted Shares to be sold by such Unrestricted Shareholder being referred to as "**Sale Shares**") to a Third Party Purchaser which would, if the transfer were completed, result in the Proposed Purchaser(s) acquiring or holding a Controlling Interest, such Unrestricted Shareholder shall have the right to give to holders of Restricted Shares at least 10 clear days' advance written notice prior to its selling the Sale Shares requiring the holders of Restricted Shares to sell to the Proposed Purchaser all of their holdings of Restricted Shares. That notice (the "**Drag Along Notice**") will include details of the Sale Shares and the proposed price for each Sale Share to be paid by the Proposed Purchaser, details of the Proposed Purchaser, the place and the date and time of completion of the proposed purchase (the "**Sale Completion**"), which shall be on a date not less than 10 days after the date of receipt by the holders of Restricted Shares of the Drag Along Notice and the highest price per Unrestricted Share sold by the Unrestricted Shareholder or its Affiliates to the Proposed Purchaser in the period of six months ended on the date of the Sale Completion.

12.2 Subject to the Proposed Purchaser acquiring Unrestricted Shares resulting in the Proposed Purchaser and/or its Affiliates holding a Controlling Interest, the holders of Restricted Shares shall sell all of their Restricted Shares referred to in the Drag Along Notice at an aggregate price for each B Share, the Corresponding C Share, the Corresponding D Share, the Corresponding E Share and the Corresponding Z Share (as if such shares comprised a single share) as represents the highest price for Unrestricted Shares sold by the Unrestricted Shareholder or its Affiliates to the Proposed Purchaser in the period of six months ended on the date of the Sale Completion and on the terms set out in the Drag Along Notice which

shall be at least as favourable terms (as if each B Share and the Restricted Shares Corresponding to it were a single share) as the terms offered for the Sale Shares. Such price shall be distributed in accordance with Article 4.2(d) *mutatis mutandis*.

- 12.3 If a holder of any Restricted Share fails to comply with Article 12.2 (a "**Defaulting Shareholder**") the Company shall be constituted the agent of the Defaulting Shareholder for the sale of his Restricted Shares in accordance with the Drag Along Notice (together with all rights then attached thereto) and the Board may authorise any person to execute and deliver on behalf of and as attorney for the Defaulting Shareholder the necessary instrument(s) of transfer. The Company's receipt of the relevant purchase money shall be good discharge to the Proposed Purchaser (who shall not be bound to see to the application thereof). The Company shall thereafter hold so much of the purchase money as equates to the Restricted Share Participation of the Restricted Shares of the Defaulting Shareholder so transferred on trust for the Defaulting Shareholder (without any obligation to place such monies on deposit or to account for any interest earned on such monies) and register the Proposed Purchaser as the holder of his Restricted Shares. After the Proposed Purchaser has been entered in the register of members of the Company in purported exercise of these powers the validity of the proceedings shall not be questioned by any person. The Company shall not pay any part of the purchase money due to the Defaulting Shareholder until the Defaulting Shareholder shall have delivered to the Company his share certificate(s) or a suitable indemnity in respect of the Restricted Shares the subject of the Drag Along Notice. The holders of Restricted Shares shall not be required to comply with a Drag Along Notice unless the Proposed Purchaser(s) and/or its Affiliates shall acquire a Controlling Interest, on the Sale Completion, subject at all times to the relevant shareholder being able to withdraw the Drag Along Notice at any time prior to the Sale Completion by giving notice to the Company to that effect, whereupon each Drag Along Notice shall cease to have effect.

13. Tag Along

- 13.1 If any holder of Unrestricted Shares (the "**Proposing Transferor**") intends to sell or transfer Unrestricted Shares ("**Tag Shares**") to a Third Party Purchaser which would, if the transfer were completed, result in a Proposed Purchaser(s) acquiring or holding a Controlling Interest and no Drag Along Notice has been given pursuant to Article 12 in relation to that transfer, the Proposing Transferor shall in any event serve written notice informing the holders of Restricted Shares of any proposed sale of the Restricted Shares to the Proposed Purchaser(s) which would, if completed, result in the Proposed Purchaser(s) acquiring or holding a Controlling Interest, at least 10 clear days in advance of the date of such sale ("**Sale Notice**"). If the Proposing Transferor fails to serve such Sale Notice it shall be deemed to have been served 10 clear days in advance of the date of the proposed sale. The Sale Notice shall contain the same information as would be required to be given in a Drag Along Notice.
- 13.2 If as a result of the completion of the sale of Unrestricted Shares the Proposed Purchaser(s) would acquire or hold a Controlling Interest, any Restricted Shareholder shall have the right at any time prior to the sale of the Tag Shares to the Proposed Purchaser(s) to give the Proposing Transferor written notice of his desire to sell all (but not merely some of) his Restricted Shares to the Proposed Purchaser(s) on the same terms and conditions (other than price) as are set out in the Sale Notice ("**Tag Along Notice**"). If a Tag Notice is given in relation to any Restricted Share, Tag Notices shall be deemed to have been given in relation to all Restricted Shares Corresponding to the Restricted Share in relation to which the Tag Notice was given.
- 13.3 Upon giving the Tag Along Notice to the Proposing Transferor the holders of Restricted Shares shall be entitled (subject to the Proposed Purchaser(s) acquiring or holding a Controlling Interest) to sell to the Proposed Purchaser(s) (and the Proposing Transferor shall not be entitled to sell its Tag Shares unless it shall procure that such offer is made) all (but not merely some) of their Restricted Shares at an aggregate price for each B Share and the

Corresponding C Share, the Corresponding D Share, the Corresponding E Share and the Corresponding Z Share (as if each B Share and the Corresponding C Share, the Corresponding D Share, the Corresponding E Share and the Corresponding Z Share were a single share) equal to the highest price per Unrestricted Share sold by the Proposing Transferor or any Affiliate of it in the period of six months ended on the date of the Sale Completion and otherwise on the terms set out in the Sale Notice which shall be at least as favourable terms as the terms offered for the Tag Shares save that each B Share and the Restricted Shares Corresponding to it shall be deemed to be equivalent to an Unrestricted Share for the purpose of determining such terms. Such price shall be distributed in accordance with Article 4 2(d) mutatis mutandis.

- 13.4 If any holder of Unrestricted Shares is not given the opportunity to participate in the transaction contemplated in the Sale Notice in accordance with the terms and conditions of this Article 13, the Proposing Transferor may not complete such transaction and the directors may not register the transfer of the Proposing Transferor's Shares
- 13.5 The Proposed Purchaser(s) shall not be required to comply with a Tag Along Notice unless it shall acquire or hold a Controlling Interest and if the Proposing Transferor or Proposed Purchaser(s) withdraws from the sale, each Tag Along Notice given in relation to such proposed transfer shall cease to have effect

14. Bad Leaver Shareholders

- 14.1 The Board shall be entitled by giving notice referring to this Article (a "**Transfer Notice**") to any Restricted Shareholder holding Restricted Shares in respect of which the Reference Employee is a Bad Leaver (other than an Unrestricted Shareholder or a nominee for it) (such Restricted Shares being "**Bad Leaver Shares**" and such Restricted Shareholders being "**Bad Leaver Shareholders**") at any time after the Leaving Date of the Reference Employee for those Bad Leaver Shares to require such person to transfer the Bad Leaver Shares held by him Upon receipt of a Transfer Notice given by the Board (which shall be deemed, in default of actual receipt, to have been received 48 hours after it is sent) a Bad Leaver Shareholder shall be deemed to have served a notice in writing to the Company that he wishes to transfer each of the Bad Leaver Shares registered in his name, for a consideration equal to the sum of the nominal value of such shares and the premium paid on the allotment of such Bad Leaver Shares (the "**Transfer Price**") and the Company shall be constituted as the agent of each Bad Leaver Shareholder, for the sale of such Bad Leaver Shares to such person as may be nominated by the Controlling Shareholder for that purpose (being a person willing to purchase such Bad Leaver Shares, who may be the Controlling Shareholder or some other person) (the "**Nominated Purchaser**")
- 14.2 In the period between the date on which a Transfer Notice is given (or deemed to be given) and the completion of the sale and purchase of the Bad Leaver Shares required to be transferred pursuant to this Article 14, the various rights and entitlements pertaining to the Bad Leaver Shares shall be held on trust for the Nominated Purchaser absolutely and no distributions or payments shall be made in respect of such Bad Leaver Shares pending their transfer and no votes shall, under any circumstances be exercisable by the Bad Leaver Shareholder.
- 14.3 Completion of the transfers referred to in Article 14.1 shall take place within 5 Business Days of receipt of the Transfer Notice (the "**Transfer Date**") when the following business shall be transacted contemporaneously: -
- (a) the Nominated Purchaser shall pay or shall procure to be paid to the Bad Leaver Shareholder an amount equal to the Transfer Price of each Bad Leaver Share held by the Bad Leaver Shareholder; and
 - (b) the Bad Leaver Shareholder shall deliver to the directors or as they shall direct one or more duly executed instruments of transfer in respect of the Bad Leaver Shares

together with the relative share certificates (such instruments of transfer to be in favour of the Nominated Purchaser) together with such other documents (if any) as may be necessary or expedient for the purpose of vesting in the Nominated Purchaser, all of the Bad Leaver Shareholders right, title and interest in the Bad Leaver Shares.

- 14.4 If the Nominated Purchaser has performed, or is willing to perform, his obligations in full under Article 14.3 and the Bad Leaver Shareholder concerned fails or refuses to deliver to the directors on the Transfer Date or as the directors shall direct a duly executed instrument of transfer transferring the Bad Leaver Shares registered in his name or any other document required under Article 14.3, any one or more of the directors shall be authorised to execute and deliver such an instrument of transfer as attorney for the Bad Leaver Shareholder and to do any other acts and/or execute any other documents on behalf of the Bad Leaver Shareholder as are required in connection with the transfer of all his right, title and interest in the Bad Leaver Shares registered in his name to the Nominated Purchaser or are necessary or expedient for the purpose of vesting in the Nominated Purchaser all his right, title and interest in the Bad Leaver Shares registered in his name. Following such transfer, the Company shall hold all monies paid to it pursuant to Article 14.3 on trust for the Bad Leaver Shareholder concerned (without any obligation to place such monies on deposit or to account for any interest earned on such monies) and the validity of such proceedings shall not be questioned by any person

15. Registration of transfers

The transferor shall be deemed to remain the holder of the shares until the name of the transferee is entered in the register of members of the Company in respect thereof.

PROCEEDINGS AT GENERAL MEETINGS

16. Quorum

- 16.1 No business shall be transacted at any general meeting unless the requisite quorum shall be present at the commencement of the business and also when such business shall be voted upon. Two members so present and entitled to vote shall be a quorum for all purposes **PROVIDED THAT**, in circumstances where there is only one member entitled to vote, the quorum for any general meeting shall for all purposes be that member so present.
- 16.2 If a quorum is not present at any such adjourned meeting as is referred to in regulation 41 of Table A, then, provided that the member present holds not fewer than 75% in nominal value of the shares of the Company in issue which entitle the holders to vote at a general meeting of the Company, any resolution agreed to by such member shall be as valid and effectual as if it had been passed unanimously at a general meeting of the Company duly convened and held.
- 16.3 Any reference to presence at a general meeting or class meeting shall include presence of a member in person or by proxy or (being a corporation) by a duly authorised representative and shall include presence which is deemed in accordance with these Articles (and "present" shall be construed accordingly).

17. Voting

- 17.1 If at any general meeting any votes shall be counted which ought not to have been counted, or not be counted which ought to have been counted, the error shall not vitiate the result of the voting unless it is pointed out at the same meeting, and not in that case unless it shall, in the opinion of the chairman of the meeting, be of sufficient magnitude to vitiate the result of the voting

- 17.2 In regulation 54 of Table A the words ",not being himself a member entitled to vote," shall be deleted.
- 17.3 A resolution in writing executed by or on behalf of each member who would have been entitled to vote upon it if it had been proposed at a general meeting at which he was present shall be as effectual as if it had been passed at a general meeting duly convened and held and may consist of several documents each executed by or on behalf of one or more members.
- 17.4 Where the Company and any member have so agreed, the confirmation to the Company by such member of his assent to any resolution by means of an electronic communication shall be deemed to constitute a duly executed document for the purposes of Article 17.3. Any such electronic communication shall be sent to the address notified by the Company for this purpose.
- 17.5 Any member or member's proxy or duly authorised representative (being a corporation) may participate in a general meeting or a meeting of a class of members of the Company by means of conference telephones or similar communications system whereby all those participating in the meeting can hear and address each other. Such participation shall be deemed to constitute presence in person (or by proxy or authorised representative as appropriate) at such meeting for all purposes including that of establishing a quorum. A meeting held by such means shall be deemed to take place where the largest group of participators in number is assembled. In the absence of such a majority the location of the chairman shall be deemed to be the place of the meeting.

SINGLE MEMBER

18. A single member entitled to attend and vote at general meetings shall, upon taking a decision which may be taken by the Company in general meeting and which has effect as if agreed by the Company in general meeting (unless that decision is taken by way of written resolution or unanimous assent), provide the Company with a written record of that decision.

PROXIES

19. An instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority may be handed to the chairman of the relevant meeting and regulation 62 of Table A shall be modified accordingly.

DIRECTORS

- 19.1 Unless otherwise determined by ordinary resolution the number of directors shall not be subject to any maximum but shall be not fewer than one.
- 19.2 Any adult person may be appointed or elected as a director whatever may be his age, and no director shall be required to vacate his office by reason of his attaining or having attained the age of seventy years or any other age.
- 19.3 The directors may appoint any person who is willing to act to be a director, either to fill a casual vacancy or as an additional director.

BORROWING POWERS

20. The directors may exercise all the powers of the Company to borrow or raise money without limit as to amount and upon such terms and in such manner as they think fit and to grant

any mortgage or charge over its undertaking, property and uncalled capital, or any part thereof and to issue debentures, debenture stock and other securities, whether outright or as security for any debt, liability or obligation of the Company or of any third party.

DIRECTORS' INTERESTS

21. Interests

21.1 Provided (if these Articles so require) that he has declared to the directors, in accordance with the provisions of these Articles, the nature and extent of his interest, a director may (save as to the extent not permitted by law from time to time), notwithstanding his office, have an interest of the following kind, namely:

- (a) where a director (or a person connected with him) is party to or in any way directly or indirectly interested in, or has any duty in respect of, any existing or proposed contract, arrangement or transaction with the Company or any other undertaking in which the Company is in any way interested;
- (b) where a director (or a person connected with him) is a director, employee or other officer of, or a party to any contract, arrangement or transaction with, or in any way interested in, any body corporate promoted by the Company or in which the Company is in any way interested;
- (c) where a director (or a person connected with him) is a shareholder in the Company or a shareholder in, employee, director, member or other officer of, or consultant to, a parent undertaking of, or a subsidiary undertaking of a parent undertaking of, the Company (as such terms are defined in section 1162 of the Act),
- (d) where a director (or a person connected with him) holds and is remunerated in respect of any office or place of profit (other than the office of auditor) under the Company or body corporate in which the Company is in any way interested,
- (e) where a director is given a guarantee, or is to be given a guarantee, in respect of an obligation incurred by or on behalf of the Company or any body corporate in which the Company is in any way interested;
- (f) where a director (or a person connected with him or of which he is a member or employee) acts (or any body corporate promoted by the Company or in which the Company is in any way interested of which he is a director, employee or other officer acts) in a professional capacity for the Company or any body corporate promoted by the Company or in which the Company is in any way interested (other than as auditor) whether or not he or it is remunerated for this;
- (g) an interest which cannot reasonably be regarded as likely to give rise to a conflict of interest, or
- (h) any other interest authorised by ordinary resolution.

Regulations 85 and 86 shall not apply

21.2 For the purposes of this Article, an interest of which a director is not aware and of which it is unreasonable to expect him to be aware shall not be treated as an interest of his.

21.3 In any situation permitted by this Article (save as otherwise agreed by him) a director shall not by reason of his office be accountable to the Company for any benefit which he derives from that situation and no such contract, arrangement or transaction shall be avoided on the grounds of any such interest or benefit

21.4 Any authority given in accordance with section 175(4)(b) of the Act in respect of a director ("**Interested Director**") who has proposed that the directors authorise his interest ("**Relevant Interest**") pursuant to that section may, for the avoidance of doubt:

- (a) be given on such terms, and subject to such conditions or limitations as may be imposed by the authorising directors as they see fit from time to time, including, without limitation.
 - (i) restricting the Interested Director from voting on any resolution put to a meeting of the directors or of a committee of the directors in relation to the Relevant Interest,
 - (ii) restricting the Interested Director from being counted in the quorum at a meeting of the directors or of a committee of the directors where such Relevant Interest is to be discussed; or
 - (iii) restricting the application of the provisions in Articles 21.5 and 21.6, so far as is permitted by law, in respect of such Interested Director,
- (b) be withdrawn, or varied at any time by the directors entitled to authorise the Relevant Interest as they see fit from time to time; and

an Interested Director must act in accordance with any such terms, conditions or limitations imposed by the authorising directors pursuant to section 174(4)(b) and this Article 21

21.5 Subject to Article 21.6 (and without prejudice to any equitable principle or rule of law which may excuse or release the director from disclosing information, in circumstances where disclosure may otherwise be required under this Article), if a director, otherwise than by virtue of his position as director, receives information in respect of which he owes a duty of confidentiality to a person other than the Company, he shall not be required:

- (a) to disclose such information to the Company or to the directors, or to any director, officer or employee of the Company, or
- (b) otherwise to use or apply such confidential information for the purpose of or in connection with the performance of his duties as a director.

21.6 Where such duty of confidentiality arises out of 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, Article 21.5 shall apply only if the conflict arises out of a matter which falls within Article 21.1 or has been authorised under section 175(5)(a) of the Act (subject to any restrictions imposed by the authorising directors).

21.7 Where a director has an interest which can reasonably be regarded as likely to give rise to a conflict of interest, the director may take such additional steps as may be necessary or desirable for the purpose of managing such conflict of interest, including compliance with any procedures laid down from time to time by the directors for the purpose of managing conflicts of interest generally and/or any specific procedures approved by the directors for the purpose of or in connection with the situation or matter in question, including without limitation:

- (a) absenting himself from any discussions, whether in meetings of the directors or otherwise, at which the relevant situation or matter falls to be considered; and
- (b) excluding himself from documents or information made available to the directors generally in relation to such situation or matter and/or arranging for such documents or information 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.

21 8 Subject to section 182 of the Act, a director shall declare the nature and extent of any interest permitted by Article 21.1 at a meeting of the directors, or by general notice in accordance with section 184 (notice in writing) or section 185 (general notice) of the Act or in such other manner as the directors may determine, except that no declaration of interest shall be required by a director in relation to an interest.

- (a) falling under Article 21.1(g);
- (b) if, or to the extent that, the other directors are already aware of such interest (and for this purpose the other directors are treated as aware of anything of which they ought reasonably to be aware); or
- (c) if, or to the extent that, it concerns the terms of his service contract (as defined by section 227 of the Act) that have been or are to be considered by a meeting of the directors, or by a committee of directors appointed for the purpose under these Articles

21.9 Provided (if these Articles so require) that he has declared to the directors, in accordance with the provisions of these Articles, the nature and extent of his interest (and subject to any restrictions on voting or counting in a quorum imposed by the directors in authorising a Relevant Interest), a director may vote at a meeting of the directors or of a committee of the directors on any resolution concerning a matter in which he has an interest, whether a direct or indirect interest, or in relation to which he has a duty, and shall also be counted in reckoning whether a quorum is present at such a meeting. Regulation 94 of Table A shall not apply.

21 10 Subject to section 239 of the Act, the Company may by ordinary resolution ratify any contract, transaction or arrangement, or other proposal, not properly authorised by reason of a contravention of any provisions of this Article.

21 11 For the purposes of this Article:

- (a) a conflict of interest includes a conflict of interest and duty and a conflict of duties;
- (b) the provisions of section 252 of the Act shall determine whether a person is connected with a director; and
- (c) a general notice to the directors that a director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the director has an interest in any such transaction of the nature and extent so specified.

22. Remuneration

A director may, notwithstanding his office, hold and be remunerated in respect of any office or place of profit held in the Company provided that he has previously complied with all requirements of the Act relating to disclosure of interests, and he or any firm, company, or other body in which he has an interest may act in a professional capacity for the Company and be remunerated for such work and shall not by reason of his office be accountable to the Company for any benefit which he derives from any such office or place of profit. Regulation 85 of Table A shall be modified accordingly.

23. Nature of interests and general notices

For the purposes of regulation 85 of Table A (as modified by Article 22) a director shall be considered to be interested in any contract, transaction or arrangement (if he would not otherwise be so interested) in which he is treated as interested for the purposes of section 177 of the Act. In the case of any transaction or arrangement with the Company in which the director is interested, a general notice given by a director and which otherwise complies with regulation 86(a) of Table A shall not be a disclosure as provided in that regulation unless it relates to a specified company or firm or other body in which he is interested or to a specified person who is connected with the director within the meaning of section 252 of the Act. Regulation 86 of Table A shall be modified accordingly.

DISQUALIFICATION OF DIRECTORS

- 24.** The office of a director shall be vacated immediately:
- (a) if (not being precluded from so doing by the terms of any contract with the Company) by notice to the Company he resigns the office of director; or
 - (b) if he is or becomes bankrupt or insolvent or enters into any arrangement with his creditors, or
 - (c) if he is or becomes incapable by reason of illness, injury or mental disorder of exercising his functions as a director properly; or
 - (d) if he is removed from office by a resolution duly passed pursuant to section 168 of the Act, or
 - (e) if he is prohibited from being a director by an order made under the Company Directors Disqualification Act 1986 or otherwise by law.

ROTATION OF DIRECTORS

- 25** The directors shall not be liable to retirement by rotation and accordingly the second and third sentences in regulation 79 of Table A shall not apply to the Company nor shall any other references to retirement by rotation in Table A

APPOINTMENT AND REMOVAL OF DIRECTORS BY MEMBERS

- 26.** A member or members having the right to attend and vote at any general meeting of the Company and holding at least 75% in nominal value of the shares giving that right may from time to time by notice in writing to the company remove any director from office or appoint any person to be a director, and any such removal or appointment shall be deemed to be an act of the Company and not only of such member or members. Any such notice may consist of one or more documents each executed by or on behalf of such member or members and shall take effect at and from the time when such notice is received at the registered office of the Company or produced to a meeting of the directors of the Company

PROCEEDINGS OF DIRECTORS

27. Regulation of meetings

The directors may meet together for the dispatch of business, adjourn and otherwise regulate their meetings as they think fit

28. Calling and notice of meetings

- 28.1** A director may, and the secretary on the requisition of a director shall, at any time call a meeting of the directors. Notice of every meeting of the directors shall be given to every

director, but the non-receipt of notice by any director shall not invalidate the proceedings at any meeting of the directors. Any director may waive his entitlement to notice of any meeting and such waiver may be prospective or retrospective

- 28.2 A director absent or intending to be absent from the United Kingdom shall be entitled to request that notices of meeting of the directors (or any committee of the Board) be sent to him at an address or by means of electronic communication specified by him to the Company for this purpose, but if no such request is made to the Directors, it shall not be necessary to give notice of a meeting to a director who is for the time being absent from the United Kingdom.

29. Quorum

The quorum necessary for the transaction of the business of the directors shall be two **PROVIDED THAT** in circumstances where there is one director only, the quorum for any meeting of directors or committee of directors shall be one and that director or his alternate shall exercise all the powers and discretions expressed to be vested in the directors by the regulations of Table A and by these Articles.

30. Voting

- 30.1 Questions arising at a meeting shall be decided by a majority of votes. The chairman shall not have a second or casting vote at meetings of the Board.
- 30.2 A resolution in writing executed by or on behalf of all the directors entitled to receive notice of a meeting of directors or of a committee of directors shall be as effectual as if it had been passed at a meeting of the directors or, as the case may be, a committee of directors duly convened and held and may consist of several documents each executed by or on behalf of one or more directors, but a resolution executed by an alternate director need not also be executed by his appointor and, if it is executed by a director who has appointed an alternate director, it need not also be executed by the alternate director in that capacity.
- 30.3 Where the Company and any director have so agreed, the confirmation to the Company by such director of his assent to any resolution by means of an electronic communication shall be deemed to constitute a duly executed document for the purposes of Article 30.2. Any such electronic communication shall be sent to the address notified by the Company for this purpose.
- 30.4 Any director may participate in a meeting of directors by means of a conference telephone or similar communications system whereby all those participating in the meeting can hear and address each other. Such participation shall be deemed to constitute presence in person at such meeting for all purposes including that of establishing a quorum. A meeting held by such means shall be deemed to take place where the largest group of participators in number is assembled. In the absence of such a majority the location of the chairman shall be deemed to be the place of the meeting.

31. Provisions where the sole member is also a director

Where the Company, having only one member, enters into a contract (other than a contract entered into in the ordinary course of the Company's business) with the sole member of the Company and such sole member is also a director of the Company the terms of such contract shall, unless the contract is in writing, be set out in a written memorandum or be recorded in the minutes of the first meeting of directors following the making of the contract.

32. Committees

Any meetings of a committee appointed under regulation 72 of Table A shall be governed mutatis mutandis by Articles 27 to 31 (inclusive) of these Articles

ALTERNATE DIRECTORS

33. Appointment, removal and cessation

- 33.1 Any director may at any time appoint another director or any other person to be his alternate director and may at any time terminate such appointment.
- 33.2 An alternate director shall cease to be an alternate director if his appointor ceases to be a director
- 33.3 Any appointment or removal of an alternate director shall be by notice to the Company from the director making or revoking the appointment or in any other manner approved by the directors

34. Powers and notices

An alternate director shall (except when absent from the United Kingdom) be entitled to receive notices of meetings of the directors and shall be entitled to attend and vote as a director, and to be counted in a quorum at, any such meeting at which the director appointing him is not personally present and generally at such meeting to perform all functions of his appointor as a director and for the purposes of the proceedings at such meeting the provisions of these Articles shall apply mutatis mutandis as if he were a director (but he shall count as one person only for the purpose of determining whether a quorum is present). If an alternate director is himself a director, he shall be entitled in such circumstances as aforesaid to exercise the vote of the director for whom he is an alternate in addition to his own vote. If an alternate director's appointor does not sign the same the alternate director's signature to any resolution in writing of the directors shall be as effective as the signature of his appointor. The foregoing provisions of this Article 34 shall also apply mutatis mutandis to any meeting of any such committee of which his appointor is a member.

35. Interests

Any alternate director shall be entitled to contract and be interested in and benefit from contracts or arrangements and be repaid expenses and to be indemnified to the same extent mutatis mutandis as if he were a director but he shall not be entitled to receive from the Company in respect of his appointment as alternate director any remuneration except only such part (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice to the Company from time to time direct

PENSIONS AND ALLOWANCES

- 36. The directors may establish and maintain, or procure the establishment and maintenance of, any pension or superannuation funds (whether contributory or otherwise) for the benefit of, and give or procure the giving of donations, gratuities, pensions, allowances and emoluments to any persons who are or were at any time in the employment or service of the Company, or any of its predecessors in business, or of any company which is a holding company or a subsidiary of the Company or is allied to or associated with the Company or with any such holding company or subsidiary, or who may be or have been directors or officers of the Company, or of any such other company as aforesaid, or any persons in whose welfare the Company or any such other company as aforesaid is or has been at any time interested, and the wives, widows, families, relations and dependants of any such persons, and establish, subsidise and subscribe to any institutions, associations, societies, clubs or funds calculated to be for the benefit of, or to advance the interests and well-being of the Company or of any such other company as aforesaid, or of any such persons as aforesaid, and to make payments for or towards the insurance of any such persons as

aforesaid, subject always, if so required by law, to particulars with respect to the proposed payment being approved by the Company, and a director shall be entitled to participate in and retain for his own benefit any such donation, gratuity, pension, allowance or emolument.

DIVIDENDS

- 37.** Any dividend or interim dividend may be paid by the Company in whole or in part by the distribution of specific assets provided that the directors shall have directed that such dividend shall be so paid. Where any difficulty arises in regard to such distribution, the directors may settle the same as they think expedient and in particular may issue fractional certificates (or ignore fractions), may fix the value for distribution of such specific assets or any part of such specific assets; may determine that cash payments shall be made to any member upon the footing of the value so fixed in order to adjust the rights of all parties, and may vest any such specific assets in trustees on trust for the persons entitled to the dividend as may seem expedient to the directors.

THE SEAL

38. Sealing

If the Company has a seal it shall only be used with the authority of the directors or of a committee of directors. The directors may determine who shall sign any document to which the seal is affixed and unless otherwise so determined it shall be signed by a director and by the secretary or a second director. The obligation under regulation 6 of Table A relating to the sealing of share certificates shall only apply if the Company has a seal.

39. Foreign seal

The Company may exercise the powers conferred by section 49 of the Act with regard to having an official seal for use abroad, and such powers shall be vested in the directors.

40. Dispensation

The Company may dispense with the need for a company seal insofar as permitted by the Act.

NOTICE

41. Form of notice

41.1 Any notice in writing given under these Articles may

(a) be delivered or sent by first class post (airmail if overseas).

in the case of a member or his
legal personal representative or
trustee in bankruptcy:

to such member's address as shown in the
Company's register of members or the
address notified to the Company for that
purpose;

in the case of a director or
alternate:

to his last known address or the address last
notified to the Company for that purpose; and

in the case of the Company.

to its registered office,

or

(b) where a fax number or an address for email or other form of electronic communication has been notified to or by the company for that purpose, be sent by the relevant form of electronic communication to that address.

41.2 Any such notice shall be deemed to have been served and be effective

(a) if delivered, at the time of delivery; and

(b) if posted or sent by fax, email or any other form of electronic communication on receipt or 48 hours after the time it was sent, whichever occurs first

41.3 In the case of joint holders of a share all notices shall be given to the joint holder whose name stands first in the register of members of the Company in respect of the joint holding. Notice so given shall constitute notice to all the joint holders.

WINDING UP

42. In regulation 117 of Table A, the words "with the like sanction" shall be inserted immediately before the words "determine how the division"

INDEMNITY AND INSURANCE

43. Indemnity

Subject to the provisions of and to the extent permitted by the Act, every director or other officer of the Company (for the avoidance of doubt excluding the auditor of the Company) shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto, including any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in connection with any application under sections 661 or 1157 of the Act in which relief is granted to him by the Court, and no director or other officer shall be liable for any loss, damage or misfortune which may happen to or be incurred by the Company in the execution of the duties of his office or in relation thereto.

44. Insurance

The directors shall have power to purchase and maintain for any director or other officer of the Company (for the avoidance of doubt excluding the auditor of the Company) insurance against any liability referred to in section 232(1) of the Act.