

Company Number: 3872328

THE COMPANIES ACT 2006
COMPANY LIMITED BY SHARES
RECORD OF WRITTEN RESOLUTIONS

of

PAVILION FINANCIAL CORPORATION HOLDINGS UK LIMITED (the Company)

UNDER CHAPTER 2 OF PART 13 OF THE COMPANIES ACT 2006

By a written resolution dated 22 September 2016, the sole member of the company agreed to the following resolutions being passed as special resolutions

1 **THAT** pursuant to section 21 of the Companies Act 2006, the Articles of Association of the Company be amended by the insertion of Article 24.6A.

24 6A Notwithstanding anything to the contrary in these Articles of Association, provisions of Article 24 6 will not apply and as if section 561 of the Companies Act 2006 did not apply, the directors of the Company will register any transfer of shares and may not suspend registration of such shares where such transfer

24 6A 1 is to

24.6A.1 1 a bank or financial institution or to a trust, fund or other entity which is regularly engaged in or established for the purpose of making, purchasing or investing in loans, securities or other financial assets or to an affiliate thereof (any such entity a **Financial Institution**) or an agent or trustee for any Financial Institution where a security interest has been or is purported to be granted over those shares (each a **Security**) that benefits a Financial Institution, and/or

24 6A.1 2 company or other entity to whom such shares are transferred at the direction of a Financial Institution and/or any administrative receiver, administrator, receiver or receiver and manager or similar entity (a **Receiver**) pursuant to powers granted to it under the Security, and

24 6A.2 is delivered to the Company for registration in order to perfect or protect any Security of a Financial Institution, or

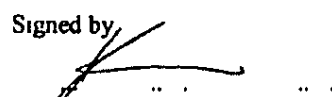
24 6A 3 is executed by a Financial Institution or Receiver pursuant to a power of sale or other such power under any Security "

2 **THAT** pursuant to section 21 of the Companies Act 2006, the Articles of Association of the Company be amended by the insertion of Article 9A



- 9A Any lien on shares which the Company has shall not apply in respect of any Shares which have been charged by way of security to a bank or financial institution or a subsidiary of a bank or financial institution

Signed by



Jonathan Andrew Khewer
Director

THE COMPANIES ACT 1985

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION*

Of

PAVILION FINANCIAL CORPORATION HOLDINGS UK LIMITED

1 **Table A**

1 1 The regulations contained in Table A as prescribed pursuant to section 8 of the Companies Act 1985 ("the Act") at the date of the adoption of these Articles ("Table A") shall, except as provided in and so far as not inconsistent with the provisions of these Articles, apply to the Company to the exclusion of all other regulations or articles of association. References in these Articles to regulations are to regulations in Table A.

1 2 Regulations 8, 40, 41, 50, 54, 65-68, 73-80, 94-98, 115 and 118 shall not apply to the Company.

2 **Interpretation**

In these Articles

2 1 The following expressions have the following meanings (unless the context otherwise requires)

"A' Shares" the 'A' ordinary shares of 1 pence each in the share capital of the Company from time to time,

"A' Shareholders" holders of 'A' Shares,

"Board" the board of the Company (including any committee thereof and so that, unless expressly provided otherwise, all references to the Board shall apply equally to such committee),

"B' Shares" the 'B' ordinary shares of 1 pence each in the share capital of the Company from time to time,

"B' Shareholders" holders of 'B' Shares,

* The Articles of Association were amended by the inclusion of new articles 3-7 by Special Resolution dated 14th December 2000 and were further amended by Special Resolutions dated 2 December 2002 and 31 March 2004, and by Special Resolution dated 23 May 2007 and 2007

“Carried Interest”	monies received by the Company from Pavilion Alternatives Group Limited from time to time pursuant to an Agreement entered into by amongst others the Company and Pavilion Alternatives Group Limited on 25 October 2002 as the same may be amended, supplemented or novated from time to time,
“‘C’ Shares”	the ‘C’ ordinary shares of 1 pence each in the share capital of the Company from time to time,
“‘C’ Shareholders”	holders of ‘C’ Shares,
“‘D’ Shares”	the ‘D’ ordinary shares of 1p each in the share capital of the Company from time to time,
“‘D’ Shareholders”	holders of ‘D’ Shares,
“Director”	any director of the Company from time to time,
“Employees’ Trust”	any trust established by the Company for the benefit of, inter alia, employees and former employees of the Company and its associated companies,
“Group”	the group (as defined in section 262 of the Act) of which the Company is a member, and “Group Company” shall be construed accordingly,
“Investor Shares”	the ‘B’ Shares and ‘C’ Shares in issue from time to time, including any Shares that are re-designated as ‘B’ Shares or ‘C’ shares in accordance with the terms of these Articles,
“Investor Shareholders”	any holder of Investor Shares,
“Management Director”	any Director holding office pursuant to Article 14 1,
“Management Shares”	the ‘A’ Shares and ‘D’ Shares in issue from time to time, including any Shares that are re-designated as ‘A’ Shares or ‘D’ Shares in accordance with the terms of these Articles,
“Management Shareholder”	any holder of Management Shares (notwithstanding that such person may also hold Investor Shares),
“Ordinary Shares”	all Shares other than the 7% preference shares, and
“Share”	a share in the capital of the Company of whatever class,

2 2 words or expressions used in these Articles which are defined in the Act shall be construed (unless defined otherwise herein) as having the meaning defined in the Act as in force on the adoption of these Articles,

2 3 words importing the singular number shall include the plural and vice versa, words importing the masculine shall include the feminine and neuter and vice versa, and words importing persons shall include bodies corporate and unincorporate,

2 4 heading in these Articles shall not affect the interpretation of any Article, and

2 5 a reference to any Article is reference to an article in these Articles

3. **Share capital**

3 1 The Company's share capital at the date of adoption of these articles is £16,000,000 divided into 360,000,000 "A" Ordinary Shares of £0 01 each (hereinafter called 'A' Shares) 360,000,000 "B" Ordinary Shares of £0 01 each (hereinafter called 'B' Shares), 40,000,000 "C" Ordinary Shares of £0 01 each (hereinafter called 'C' Shares), 40,000,000 "D" Ordinary Shares of £0 01p each (hereinafter called 'D' Shares) and 8,000,000 7% Non Cumulative Redeemable Preference Shares of £1 00 (hereinafter called 7% preference shares

3 2 Save as expressly provided in these Articles, the 'A' Shares, 'B' Shares, 'C' Shares, 'D' Shares and 7% preference shares shall have the same rights to dividends and distributions, voting at general meetings and capital on a winding up of the Company and shall otherwise rank pari passu in all respects. In particular, any provision in these Articles may be amended or varied by a resolution of the Company passed in accordance with the Act without any separate sanction or resolution by the holders of the 'A' Shares, 'B' Shares, 'C' Shares, 'D' Shares or 7% preference shares, unless it affects a right expressly conferred hereunder on any 'A' Shareholders or, separately, any 'B' Shareholders or, separately, any 'D' Shareholders or, separately, any 'C' Shareholders or, separately, any 7% preference shares

4 **Votes of members**

4 1 The holders of the 7% preference shall be entitled to receive notice of and attend any general meeting of the Company but shall not be entitled by reason of their holding such shares to vote at any general meeting of the Company

4 2 Regulations 38 and 54 in Table A shall be read and construed accordingly

5 **Dividend**

5 1 The 7% preference shares shall confer the right to a fixed non-cumulative preferential dividend at the rate of 7% per annum on the amounts for the time being paid up or credited as paid up thereon

5 2 The said dividends shall rank for payment in priority to the payment of a dividend on the Ordinary Shares and shall be payable (if and so far as, in the opinion of the Board, the profits of the Company justify such payments) annually within 3 months after the accounting reference date of the Company in respect of the accounting reference period on that date

5 3 The 7% preference shares shall not confer the right to any further or other participation in the profits of the Company

5 4 Regulations 102-108 (inclusive) and 110 in Table A shall be read and construed accordingly

5 5 Regulation 104 shall not apply, and any dividend declared on any Share shall be payable without reference to the amount paid up on such Share

6 Capital

6 1 On a winding up or other repayment of capital and subject as expressly provided in Article 6 2 below, the assets of the Company (including capital uncalled at the commencement of the winding up) remaining after paying and discharging the debts and liabilities of the Company and the costs of winding up, shall be applied in the following order of priority

6 1 1 in repayment of the capital paid up or credited as paid up on the 7% preference shares (including any premium), and

6 1 2 in repayment of the capital paid up or credited as paid up on the Ordinary Shares (including any premium) on terms that if there is insufficient available to satisfy such entitlement in full, the amount actually available will be divided amongst the holders of the Ordinary Shares pro rata to their respective entitlements hereunder,

and the residue (if any) shall be divided among the holders of the Ordinary Shares in proportion to the nominal amount paid up or credited as paid up on such shares

6 2 The 'C' Shares, the 'D' Shares and the 7% preference shares shall not be entitled to receive, share in or participate in any way whatsoever in any distribution, on a winding up or otherwise, by the Company of or in respect of the Carried Interest. The Carried Interest shall be distributed amongst the 'A' Shares and the 'B' Shares *pari passu* as if the same constituted one class of share

7 Redemption

7 1 The Company may, subject to the provisions of the Act, at any time redeem the whole or any part of the 7% preference shares upon giving to the shareholders whose shares are to be redeemed not less than 3 months notice in writing, expiring at any time, of the date fixed for redemption. The Company shall not be entitled to redeem any 7% preference share unless it is a fully paid share

7 2 In the case of a partial redemption the 7% preference shares to be redeemed shall be selected by drawings to be made at such place and in such manner as the Board in its absolute discretion shall determine

7 3 Any notice of redemption shall specify the particular shares to be redeemed, the date fixed for redemption and the place at which the certificates for such shares are to be presented for redemption. At the time and place so fixed, each holder thereof shall be bound to surrender to the Company for cancellation the certificates for his shares which are to be redeemed together with a receipt for the moneys payable to him upon the redemption of such shares. Upon such surrender the Company shall pay to him the amount due upon redemption. If any certificate so surrendered to the Company shall include any 7% preference shares not then to be redeemed, a fresh certificate for those shares shall be issued without charge

7 4 There shall be paid on each 7% preference shares redeemed the amount paid up or credited as paid up thereon (including any premium)

8 Issue of new Shares and alteration of capital

8 1 Save with the prior written consent of the holders of a majority of the 'B' Shares or in accordance with the express provisions of these Articles

8 1 1 no Shares may be allotted or issued to any person other than the trustees of the Employees' Trust, and

8 1 2 the Company shall not exercise any of the powers referred to in regulations 3, 32, 33, 34, 35 and 110

8 2 Section 89(1) and section 90(1) to (6) of the Act shall not apply to the Company

9 **Liens**

The Company shall have a first and paramount lien on every Share for all monies (whether then payable or not) called in respect of that Share. Subject to the Act, the Company shall also have a first and paramount lien on every Share registered in the name of any member (whether registered in its sole name or in the name of two or more members and whether partly paid or fully paid) for all monies (whether then payable or not) due to the Company from that member, whether the debt in respect of which the monies are due was incurred before or after notice to the Company of any equitable or other interest of any person other than that member in respect of that Share. The Company's lien on a Share shall extend to all dividends or other monies payable thereon or in respect thereof. The Board may at any time resolve, upon such terms as it may decide, that any Share shall be wholly or partially exempt from any lien otherwise arising under this Article

9A Any lien on shares which the Company has shall not apply in respect of any Shares which have been charged by way of security to a bank or financial institution or a subsidiary of a bank or financial institution

10 **Calls**

Regulation 18 is amended by the addition of the words 'in all expenses that may have been incurred by the Company by reason of non-payment of the call' at the end of the first sentence

11 **Proceedings at general meetings**

11 1 No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business. Two members present in person or by proxy shall be a quorum of which one shall be or represent an 'A' Shareholder and one shall be or represent a 'B' Shareholder.

11 2 If within half an hour from the time appointed for a general meeting a quorum is not present, the meeting, if convened upon the requisition of members, shall be dissolved. In any other case the meeting shall stand adjourned to the same day in the next week, at the same time and place (or such other day and at such other time and place as all the members may agree in writing). If at such adjourned meeting a quorum is not present within fifteen minutes of the time appointed for the meeting, the member or members (whatever their number) present in person or by proxy and entitled to vote thereat shall be a quorum

11 3 At any general meeting a poll may be demanded by any member present in person or by proxy or, if a corporation, by its duly authorised representative and entitled to vote thereat. Regulation 46 shall be modified accordingly

11 5 The instrument appointing a proxy to vote at a meeting shall be deemed also to confer authority to vote on a poll on the election of a chairman on a motion to adjourn the meeting

11 6 The chairman of a general meeting shall not be entitled to a second or casting vote

12 **Written resolutions**

Any written resolution of the members may, in the case of a corporation, be signed on its behalf by a director or the secretary of such corporation or by its duly appointed attorney or its duly authorised representatives.

13 **Votes of members**

Subject to any special rights or restrictions as to voting attached to any Ordinary Shares by or in accordance with these Articles on a show of hands every member who (being an individual) is present in person or (being a corporation) is present by a duly authorised representative, not being himself a member entitled to vote, shall have one vote and on a poll every member shall have one vote for every Ordinary Share of which he is a holder

14. **Appointment and retirement of directors**

14 1 Subject as provided in Article 14 6, the holders of a majority of the Management Shares shall be entitled by notice in writing to the Company to

14 1 1 appoint Directors (each being a Management Director),

14 1 2 to remove any Management Director, and

14 1 3 to appoint any other person to be a Management Director following the removal of a Management Director

14 2 A notice of appointment or removal of a Management Director pursuant to Article 14 1 shall take effect upon service of such notice at the Company's registered office or on delivery of such notice to a Board meeting

14 3 Any Management Director shall be at liberty from time to time to make such disclosure to his appointor(s) as to the business and affairs of the Company as he shall determine in his absolute discretion

14 4 Any appointment or removal of a Director pursuant to the contractual obligation of the Company to make such appointment or removal shall be made by notice in writing served on the Company and signed by the person(s) appointing or removing such Director

14 5 Subject as provided in Article 14 6, the Board may appoint any person who is willing to act as a Director to be a Director Any Director appointed under this Article 14 5 may be removed from office by a Board resolution

14 6 No person shall be appointed as a Director under this Article 14 if such appointment would cause the total number of Directors to exceed 20, and provided always that at least three such Directors are not Management Directors

14 7 All references in Table A to retirement by rotation shall be disregarded

15 **Alternate directors**

15 1 Any Director (other than an alternate Director or a Management Director) may at any time and with the approval of the Board appoint any person as his alternate Director and the appointing Director may at any time terminate such appointment. Any such appointment or termination of appointment shall be made by notice in writing served on the Company and signed by the appointing Director. The same person may be appointed as the alternate Director of more than one Director.

15 2 The appointment of an alternate Director shall determine on the happening of any event which if he were a Director would cause him to vacate such office or on his appointor ceasing to be a Director.

15 3 An alternate Director shall be entitled to receive notices of meetings of the Board and meetings of any committee of the Board of which his appointor is a member and shall be entitled to attend and vote as a Director and be counted in the quorum at any such meeting at which his appointor is not personally present and generally at such meeting to perform all functions of his appointor as a Director. For the purposes of the proceedings at such meeting the provisions of these Articles shall apply to an alternate Director as if he were a Director. It shall not be necessary to give notices of Board meetings to alternate Director who is absent from the United Kingdom. If an alternate Director shall himself be a Director or shall attend any such meeting as an alternate for more than one Director his voting rights shall be cumulative, but he shall count as only one for the purpose of determining whether a quorum is present. At any time when his appointor is absent from the United Kingdom or temporarily unable to act through ill-health or disability, the signature of the alternate Director to any resolution in writing of the Directors shall be as effective as the signature of this appointor.

15 4 An alternate Director shall be entitled to contract and be interested in and benefit from contacts or arrangements or transactions and to 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 an alternate Director any remuneration except only such part (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct.

16 **Disqualification and removal of directors**

Regulation 81 shall be modified by replacing the words at paragraph (e) with the words "he is summarily dismissed as an employee of the Company or of any Group Member pursuant to the terms of any service agreement between him and the Company or such Group Member and the Board resolves that his office be vacated". The office of a Director shall also be vacated if he shall be removed from office under Article 14.

17 **Remuneration of directors**

The ordinary remuneration of the Directors as Board members shall from time to time be determined by an ordinary resolution of the Company, and shall (unless such resolution otherwise provides) be divided among the Board members as they may agree or, failing agreement, equally, except that any Board member who shall hold office for part only of the period in respect of which such remuneration is payable shall be entitled to rank in such division for a proportion of the remuneration relating to the period during which he has held office. Regulation 82 shall not apply.

18 **Pension**

The Board may give or award pensions, annuities, gratuities and superannuation or other allowances or benefits to any employees or ex-employees and to officers and ex-officers (including, in each case, Directors and ex-Directors) of the Company or its predecessors in business or of any holding company or subsidiary of the Company or to the relations or dependants of any such persons and may establish, support and maintain pensions, superannuation or other funds or schemes (whether contributory or non-contributory) for the benefit of any such persons and/or their relations or dependants or any of them. Any Director shall be entitled to receive and retain for his own benefit any such pension, annuity, gratuity, allowance or other benefit and may vote as a Director in respect of the exercise of any of the powers conferred upon the Directors by this Article even if he is or may become interested in the exercise of such powers

19 **Proceedings of Directors**

19 1 The quorum for the transaction of business of the Directors shall be two Directors of which one shall be a Management Director. Regulation 89 shall be modified accordingly. The chairman of any meeting of the Directors shall not be entitled to a second or casting vote. Regulation 88 shall be modified accordingly.

19 2 A Director who is in any way whether directly or indirectly interested in a transaction or arrangement or proposed transaction or arrangement with the Company may not vote in respect of any such transaction or arrangement or proposed transaction or arrangement or any matter arising thereat and if he does so vote his vote shall be counted and he shall be capable of constituting a quorum at any meeting of the Directors at which any such transaction or arrangement or proposed transaction or arrangement shall come before the Board for consideration and may retain for his own absolute use and benefit all profits and advantages directly or indirectly accruing to him thereunder or in consequence thereof.

19 3 Any Director may participate in a Board meeting or a meeting of a committee of the Board by means of a conference telephone or similar communications equipment whereby all persons participating in the board meeting can hear each other. A Director so participating shall be deemed to be present in person at such meeting for the purposes of these Articles.

20 **Borrowing powers**

The Board may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof and subject as otherwise provided in these Articles 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.

21 Not used

22 **Notices**

Any notice sent to any member (or any other person entitled to receive notices under these Articles) by the Company by post to an address within the United Kingdom shall be deemed to have been given within 24 hours, if prepaid as first class, after such notice shall have been posted. Any such notice sent by post to an address outside the United Kingdom shall be deemed to have been given within 72 hours, if prepaid as airmail. In proving the giving of notice it shall be sufficient to prove that the envelope containing such notice was properly

addressed, prepaid and posted Any such notice not sent by post but left at a member's registered address shall be deemed to have been given on the day it was so left

23 **Indemnity and insurance**

- 23 1 Subject to the provisions of and so far as may be permitted by law, every Director, auditor, secretary or other officer of the company shall be entitled to be indemnified by the Company against all costs charges, losses, expenses and liabilities incurred by him in the execution and discharge of his duties or in relation thereto including any liability incurred by him in defending any proceedings, civil or criminal, which relate to anything done or omitted or alleged to have been done or omitted by him as an officer or employee of the Company and in which judgement is given in his favour (or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part) or in which he is acquitted or in connection with any application under any statute for relief from liability in respect of any such act or omission in which relief is granted to him by the Court
- 23 2 The Company may purchase and maintain for any officer or auditor of the Company insurance against any liability which by virtue of any rule of law would otherwise attach to him in respect of any negligence, default, breach of duty or breach of trust of which he may be guilty in relation to the Company

24 **Transfer of shares and other related provisions**

24 1 **Interpretation**

In these Articles, the following additional expressions relating to share transfers shall have the following meanings

"Associate"	in relation to any member, any Associated Company, Family Trustees or Privileged Relation of such member,
"Associated Company"	in relation to a corporate member, as defined in section 416 of the Income and Corporation Taxes Act 1988,
"Auditors"	the Company's auditors from time to time,
"Beneficiary"	a beneficiary of the Employees' Trust as defined therein,
"Competitor"	a member or proposed member which carries on or is interested in any business (directly or indirectly in whatever manner) that competes with the Company or any other Group Member or which has business interests which can be reasonably expected to conflict with the business interests of the Company or any other Group Member,
"Deemed Transfer Notice"	a Transfer Notice deemed to be given under any provision of these Articles,
"Employee Trustees"	the trustee(s) of the Employees' Trust,
"Family Trust"	in relation to a member (being an individual), a trust which does not permit any of the settled property thereon or the income therefrom to be applied otherwise than for the benefit

	of (i) such member (ii) a Privileged Relation and/or (iii) any charity or charities as default beneficiaries where exercise of the voting rights conferred by any Share is or would be controlled by, or subject to the consent of, no person other than Family Trustees, such member or a Privileged Relation,
“Family Trustees”	in relation to a member, the sole trustee or all of the trustees of a Family Trust,
“Privileged Relation”	in relation to a member, the spouse (excluding, for the avoidance of doubt, any ex-spouse following a legal divorce), widow or widower of the member and the member’s children and grandchildren (including step and adopted children and grandchildren),
“Proposing Transferor”	a member who has given, or is deemed to have given, a Transfer Notice or a Deemed Transfer Notice,
“Purchaser”	a member who has agreed to purchase Transfer Shares in accordance with these Articles,
“Transfer Entitlement”	the number of Transfer Shares offered to a member under a Transfer Offer,
“Transfer Notice”	a notice in writing that a Proposing Transferor is required to give to the Board of his proposal to transfer (a) Share(s),
“Transfer Offer”	an offer made by the Board on behalf of a Proposing Transferor for the sale of Transfer Shares to other member(s) in accordance with these Articles,
“Transfer Price”	the sale price of a Transfer Share determined in accordance with Article 26 7, and
“Transfer Shares”	the Shares to which a Transfer Notice or a Deemed Transfer Notice relates

24 2 **Restrictions on transfer**

No member shall dispose of any interest in, or right attaching to, or renounce or assign any right to receive or subscribe for any Share or create or permit to exist any charge, lien, encumbrance or trust over any Share or agree (whether subject to any condition precedent, condition subsequent or otherwise) to do any of such things except (but subject always to Article 24 6) with the prior consent of all the members or as permitted by Article 25 or Article 26

24 3 **Deemed Transfer Notices**

A Transfer Notice shall be deemed given in respect of all the Shares held by a member and his/its Associates if

- 24 3 1 the member attempts to deal with or dispose of any Share or any interest in any Shares otherwise than as permitted by these Articles, or

- 24 3 2 unless the Board decides otherwise by resolution on which at least one Director who is not a Management Director votes in favour, the member (being an individual) becomes bankrupt or makes any voluntary arrangement or composition with his creditors, or
- 24 3 3 unless the Board decides otherwise by resolution on which at least one Director who is not a Management Director votes in favour, a receiver, manager, administrative receiver or administrator is appointed of such member or over all or any part of its undertaking or assets, or
- 24 3 4 unless the Board decides otherwise by resolution on which at least one Director who is not a Management Director votes in favour, the member enters into liquidation (other than a voluntary liquidation for the purpose of a bona fide scheme or solvent amalgamation or reconstruction), or
- 24 3 5 the member, having ceased to be an Associate of a Transferor (as defined at Article 25 2), fails to transfer any Relevant Shares back to the Transferor or any Associate of the Transferor in accordance with Article 25 2, or
- 24 3 6 the Board passes a resolution, on which at least one Director who is not a Management Director votes in favour, that a Transfer Notice has been deemed given as a consequence of the member (or a person who was, in respect of that member, a Transferor (as defined in Article 25 2)) being, in the Board's view, a Competitor or a person whose association with the Company might be detrimental to the relationship of the Company or any Group Company with any regulatory body by whom it is, for the purpose of any part of its business, regulated, or
- 24 3 7 the member (or a person who was, in respect of that member, a Transferor (as defined in Article 25 2)) is summarily dismissed by a resolution of the Board (on which at least one Director who is not a Management Director votes in favour) as an employee of the Company or any Group Member pursuant to the terms of any service agreement between him and the Company or such Group Member, or
- 24 3 8 unless the Board decides otherwise by a resolution on which at least one Director who is not a Management Director votes in favour, that member holds 'C' Shares and he (or a person who was in respect of that member a Transferor (as defined in Article 25 2)) ceases to be an employee of the Company or any Group Member in circumstances other than those set out in Article 24 3 7

24 4 **Deemed Transfer Date**

Where the Board is unaware of the facts giving rise to a Transfer Notice being deemed to have been given under any provision of these Articles such Transfer Notice shall be deemed to have been received by the Board on the date on which the Board actually becomes aware of such event and the provisions of Article 26 shall apply accordingly

24 5 **Evidence of permitted transfer**

For the purpose of ensuring that a particular transfer of Shares is permitted by these Articles, the Board may require the transferor or the person named as transferee in any transfer lodged for registration to furnish the Company with such information and evidence as the Board

24 4 **Deemed Transfer Date**

Where the Board is unaware of the facts giving rise to a Transfer Notice being deemed to have been given under any provision of these Articles such Transfer Notice shall be deemed to have been received by the Board on the date on which the Board actually becomes aware of such event and the provisions of Article 26 shall apply accordingly

24 5 **Evidence of permitted transfer**

For the purpose of ensuring that a particular transfer of Shares is permitted by these Articles, the Board may require the transferor or the person named as transferee in any transfer lodged for registration to furnish the Company with such information and evidence as the Board may think necessary or relevant. Failing such information or evidence being furnished to the satisfaction of the Board within a period of 28 days after such request the Board shall be entitled to refuse to register the transfer in question

24 6 **Board veto of transfers**

The Board shall not refuse to register any transfer of a Share which is otherwise permitted under these Articles unless the Board decides or believes that (without any obligation to disclose any reason for the Board's decision or belief) it is a transfer of a Share

24 6 1 on which the Company has a lien,

24 6 2 (not being a fully paid share) to a person of whom they shall not approve,

24 6 3 which would require the Company to obtain the consent of a regulatory body by whom it is, for the purpose of any part of its business, regulated (including, without limitation, any body by which it is authorised to carry on investment business pursuant to the Financial Services & Markets Act 2000 or any other statute) when such consent has not been obtained, or

24 6 4 to a person who is a Competitor or whose association with the Company or any Group Member might be detrimental to its relationship with any regulatory body by whom it is for the purpose of any part of its business, regulated

The first sentence of regulation 24 shall not apply to these Articles

24 6A Notwithstanding anything to the contrary in these Articles of Association, provisions of Article 24 6 will not apply and as if section 561 of the Companies Act 2006 did not apply, the directors of the Company will register any transfer of shares and may not suspend registration of such shares where such transfer

24 6A 1 is to

24 6A 1 1 a bank or financial institution or to a trust, fund or other entity which is regularly engaged in or established for the purpose of making, purchasing or investing in loans, securities or other financial assets or to an affiliate thereof (any such entity a **Financial Institution**) or an agent or trustee for any Financial Institution where a security interest has been or is

purported to be granted over those shares (each a **Security**) that benefits a Financial Institution, and/or

24 6A 1 2 company or other entity to whom such shares are transferred at the direction of a Financial Institution and/or any administrative receiver, administrator, receiver or receiver and manager or similar entity (a **Receiver**) pursuant to powers granted to it under the Security, and

24 6A 2 is delivered to the Company for registration in order to perfect or protect any Security of a Financial Institution, or

24 6A 3 is executed by a Financial Institution or Receiver pursuant to a power of sale or other such power under any Security "

24 7 **Re-designation of Management Shares in the event of death**

The provisions of this Article 24 7 shall apply in the event of the death of (a) any Management Shareholder (except where such member is an Associate to whom such Management Shares have been transferred pursuant to Article 25 1) or (b) any person who, in respect of Management Shares, is a Transferor (as defined in Article 25 2) Where the provisions of this Article 20 7 apply, any 'A' Shares held by the deceased member or by any Associate of the deceased Transferor shall thereupon automatically be re-designated as 'B' Shares and any 'D' Shares held by the deceased member or by any Associate of the deceased Transferor shall thereupon automatically be re-designated as 'C' Shares

25 **Permitted transfers**

25 1 **Permitted transferees**

A member (other than a member in respect of a Share transferred to it in its capacity as an Associate of the Transferor pursuant to this Article 25 1) may at any time transfer any of its Shares (the "Relevant Shares") to an Associate and the Associate may at any time transfer all of the Relevant Shares (but not some of them) back to such member or to another Associate of such member A holder of Management Shares (being a company) may transfer any such Shares to any person who is its director and so that such person may then transfer any such Shares to any of his Associates, whether or not he is still a director of the company which had transferred such Shares to him

25 2 **Transfers by ex-Associates**

If Relevant Shares have been transferred under Article 25 1 (whether directly or by a series of transfers) by a member (the "Transferor", which expression shall not include a second or subsequent transferor in a series of transfers) to his/its Associate (the "Transferee") and subsequently the Transferee ceases to be an Associate of the Transferor then the Transferee shall forthwith transfer the Relevant Shares to the Transferor or, at the Transferor's election, to an Associate of the Transferor If the Transferee fails to transfer the Relevant Shares

25 4 **Exhaustion of pre-emption rights**

No Share which is subject to a Transfer Notice or a Deemed Transfer Notice may be transferred, notwithstanding that such transfer may otherwise be permitted under this Article 25, unless and until all pre-emption rights of all other members and the Company under these Articles in respect of such Transfer Notice or Deemed Transfer Notice have been exhausted

25 5 **Expiry of Family Trust**

If and whenever a trust holding any Shares ceases to be a Family Trust or there cease to be any beneficiaries of that Family Trust other than a charity or charities as default beneficiaries, a Transfer Notice shall be deemed to have been given in respect of such Shares

26 **Pre-emption rights**

26 1 **Prohibition on transfers**

Except for a transfer of Shares which is expressly permitted under these Articles, no Share shall be transferred other than in compliance with this Article 26

26 2 **Transfer Notices**

A member proposing to transfer any Shares shall give a Transfer Notice to the Board in respect of all such Shares, which shall state the number of the Transfer Shares (which may be all or part only of the Shares then held by the Proposing Transferor) Where the member proposes to transfer the Transfer Shares to a third party, the Transfer Notice shall specify the price at which such member is proposing to transfer the Transfer Shares to such third party

26 3 **Board's agency**

The Transfer Notice shall constitute the Board as the agent of the Proposing Transferor empowered to sell the Transfer Shares (together with all rights attaching thereto at the Transfer Notice Date or at any time thereafter) at the Transfer Price on the terms of this Article 26 Once given, a Transfer Notice may not be revoked save with the prior written consent of all the other members with outstanding pre-emption rights under these Articles in respect of such Transfer Notice

26 4 **Transfer Notice Date**

The Board shall make a Transfer Offer, as agent for the Proposing Transferor, in respect of all the Transfer Shares in accordance with this Article 26 within 14 days following the date ("the Transfer Notice Date")

26 4 1 in the case of a Transfer Notice, when it is received by the Board, and

26 4 2 in the case of a Deemed Transfer Notice, of the event giving rise to the Deemed Transfer Notice or, if later, the date on which the Board actually became aware of such event, or

26 4 3 in either case above where the Transfer Price is market value, if later, within 14 days of the determination of market value in accordance with Article 26 9

26 5 Offers of Management Shares

Subject always to Article 26 19, 'A' Shares comprised in a Transfer Notice shall upon the Transfer Notice Date automatically be re-designated as 'B' Shares and 'D' Shares comprised in a Transfer Notice shall upon the Transfer Notice Date automatically be re-designated as 'C' Shares. Such Transfer Shares shall be offered up for sale as follows

26 5 1 first to the members (other than the Proposing Transferor) pro rata to the number of Ordinary Shares held by each of them (with any Transfer Shares not taken up by the members to whom such Shares are first offered then being offered around to any remaining members until all such Transfer Shares have been taken up or there are no members wishing to take up such surplus Transfer Shares), and

26 5 2 secondly, to the third party (if any) specified in the Transfer Notice (and only then at the price specified in the Transfer Notice)

Any Transfer Shares re-designated as 'B' Shares on the Transfer Notice Date in accordance with the provisions of this Article 26 5 which are acquired by a Management Shareholder pursuant to Article 26 5 1 shall thereupon be further re-designated as 'A' Shares. Any Transfer Shares re-designated as 'C' Shares on the Transfer Notice Date in accordance with the provisions of this Article 26 5 which are acquired by a Management Shareholder pursuant to Article 26 5 1 shall thereupon be further re-designated as 'D' Shares

26 6 Offers of Investor Shares

Subject always to Article 26 19, any Investor Shares comprised in a Transfer Notice shall be offered up for sale as follows

26 6 1 first to the members (other than the Proposing Transferor) pro rata to the number of Ordinary Shares held by each of them (with any Transfer Shares not taken up by the member to whom such Shares are first offered then being offered around to any remaining members until all such Transfer Shares have been taken up or there are no members wishing to take up such surplus Transfer Shares), and

26 6 2 second to the third party (if any) specified in the Transfer Notice (and only then at the price specified in the Transfer Notice)

Any 'B' Shares acquired by a Management Shareholder under this Article 26 6 shall thereupon automatically be re-designated as 'A' Shares. Any 'C' Shares acquired by a Management Shareholder under this Article 26 6 shall thereupon be further re-designated as 'D' Shares

26 7 Transfer Price

The Transfer Price for each Transfer Share shall be

26 7 1 calculated and determined in accordance with Article 26 8 in the case of a Deemed Transfer Notice under Article 24 3 7, or

26 7 2 market value, in the case of a Deemed Transfer Notice otherwise than under Articles 24 3 7, or

- 26 7 3 the price specified in the Transfer Notice, in the case of Shares the subject of a Transfer Notice served pursuant to Article 26 2 (where a third party purchaser is specified), or
- 26 7 4 market value, in the case of Transfer Shares the subject of a Transfer Notice served pursuant to Article 26 2 (where no third party purchaser is specified)

26 8 **Calculation Formula**

For the purpose of Article 26 7 1, the Transfer Price will be the sum calculated in accordance with the following formula ("the Calculation Formula")

$$\frac{A}{B} \times (3 \times C - D)$$

where

'A' is the nominal value of each Transfer Share,

'B' is the total nominal value of all the Ordinary Shares in issue or conditionally allotted at the Transfer Notice Date

'C' is the average of the Group's annual post-tax profits for the Calculation Period (as defined below),

'D' is the aggregate of (i) the amount payable to the holders of the 7% preference shares under article 6 1 1 and (ii) any indebtedness of the Group,

"post-tax profits" means the Group's profits as shown in its statutory accounts for a twelve month financial period which, prior to the Transfer Notice Date, have been approved by the Board with Auditors' signed audit report thereon ("Calculation Accounts"), after deducting tax and all exceptional and extraordinary items and any tax related thereto, and

"Calculation Period" means the 36 month period to which the three latest sets of Calculation Accounts relate

26 9 **Determination of market value**

Market value shall, for the purposes of these Articles, be such price as shall be agreed between the Proposing Transferor and the purchaser or if there is no third party purchaser, with the Board or, in the absence of agreement with the Board, as determined by the Auditors as market value in accordance with the section 272 Taxation of Chargeable Gains Act 1992. In determining market value, the Auditors shall act as experts and not as arbitrators, and no account shall be taken of the size of the shareholding to be valued

26 10 **Auditors' reports**

For the purpose of Article 26 8,

- 26 10 1 the sum stated to be the Transfer Price in a written report (a "Transfer Price Report") addressed by the Auditors to the Company and accepted by the Board shall be binding on the Proposing Transferor, any other member and the

Company as the correct amount of the Transfer Price (other than in the case of manifest error),

26 10 2 the Board may make such adjustments to the Calculation Formula as it considers appropriate if for any reason the Transfer Price cannot be calculated strictly in accordance with Article 26 8 (including, without limitation, as a result of 31st July ceasing to be the Company's accounting reference date) provided that the Auditors have confirmed in a written report to the Company (an "Adjustment Report") that they consider such adjustments to be fair and reasonable having regard to all relevant circumstances known to them, and

26 10 3 a Transfer Price Report and an Adjustment Report may be made in such form and on such terms as the Auditors decide in their absolute discretion (subject to the reference terms set out above) and shall be made by them acting as experts and not as arbitrators

26 11 **Allocation of Transfer Shares**

On the close of the Transfer Offer, the Board shall allocate the Transfer Shares for sale to separate members as Purchasers in accordance with the provisions of Articles 26 5 and 26 6

26 12 **Fractions**

If any of the Transfer Shares shall not be capable of being offered or allocated under Articles 26 5 or 26 6 without involving fractions, such Transfer Shares shall be offered to or allocated amongst the members, or some of them, in such proportions as may be determined by lots drawn in respect thereof, and the lots shall be drawn in such manner as the Board shall think fit

26 13 **Completion procedure**

If the Board receives valid acceptances under the Transfer Offer in respect of any Transfer Shares the Board shall give written notice (a "Completion Notice") of such acceptances on the close of the Transfer Offer to the Proposing Transferor and to each Purchaser. On the Proposing Transferor's receipt of such Completion Notice, he shall be bound to sell to each Purchaser, and each Purchaser shall be bound to purchase, such Transfer Shares accepted by such Purchaser (subject to the other party's compliance with Article 26 13 3). The purchase of Transfer Shares shall be completed in accordance with the relevant Completion Notice. A Completion Notice shall state

26 13 1 the name and address of the Purchaser and the number of Transfer Shares agreed to be purchased by him,

26 13 2 a place in London for completion of such purchase and a time and date for completion not less than 7 days nor more than 21 days after the date of the Completion Notice, and

26 13 3 at completion the Purchaser is to deliver the purchase monies, in cleared funds, to the Proposing Transferor and the Proposing Transferor is to deliver to the Purchaser the certificate in respect of such Transfer Shares and a duly executed transfer form thereof and to account to the Purchaser for all benefits arising from all rights attaching to such Transfer Shares at the Transfer Notice Date or at any time thereafter

26 14 Proposing Transferor's sale of Surplus Shares

If the Board does not receive a valid acceptance in respect of one or more Transfer Shares ("Surplus Shares") under a Transfer Offer, the Board shall promptly notify the Proposing Transferor of the number of Surplus Shares. The Proposing Transferor may transfer any of the Surplus Shares to any person(s) (including any member) at a sale price which is not less than the Transfer Price within three months following such notice and the Board shall register such transfer, subject to the Board's power of veto at Article 24 6 and to the prior consent of any one person holding (together with any of its Associates, its directors and their Associates) the majority of the 'A' Shares (such consent not to be unreasonably withheld or delayed). If Surplus Shares are registered in the name of a deceased shareholder, his personal representatives may elect to become registered holders thereof without such sale taking place, in which case such holders shall not subsequently be entitled to transfer such Shares to any other person prior to giving a Transfer Notice in respect thereof.

26 15 Default procedure

If a Proposing Transferor defaults in his obligation to transfer a Transfer Share in accordance with Article 26 13, the Company may receive the purchase monies for such Transfer Share and the Board may nominate some person to execute an instrument of transfer of such Transfer Share in the name and on behalf of the Proposing Transferor and, when such instrument has been duly stamped, the Board may register the Purchaser in the Company's register of members as the holder of such Share and, where applicable, shall hold the purchase monies in trust without interest for the Proposed Transferor. The Company's receipt of such purchase monies shall be a good discharge to the Purchaser (who shall not be bound to see to the application thereof) and, after his name has been entered in the register of members pursuant to this Article, the validity of such transfer and registration may not be challenged by any member.

26 16 Transfer of entire interest in Share

An obligation to transfer a Share under this Article 26 shall be deemed to be an obligation to transfer the entire legal and beneficial interest in such Share free from any lien, charge or other encumbrance

26 17 Company purchase

Notwithstanding any provision of these Articles or of Table A no form or instrument of transfer shall be necessary to effect a purchase or redemption by the Company of its own Shares pursuant to Regulation 35 of Table A

26 18 Waiver

The provisions of this Article 26 may be waived in whole or part in any particular case only with the prior written consent of all the members or, after the close of a Transfer Offer, all members with outstanding rights under such Transfer Offer

26 19 Limits

Nothing in this Article 26 shall permit any member, together with his Associates, to acquire more than 24 99 per cent of the issued Ordinary Share capital of the Company without the prior consent of all the Management Shareholders

Nothing in this Article 26 shall permit any person who is a holder of 'C' Shares to acquire more than 9 99 per cent of the issued Ordinary Share capital of the Company without the prior consent of all the Management Shareholders