

Company No 04525217

**THE COMPANIES ACTS 1985, 1989 AND 2006**

**COMPANY LIMITED BY SHARES**

---

**WRITTEN RESOLUTION**

**of**

**STREETCAR LIMITED**

**(the "Company")**

Decision taken on 18<sup>th</sup> February 2008

WE, the undersigned being all the members of the Company who at the date of this resolution have the right to attend and vote at an Extraordinary General Meeting of the Company, resolve, in accordance with Section 288 of the Companies Act 2006 as follows and agree that the following resolution shall for all purposes be as valid and effective as if it had been passed as a special resolution at a General Meeting of the Company

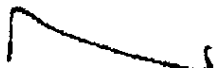
**SPECIAL RESOLUTION**

**THAT** new articles of association of the Company in the form attached to this resolution be adopted



		Percentage of voting shares held
Signed:	<u>Carl A. Ameln</u>	
	For and on behalf of Cron Industrier SA	
	Date: <u>6 Feb. 2008</u>	10.63%
Signed:	<u>Brett Akker</u>	
	Date:	16.51%
Signed:	<u>Andrew Valentine</u>	
	Date:	16.51%
Signed:	<u>Mark Walker</u>	
	Date:	2.87%
Signed:	<u>Michael Fogelberg</u>	
	Date:	1.11%
Signed:	<u>Patrick Metdepenningham</u>	
	Date:	1.11%
Signed:	<u>Smedvig Capital AS</u>	
	Date:	43.25%
Signed:	<u>Amy Huxtable</u>	
	Date:	0.55%
Signed:	<u>Andrew Edgar</u>	
	Date:	0.55%

Signed	Date	Percentage of voting shares held
For and on behalf of Cron Industrier SA		10.63%
Signed <u>Brett Akker</u>	Date <u>30 Nov 08</u>	16.51%
Signed <u>Andrew Valentine</u>	Date <u>30 11/2008</u>	16.51%
Signed <u>Mark Walker</u>	Date	2.87%
Signed <u>Michael Fogelberg</u>	Date	1.11%
Signed <u>Patrick Metdepenningham</u>	Date	1.11%
Signed <u>Smedvig Capital AS</u>	Date	43.25%
Signed <u>Amy Huxtable</u>	Date	0.55%
Signed <u>Andrew Edgar</u>	Date	0.55%

Signed:	Date:	Percentage of voting shares held
For and on behalf of Cron Industrier SA		10.63%
Signed Brett Akker	Date	16.51%
Signed Andrew Valentine	Date.	16.51%
Signed.  Mark Walker	Date 5/2/08.	2.87%
Signed Michael Fogelberg	Date:	1.11%
Signed. Patrick Metdepenningham	Date:	1.11%
Signed: Smedvig Capital AS	Date	43.25%
Signed Amy Huxtable	Date.	0.55%
Signed. Andrew Edgar	Date.	0.55%

		Percentage of voting shares held
Signed	Date	10.63%
<hr/>		
For and on behalf of Cron Industrier SA		
Signed	Date	16.51%
<hr/>		
Brett Akker		
Signed:	Date:	16.51%
<hr/>		
Andrew Valentine		
Signed:	Date:	2.87%
<hr/>		
Mark Walker		
Signed:	Date: 2008-01-31	1.11%
<hr/>		
Michael Fogelberg		
Signed:	Date:	1.11%
<hr/>		
Patrick Metdepenningham		
Signed:	Date:	43.25%
<hr/>		
Smedvig Capital AS		
Signed	Date:	0.55%
<hr/>		
Amy Huxtable		
Signed:	Date:	0.55%
<hr/>		
Andrew Edgar		

Percentage of voting shares  
held

Signed \_\_\_\_\_ D a t e \_\_\_\_\_ 10.63%

For and on behalf of  
Cron Industrier SA

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Brett Akker

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Andrew Valentine

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Mark Walker

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Michael Fogelberg

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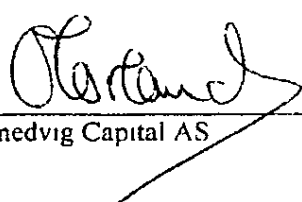
Patrick

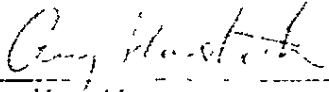
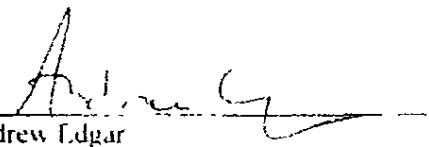
Metdepenningham

Jan 30, 2008

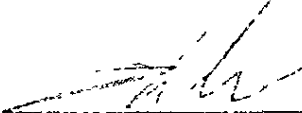
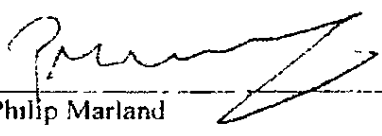
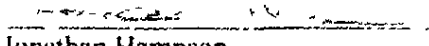
Signed \_\_\_\_\_ D a t e \_\_\_\_\_ 43.25%

Smedvig Capital AS

		Percentage of voting shares held
Signed	Date	10.63%
<hr/>		
For and on behalf of		
Cron Industrier SA		
Signed	Date	16.51%
<hr/>		
Brett Akker		
Signed	Date	16.51%
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Andrew Valentine		
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Mark Walker		
Signed	Date	1.11%
<hr/>		
Michael Fogelberg		
Signed	Date	1.11%
<hr/>		
Patrick Metdepenningham		
Signed	Date	43.25%
	18/2-2008	
Smedvig Capital AS		
Signed	Date	0.55%
<hr/>		
Amy Huxtable		
Signed	Date	0.55%
<hr/>		
Andrew Edgar		

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Michael Fogelberg		1.11%
Signed	Date	
Patrick Metdepenningham		1.11%
Signed	Date	
Smedvig Capital AS		43.25%
Signed 	Date 5/2/08	
Amy Huxtable		0.55%
Signed 	Date 5/2/08	
Andrew Edgar		0.55%



		Percentage of voting shares held
Signed	 Henry Imbei	Date <u>01/2/08</u> 0.55%
Signed	 Philip Marland	Date <u>5/2/08</u> 0.37%
Signed	Shalina Virji	Date _____ 0.48%
Signed	John Agnew	Date _____ 0.26%
Signed	 Jonathan Hampson	Date <u>1/1/08</u> 0.33%
Signed	Sir Trevor Chinn	Date _____ 4.92%

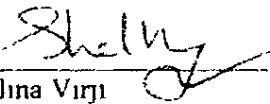
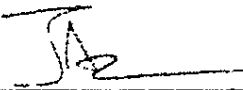
#### NOTES

- 1 Please indicate your approval of this resolution by signing and dating this document and returning it to the Company using one of the following methods

By Hand delivering the signed copy to Brett Akker, Streetcar Limited Park House, 8 Lombard Street, Wimbledon, London SW19 3TZ

Post returning the signed copy by post to Brett Akker, Streetcar Limited Park House, 8 Lombard Street, Wimbledon, London SW19 3TZ

Fax faxing the signed copy to +44 (0)20 8 0997993 marked "For the attention of Brett Akker"

		Percentage of voting shares held
Signed	Date	
Henry Imber		0.55%
Signed	Date	
Philip Marland		0.37%
Signed 	Date 30/1/08	0.48%
Signed 	Date 31/01/08	0.26%
Signed	Date	
Jonathan Hampson		0.33%
Signed	Date	
Sir Trevor Chinn		4.92%

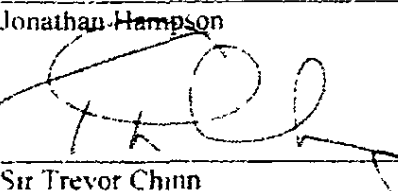
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		Percentage of voting shares held
Signed	Date	
Henry Imber		0.55%
Signed	Date	
Philip Marland		0.37%
Signed	Date	
Shalina Virji		0.48%
Signed	Date	
John Agnew		0.26%
Signed	Date	
Jonathan Hampson		0.33%
Signed 	Date 30/1/08	4.92%
Sir Trevor Chinn		

#### NOTES

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By Hand delivering the signed copy to Brett Akker Streetcar Limited Park House, 8 Lombard Street Wimbledon, London SW19 3JZ

Post returning the signed copy by post to Brett Akker Streetcar Limited Park House, 8 Lombard Street Wimbledon London SW19 3JZ

Fax faxing the signed copy to +44 (0)20 8 0997993 marked "For the attention of Brett Akker"

E-mail by attaching a scanned copy of the signed document to an e-mail and sending it to Brett Akker@streetcar.co.uk Please enter "Written resolution of Streetcar Limited" in the e-mail subject box

If you are sending a copy of the signed document by fax or e-mail, please also return the original by post to Brett Akker, Streetcar Limited Park House, 8 Lombard Street, Wimbledon, London SW19 3TZ

If you do not agree with the resolution, you do not need to do anything you will not be deemed to agree if you fail to reply

- 2 Once you have indicated your agreement to a resolution, you may not revoke your agreement
- 3 Where, by 26 February 2008, insufficient agreement has been received for the resolutions to pass, the resolution will lapse. If you agree to the resolutions, please ensure that your agreement reaches us before or on this date
- 4 If you are signing this document on behalf of a person under a power of attorney or other authority please send a copy of the relevant power of attorney or authority when returning this document

Company No: 4525217

**THE COMPANIES ACTS 1985, 1989 AND 2006**  
**A PRIVATE COMPANY LIMITED BY SHARES**  
**NEW ARTICLES OF ASSOCIATION**  
**OF**  
**STREETCAR LIMITED**

(adopted by a Special Resolution of the Company passed on 18 | 2 | 2008)

**1 PRELIMINARY**

These Articles, together with the Regulations contained in Table A in the Schedule to the Companies (Table A to F) Regulations 1985 as amended by the Companies (Tables A to F) (Amendment) Regulations 1985 (such table being referred to below as "**Table A**"), pursuant to the provisions of the Companies Act 1985 (the "**Act**") and the Companies Act 1989, shall be the Regulations of Streetcar Limited (the "**Company**") except to the extent that the Regulations in Table A are excluded or varied below. The following Regulations in Table A shall not apply to the Company: Regulation 8 (lien), 24 (directors' refusal of share transfers), 33 (fractional entitlements), 35 (purchase of own shares), 38 (notice of general meetings), 54 (votes of members), 64 (number of directors), 65 to 69 inclusive (alternate directors), 73 to 80 inclusive (appointment and retirement of directors), 88 (proceedings of directors), 93 (written resolution of directors), 94 (conflict of interest), 95 (quorum disentitlement), 99 (secretary), 112 (notices) and 118 (indemnity).

**2 DEFINITIONS**

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

**"A Ordinary Shares"** means the A Ordinary Shares of £1 each in the capital of the Company having the rights and privileges and subject to the restrictions as set out in these Articles,

**"Act"** means the provisions of the Companies Act 1985 and Companies Act 1989 that remain in force and the provisions of the Companies Act 2006 in force at the date of adoption of these Articles,

**"Affiliate"** means with respect to a person (the "**First Person**") (a) another person, that, directly or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the First Person, (b) a pooled investment vehicle organised by the First Person (or an Affiliate thereof) the investments of which are directed by the First Person; (c) an investment fund organised by the First Person for the benefit of the First Person's (or its Affiliates')

partners, officers or employees or their dependants, or (d) a successor trustee or nominee for, or a successor by re-organisation of, a qualified trust

**“Associate”** means in relation to any person

- (i) the spouse or child or remoter issue (including any step or adopted child) of the relevant person,
- (ii) the trustees of any trust (whether arising under a settlement, declaration of trust, will or on intestacy) established by or on behalf of the relevant person under which the relevant person and/or his spouse or children or remoter issue (including any step or adopted child) are the only persons capable of being a beneficiary or beneficiaries thereof,

**“Associate Transferee”** means in relation to any Shareholder, any Associate to whom that Shareholder of any Associated Transferee of that Shareholder has transferred Shares after the date of adoption of these Articles,

**“Auditors”** means the auditors to the Company from time to time,

**“Available Profits”** means the profits available for distribution with the meaning of part VIII of the Act,

**“B Ordinary Shares”** means the B Ordinary Shares of £0.01 each in the capital of the Company having the rights and privileges and subject to the restrictions as set out in these Articles,

**“Board”** means the board of directors of the Company from time to time,

**“Bonus Issue”** or **“Reorganisation”** means any return of capital, bonus issue of shares or other securities of the Company by way of capitalisation of profits or reserves (other than a capitalisation issue in substitution for or as an alternative to a cash dividend which is made available to the B Ordinary Shareholders) or any consolidation or sub-division or any repurchase or redemption of shares (other than B Ordinary Shares or Preference Shares) or any variation in the subscription price or conversion rate applicable to any other outstanding shares of the Company in each case other than shares issued as a result of the events set out in Article 3.3.3,

**“Business”** means the Company’s car rental business,

**“Business Day”** means a day when banks are open in the City of London for the normal transaction of business,

**“C Ordinary Shares”** means the C Ordinary Shares of £0.01 each in the capital of the Company having the rights and privileges and subject to restrictions as set out in these Articles,

**“Change of Control”** means the occurrence of any event, including a sale or a merger or other combination, whereby the Founder Shareholders and the Investor together cease to be the beneficial owners of Shares conferring in aggregate 50 per cent or more of all voting rights conferred by all Shares from time to time in issue,

**“Committed Equity”** A Ordinary Shares to be issued by the Company to Committed Equity Holders pursuant to an agreed employee share option scheme,

**“Committed Equity Holders”** any holders of Committed Equity from time to time,

**“Connected Person”** means connected persons as defined in Section 839 of the Income and Corporation Taxes Act 1988,

**“Deferred Shares”** means the Deferred Shares of £0.01 each in the capital of the Company having the rights and privileges and subject to the restrictions as set out in these Articles,

**“Director”** means a director of the Company,

**“Employee Shareholders”** means (i) a Committed Equity Holder, (ii) a C Ordinary Shareholder or (iii) Sir Trevor Chinn to the extent that he holds C Ordinary Shares;

**“Exit Value”** means an amount which equals the cash consideration plus the cash value of any other sum (in cash or otherwise) (in accordance with Article 3.2.2) received or receivable on a Liquidity Event,

**“Financial Year”** and **“Financial Period”** means an accounting reference period (as defined by the Act) of the Company,

**“Founder Shareholder”** means any of Brett Akker, Andrew Valentine, Mark Walker, Patrick Metdepenninghen, Michael Fogelberg and Cron Industrier AS (**“Cron”**),

**“Group”** means the Company and any company which is a subsidiary of the Company, a holding company of the Company or a subsidiary of such holding company,

**“Insolvency Event”** means in relation to any person that

- (a) it stops or suspends payment of its debts generally,
- (b) it is, for the purpose of section 123 of the Insolvency Act 1986 or any other applicable law, deemed to be insolvent or unable to pay its debts as they fall due or becomes insolvent or a moratorium is declared in relation to any of its indebtedness,
- (c) a receiver, administrative receiver or administrator or similar officer is appointed over or in relation to, all or any material part of its assets,
- (d) a meeting is convened, an application is made or any other material step is taken, or any notice is given of the intention to convene a meeting or take any other step, for the purpose of appointing a receiver, administrative receiver or other similar officer of or in relation to it unless the meeting is cancelled or the application is withdrawn within 7 days of being convened or made respectively;

- (e) an application is made or any other such document is issued, a meeting is convened, or any other step is taken, or any notice is given of the intention to convene a meeting or take any other step, for the purpose of appointing an administrator or other similar officer of, or for the making of an administration order in relation to it unless the meeting is cancelled, the document or the application is withdrawn within 7 days of being convened or made respectively,
- (f) it convenes a meeting of its creditors generally or takes any material step with a view to a moratorium or proposes or makes any arrangement or composition with, or any assignment for the benefit of, its creditors generally,
- (g) it proposes or enters into any negotiations for or in connection with the rescheduling, restructuring or re-adjustment of any indebtedness generally by reason of, or with a view to avoiding, financial difficulties,
- (h) (other than in connection with a solvent reorganisation) any meeting is convened for the purpose of considering any resolution for (or to petition for) its winding up or any such resolution is passed,
- (i) a petition or any other such document is presented or an order is made for its winding up (other than a frivolous or vexatious petition, or any other such document, dismissed, withdrawn or discharged within 14 days of being presented or any other petition which is contested on bona fide grounds and dismissed, withdrawn or discharged prior to the winding-up order being made),
- (j) any order is made, any resolution is passed or any other action is taken for the suspension of more than one payment by it, or protection from its creditors or its bankruptcy,

there occurs in relation to it or any of its assets in any country or territory in which it is incorporated or carries on business or to the jurisdiction of whose courts it or any of its assets is subject any event which corresponds in that country or territory with or is equivalent or analogous to any of those mentioned in paragraphs (i) to (x) (inclusive) of this definition

**“Investment Agreement”** means the agreement entered into on 13 March 2007 between Smedvig Capital AS (the **“Investor”**) and the Founder Shareholders,

**“Liquidity Event”** means any of (i) any liquidation, dissolution or winding up of the Company or any subsidiary of the Company that accounts for in excess of 25% of the Group’s turnover or profits from time to time (including an Insolvency Event), (ii) any return of capital by the Company to any holders of Shares, (iii) without prejudice to (ii), any debt owed by the Company under any finance documents is fully or substantially refinanced or additional indebtedness is incurred by the Company, in each case for the purpose or with the effect of distributing or returning capital or otherwise directly or indirectly paying monies to shareholders of the Company in their capacity as shareholders (whether by way of dividend or otherwise), (iv) a Change of Control, (v) the sale of all or substantially all of the assets of the Company or the Business or all or substantially all of the share capital of the Company or (vi) a Listing



except in relation to Articles 5 1 2 where “**Liquidity Event**” shall not include a Listing,

“**Listing**” means the admission to listing or trading (as the case may be) of all or any of the Shares (or depository instruments in respect thereof) to the Official List or the Alternative Investment Market of the London Stock Exchange or any other exchange (or market of any such exchange) recognised by the FSA under the Financial Services and Markets Act 2000 from time to time, or any equivalent or similar market approved for the purposes hereof by the holder(s) of the Preference Shares,

“**London Stock Exchange**” means the London Stock Exchange plc,

“**Member**” or “**Shareholder**” means a member of the Company,

“**Ordinary Shareholding**” of any Shareholder as at any date means the number of Ordinary Shares held by such Shareholder,

“**Ordinary Shares**” means the A Ordinary Shares, B Ordinary Shares and the C Ordinary Shares,

“**Owner Managers**” means Brett Akker and Andrew Valentine;

“**Preference Shares**” means the Redeemable Preference Shares of £0 01 each in the capital of the Company having the rights and privileges and subject to the restrictions as set out in these Articles;

“**Preference Sum**” means £183 67,

“**Shares**” means any Shares in the capital of the Company (or whatever class) except in relation to Articles 5 2, 5 3 and 5 5 where “**Shares**” shall mean the A Ordinary Shares, B Ordinary Shares, C Ordinary Shares and Preference Shares of the Company,

“**Starting Price**” means £183 67 (if applicable, adjusted as referred to in Article 3.3.3 to reflect any Bonus Issue or Reorganisation),

“**Third Party Purchaser**” means a prospective bona fide purchaser of Shares who is not a party to the Investment Agreement,

“**Transfer**” means any direct or indirect transfer, sale, assignment, pledge, encumbrance, hypothetican or other disposition, whether with or without consideration and whether made voluntarily or by operation of law, and

“**Threshold Amount**” means £14,000,000

### **3 SHARE CAPITAL**

The authorised share capital of the Company at the date of the adoption of these Articles is £76,612 43 divided into 41,145 A Ordinary Shares, 1,655,455 B Ordinary Shares, 2,886 C Ordinary Shares, 1,851,399 Deferred Shares and 37,003 Preference Shares. The Preference Shares and the Ordinary Shares, shall have the rights and privileges and be subject to the restrictions set out in these Articles

### 3.1 Dividends

Subject to Article 3.2 if, in the discretion of the Directors and with the Investor's consent, the Available Profits are determined to be distributed in respect of any Financial Year or other Financial Period, those Available Profits shall be applied amongst the holders Ordinary Shares according to the amounts (excluding any premium) paid up or credited as paid up on the said Shares held by them. The Deferred Shares have no right to receive any dividend or other distribution made by the Company.

### 3.2 Capital

#### 3.2.1 On a Liquidity Event

- (a) if (i) the assets of the Company as proceeds of sale, (ii) the proceeds of a sale of shares, or (iii) the proceeds of any Liquidity Event, available for distribution among Members, were to be distributed *pari passu* between the holders of Preference Shares and Ordinary Shares and as a result thereof the amount so paid per Share would be equal to or less than the Preference Sum, the assets of the Company as proceeds of sale or any Liquidity Event available for distribution among Members shall be allocated *pari passu* between the holders of Preference Shares until holders of Preference Shares have received the Preference Sum in respect of each Preference Share held and thereafter in accordance with Article (b), and
- (b) if (i) the assets of the Company as proceeds of sale, (ii) the proceeds of a sale of shares, or (iii) the proceeds of any Liquidity Event, available for distribution among Members, were to be distributed *pari passu* between the holders of Preference Shares, A Ordinary Shares and B Ordinary Shares and as a result thereof the amount so paid per Share would be more than the Preference Sum but the total Exit Value is less than the Threshold Amount, the assets of the Company as proceeds of sale or any Liquidity Event available for distribution among the Members shall be applied in the following order of priority
  - (i) first, in paying to the holders of the Preference Shares, *pari passu* the Preference Sum multiplied by the number of Preference Shares held by the relevant Member,
  - (ii) second, the balance of such assets (if any), up to a maximum of £10,000,000 per A Ordinary Share and B Ordinary Share, shall be distributed amongst the holders of such A Ordinary Shares and B Ordinary Shares pro rata to their respective holdings of ordinary shares, and
  - (iii) once £10,000,000 per Ordinary Share has been distributed pursuant to Article (b) to each Ordinary Shareholder, the balance shall be distributed to the holders of Deferred

Shares, pro rata to their respective holdings of Deferred Shares,

- (c) if (i) the assets of the Company as proceeds of sale, (ii) the proceeds of a sale of shares, or (iii) the proceeds of any Liquidity Event, available for distribution among Members, were to be distributed *pari passu* between the holders of Preference Shares and Ordinary Shares and as a result of thereof the amount so paid per Share would be more than the Preference Sum and the total Exit Value was over the Threshold Amount, the assets of the Company as proceeds of sale or any Liquidity Event available for distribution among Members shall be applied in the following order of priority
- (i) first, in paying to the holders of the Preference Shares, *pari passu* the Preference Sum multiplied by the number of Preference Shares held by the relevant Member,
  - (ii) second, in paying the holders of the A Ordinary Shares and B Ordinary Shares up to the Threshold Amount to be distributed pro rata to their respective holdings of Ordinary Shares,
  - (iii) third, the balance of such assets (if any) over the Threshold Amount, up to a maximum of £10,000,000 per Ordinary Share, shall be distributed amongst the holders of Ordinary Shares pro rata to their respective holdings of Ordinary Shares (as if the same constituted one class), and
  - (iv) once £10,000,000 per A Ordinary Share and B Ordinary Share has been distributed pursuant to Article (c) to each A Ordinary Shareholder and B Ordinary Shareholder the balance shall be distributed to the holders of Deferred Shares, pro rata to their respective holdings of Deferred Shares,

**3.2.2** if the proceeds of a Change of Control or a sale of all or substantially all of the assets of the Business or the Company or all or substantially all of the share capital of the Company constitute in whole or in part non-cash consideration, such consideration will be valued as if it was cash consideration and divided amongst the shareholders pursuant to this Article 3.2, or otherwise as the Investor may agree

### **3.3 Anti-dilution Protection**

**3.3.1** If at any time after the adoption of these Articles (i) any Ordinary Shares are issued at a price per share of less than the Starting Price, (ii) any options are granted or issued or rights are granted in each case to subscribe for Ordinary Shares at a price per share of less than the Starting Price or (iii) any loan capital or other securities are issued which are convertible or exchangeable into Ordinary Shares, at a price per Ordinary Share of less than the Starting Price (a "**Dilutive Issue**"), then the Company shall, unless

and to the extent that the Investor shall have specifically waived its rights as the holder of the majority of the B Ordinary Shares, offer (such offer, unless waived, to remain open for acceptance for not less than 15 Business Days) to the B Ordinary Shareholder the right to receive a number of new B Ordinary Shares determined by applying the following formula (and rounding the product, N, down to the nearest whole share), subject to adjustment as certified in accordance with Article 3 3 2 (the “**Anti-Dilution Shares**”)

(i) 
$$N = \left( \frac{W}{X} \right) - Z, \text{ or}$$

- (ii) where the B Ordinary Shareholder is required to subscribe in cash for any Anti-Dilution Shares in accordance with Article 3 3 2(b), the following calculation shall apply

$$N = \left( \frac{W - (XZ)}{(X - V)} \right)$$

where

N = the number of Anti-Dilution Shares,

W = £6,437,431,

X = the price (if any) at which each new Ordinary Share is to be issued (which in the event that the new Ordinary Share is not issued for cash shall be the sum certified by the Auditors acting as experts and not arbiters as being their opinion the current cash value of the non cash consideration for the allotment of the new Ordinary Share),

V = the nominal value of each Anti-Dilutive Share, and

Z = the number of B Ordinary Shares held by the B Ordinary Shareholder prior to a Dilutive Issue

### 3.3.2 The Anti-Dilution Shares shall

- (a) be paid up by the automatic capitalisation of available reserves of the Company, unless and to the extent that the same shall be impossible or unlawful or the Investor agrees otherwise, in which event the B Ordinary Shareholder shall be entitled to subscribe for the Anti-Dilution Shares in cash at par (being the par value approved in advance by the Investor Directors) In the event of any dispute between the Company and the B Ordinary Shareholder as to the effect of Article 3 3 1, the matter shall be referred (at the cost of the Company) to the Auditors for certification of the matter shall in the absence of manifest error be final and binding on the Company and the Exercising Investor, and

- (b) subject to the payment of any cash payable pursuant to Article 3.3.1(i) (if applicable), be issued, credited fully paid up in cash and shall rank pari passu in all respects with the existing B Ordinary Shares, within five Business Days of the expiry of the offer being made by the Company to the Investor and pursuant to Article 3.3.1(i)

**3.3.3** On any Bonus Issue or Reorganisation, the Starting Price shall also be subject to adjustment on such basis as may be agreed by the Company with the Investor within 10 Business Days after any Bonus Issue or Reorganisation. If the Company and the Investor cannot agree such adjustment it shall be referred to the Auditors whose determination shall, in the absence of manifest error, be final and binding on the Company and each of its Shareholders. The costs of the Auditors shall be borne by the Company.

**3.3.4** The issue of Ordinary Shares pursuant to the grant of options or Committed Equity granted under any share option scheme adopted by the Company pursuant to Clause 22 of the Investment Agreement or as otherwise agreed by the Investor shall not result in any such adjustment under Article 3.3.

**3.3.5** A redemption or purchase of Deferred Shares arising pursuant to Article 4.11) shall not result in any such adjustment under Article 3.3.

#### **3.4 Pre-emption on issue of shares**

**3.4.1** Except with the prior written consent of each of the holders of a majority of the Preference Shares (which consent may be given subject to conditions), the Company shall not issue any Ordinary Shares (except under an employee share option scheme or previously Committed Equity (as contemplated and defined in Clause 22.1 of the Investment Agreement)), unless there shall have been offered first to each holder of Ordinary Shares, a proportion of the aggregate number of Ordinary Shares proposed to be issued which is equal to the proportion which the number of A Ordinary Shares or B Ordinary Shares which that Shareholder currently holds bears to the total number of Ordinary Shares in issue and such holder has been afforded a period of not less than 15 Business Days within which to subscribe for such proportionate share.

**3.4.2** Subject to (i) the provisions of Article 3.4.1, (ii) to the provisions of the Act relating to pre-emption rights and the authority to issue Shares, and (iii) any resolution of the Company in a general meeting passed pursuant thereto, all unissued Shares for the time being in the capital of the Company shall be at the disposal of the Directors who may (subject as aforesaid) offer, allot grant options over, or otherwise dispose of them to such persons, on such terms and conditions, and at such times as they think fit.

**3.4.3** The Directors are generally and unconditionally authorised in accordance with Section 80 of the Act to exercise all the powers of the Company to allot A Ordinary Shares up to an aggregate nominal amount of £5,455 for a period of five years from the date of the adoption of these Articles to

current and future employees of the Company (with the identity of the allottee to be approved by the Investor in advance) (save that the Company may at any time prior to the expiry of such authority make an offer or agreement which would or might require relevant securities to be allotted to current and future employees of the Company (with the identity of the allottee to be approved by the Investor in advance) after the expiry of such authority and the Directors may allot relevant securities in pursuance of such offer or agreement as if such authority had not expired).

**3.4.4** Sections 89(1) and 90(1) to (6) of the Act shall not apply to allotments of equity securities by the Company

### **3.5 Consent of Preference Shareholders required**

**3.5.1** Notwithstanding any other provisions of these Articles, without the consent of the holder(s) of the majority of the then issued Preference Shares

- (a) the Company will not purchase its own Ordinary Shares,
- (b) the Company shall not reduce nor pass any resolution to reduce its share capital or any uncalled liability in respect thereof, or any share premium account (in circumstances where the provisions of the Act relating to the reduction of a company's share capital apply pursuant to Section 130 of the Act) or capital redemption reserve, or purchase any of its own Shares other than Preference Shares or Deferred Shares in accordance with the terms of issue thereof;
- (c) neither the Company nor any of its subsidiaries will merge with any other company (unless the surviving company will also be a subsidiary of the Company) or transfer (whether through a single transaction or a series of transaction) all or substantially all of the consolidated assets of the Company and its subsidiaries to any person,
- (d) no change will be made to the Company's accounting reference date or its accounting policies or base,
- (e) no resolution shall be passed whereby the rights attaching to the Ordinary Shares shall be modified, varied or altered but, for the avoidance of doubt, it is hereby declared that any resolution for the disapplication of Section 89(1) of the Act (or any provisions replacing the same) or any equivalent provision in these Articles shall be deemed not to vary such rights,
- (f) no share shall be issued which carries rights as to dividend, or repayment of capital in priority to or *pari passu* with, or rights as to voting in priority to, the Preference Shares, and
- (g) no amendment shall be made to the Memorandum or Articles of Association of the Company which would adversely affect the rights

of the Preference Shares and no resolution shall be passed to wind up the Company

- 3.5.2** The Company shall send to the holders of any Preference Shares a copy of every document sent to the holders of the Ordinary Shares at the same time as it is sent to the holders of the Ordinary Shares.

### **3.6 Voting and Attendance at General Meetings**

- 3.6.1** The holders of the Ordinary Shares shall (in that capacity) be entitled at all times to receive notice of and to attend, speak (in the manner provided below) and vote at all general meetings of the Company
- 3.6.2** On a show of hands every holder the Ordinary Shares who (being an individual) is present in person or (being a corporation) is present by a duly authorised representative shall have one vote and on a poll every holder thereof who is present in person or by proxy or (being a corporation) by a duly authorised representative shall (in his capacity as a holder of such Ordinary Shares) have one vote in respect of each fully paid Ordinary Share held by him
- 3.6.3** Save as otherwise provided for in the Articles or required by law, the holders of the Preference Shares shall (in that capacity) be entitled at all times to receive notice of and to attend and speak but will not entitle the holder to a vote at any general meetings of the Company
- 3.6.4** The Deferred Shares shall not confer on the holders thereof any entitlement to receive notice of or attend or vote at any general meeting of the Company

### **3.7 Issues of New Series of C Ordinary Shares by the Board**

- 3.7.1** Save to the extent inconsistent with the provisions of Articles 3.3 to 3.6 inclusive, new C Ordinary Shares may be issued from time to time in one or more series (each a “New C Series”) with such rights and subject to such restrictions and limitations as the Board, with the approval of the Investor Director, may determine in the resolution approving the issue of such New C Series. The Board shall not be required to attach to any share of any New C Series the same rights, restrictions or limitations as are attached to shares of any series already allocated or in issue. Each New C Series shall be identified in such manner as the Board may determine without any such determination or identification requiring any alteration of these Articles
- 3.7.2** The Company shall be entitled at any time and from time to time and without any consent or sanction of the holders of any C Ordinary Shares to create and issue New C Series Shares pursuant to Article 3.7.1 ranking as regards participation in the profits and assets of the Company after or pari passu with such C Ordinary Shares. Such creation and issue of New C Series Shares by the Board (subject always to the approval of the Investor Director), shall be deemed not to alter, vary, affect, modify or abrogate any of the rights attaching to the C Ordinary Shares (subject as aforesaid) or the

Deferred Shares and for the avoidance of doubt such rights shall not be deemed to be varied by the alteration of any of the provisions, other than provisions as to *pari passu* ranking, set out in these articles in respect of any unissued C Ordinary Shares. Any further series of New C Series Shares ranking, as regards participation in profits or assets, *pari passu* with the C Ordinary Shares then in issue may, without their creation or issue being deemed to vary the rights attaching to the C Ordinary Shares then in issue (unless otherwise specifically determined by such rights), either carry identical rights in all respects with the C Ordinary Shares then in issue or, subject to the approval of the Investor Director, carry rights differing therefrom in any respect including, but without prejudice to the foregoing, in that

- (a) the Threshold for such New C Series Shares may differ, and
- (b) the vesting dates for holders of New C Series Shares who are Good Leavers in Article 5.5 12(c) may differ

#### **4 REDEMPTION RIGHTS**

- 4.1 The Company shall, subject to the Act, redeem all of the Preference Shares then in issue on a Liquidity Event
- 4.2 Where Preference Shares are to be redeemed in accordance with Article 4.1, the Company shall give to the holders of the Preference Shares falling to be redeemed prior notice in writing of the redemption (a “**Company Redemption Notice**”). The Company Redemption Notice shall specify the particular Preference Shares to be redeemed and the date fixed for redemption and shall be given not less than 10 nor more than 20 Business Days prior to the date fixed for redemption
- 4.3 Notwithstanding Article 4.1, the holders of the Preference Shares may require the Company, by serving on it a notice (a “**Shareholder Redemption Notice**”), to redeem such amount of Preference Shares as is specified in the Shareholder Redemption Notice if, at any time
  - 4.3.1 there has been passed a resolution for the winding-up of the Company, a resolution for a reduction in the capital of the Company or a resolution varying any of the rights attaching to the Preference Shares, or
  - 4.3.2 the Company is in material breach of the provisions of these Articles or the Investment Agreement which is not remedied to the reasonable satisfaction of the Investor within 20 Business Days of the written request by the Investor
- 4.4 The holders of the Preference Shares shall be entitled to withdraw the Shareholder Redemption Notice if they serve the Company with written notice to that effect before the redemption takes place



- 4.5 Where a Shareholder Redemption Notice has been duly given, the Company shall be obliged, subject to having sufficient Available Profits with which to redeem the same, to redeem the Preference Shares specified in the Shareholder Redemption Notice on the first Business Day following the receipt of such notice (which day shall be the date fixed for redemption)
- 4.6 If the Company is unable, because of having insufficient Available Profits, to redeem in full the relevant number of Preference Shares on the date fixed for redemption, the Company shall redeem as many of such Preference Shares as can lawfully and properly be redeemed and the Company shall redeem the balance as soon as it is lawfully and properly able to do so
- 4.7 If the Company is at any time redeeming less than all the Preference Shares from time to time in issue, the number of Shares to be redeemed shall (subject to any contrary requirement in a Shareholder Redemption Notice) be apportioned between those holders of the Preference Shares then in issue pro rata according to the number of Preference Shares held by them respectively at the date fixed for redemption
- 4.8 On the date fixed for redemption, each of the holders of the Preference Shares falling to be redeemed shall be bound to deliver to the Company, at the Company's registered office, the certificate(s) for such Preference Shares (or an indemnity, in a form reasonably satisfactory to the Board, in respect of any lost certificate) in order that the same may be cancelled. Upon such delivery, the Company shall pay to the holder the amount due to it in respect of such redemption against delivery of a proper receipt for the redemption monies
- 4.9 If any certificate delivered to the Company pursuant to Article 4.8, includes any Preference Shares not falling to be redeemed on the date fixed for redemption, a new certificate in respect of those Shares shall be issued to the holder(s) thereof as soon as practicable thereafter (and, in any event, within 20 Business Days thereafter)
- 4.10 There shall be paid on the redemption of each Preference Share the Preference Sum in relation to each Preference Share and such amount shall, subject to the Company having Available Profits or other monies which may be lawfully applied for such redemption, at that time become a debt due from and immediately payable by the Company to the holders of such Preference Shares. If and to the extent that the debt so constituted is not paid in full on the due date, the unpaid amount shall carry interest at the annual rate of 10% in respect of the period from and including the due date down to and including the date of actual payment
- 4.11 The Company is irrevocably authorised to appoint any person to execute on behalf of the holders of the Deferred Shares a transfer thereof (and/or an agreement to transfer the same) to such person as the Company or the Investor may determine as custodian thereof and/or a transfer thereof to the Company for no consideration and/or to purchase or cancel the same (in accordance with the provisions of the Act) in any such case for not more than one pence for all such Deferred Shares without obtaining the sanction of the holder or holders thereof and pending such transfer and/or purchase to retain the certificate for such Deferred Shares. The Deferred Shares may not otherwise be transferred. The Company may, to the extent permitted by law, at its option and shall if so directed by the Investor at any time redeem such number of Deferred Shares as it, or the Investor as the case may be, shall determine (up to a

number equal to all Deferred Shares then in issue) at a price not exceeding one pence for all the Deferred Shares so redeemed at any one time upon giving the registered holders of such Shares not less than 10 Business Days' previous notice in writing of its intention so to do, fixing a time and place for the redemption and at the time and place so fixed such registered holders shall be bound to surrender to the Company the certificates for the Deferred Shares (save to the extent that any such certificates are already held by the Company) in order that the same may be cancelled and the Company shall pay the redemption monies to one of such registered holders to be selected by lot

## **5 TRANSFERS**

### **5.1 ASSOCIATE TRANSFERS**

**5.1.1** Save as expressly provided for in the Investment Agreement or these Articles, no Founder Shareholder and/or Employee Shareholder may Transfer his Shares without the prior written consent of the Investor (such consent not to be unreasonably withheld or delayed) No Committed Equity Holder may Transfer his Shares (including to any Associate), whether pursuant to this Article 5 1 1 or otherwise under the Investment Agreement or the Articles, until the Outstanding Amount (as defined in the Streetcar Employment Share Plan whose rules were adopted on or around the date of adoption of these Articles) on each Share has been paid up

**5.1.2** Subject to Article 5 1 1 and save where deemed or required to do so under Articles 5 4 and 5 5 the holders of the C Ordinary Shares and/or their Associate shall not Transfer their C Ordinary Shares prior to a Liquidity Event in any circumstances -

- (a) before 13 March 2008 in respect of any C Ordinary Shares,
- (b) between 14 March 2008 and 13 March 2009 in respect of any C Ordinary Shares, unless such number of C Ordinary Shares which are the subject of a proposed Transfer, does not exceed 25% of that number of C Ordinary Shares issued to such Shareholder on or about [*insert date of issue*],
- (c) between 14 March 2009 and 13 March 2010 in respect of any C Ordinary Shares, unless such number of C Ordinary Shares which are the subject of a proposed Transfer, does not exceed 50% of that number of C Ordinary Shares issued to such Shareholder on or about [*insert date of issue*],
- (d) between 14 March 2010 and 13 March 2011 in respect of any C Ordinary Shares, unless such number of C Ordinary Shares which are the subject of a proposed Transfer, does not exceed 75% of that number of C Ordinary Shares issued to such Shareholder on or about [*insert date of issue*], and
- (e) for the avoidance of doubt if a Liquidity Event has taken place by 13 March 2011 the holders of the C Ordinary Shares may Transfer all

or any of their C Ordinary Shares subject to the remainder of these Articles

- 5.1.3** Subject to the last sentence of Article 5 1 1 and save where deemed or required to do so under Articles 5 4 and 5 5, Amy Huxtable, Andrew Edgar or Henry Imber and/or their Associate shall not Transfer their Shares in any circumstances -
- (a) before 1 August 2007 in respect of any Shares, unless such number of Shares which are the subject of a proposed Transfer, when aggregated with any Shares transferred previously by such Shareholder, does not exceed 50% of that number of Shares issued to such Shareholder on or about the date of adoption of these Articles,
  - (b) before 1 February 2008 in respect of any Shares, unless such number of Shares which are the subject of a proposed Transfer, when aggregated with any Shares transferred previously by that Shareholder, does not exceed 75% of that number of Shares issued to such Shareholder on or about the date of adoption of these Articles
- 5.1.4** Subject to the last sentence of Article 5 1 1, Article 5 2 1 and save where deemed or required to do so under Articles 5 4 or 5 5, Philip Marland and/or his Associate shall not Transfer his Shares before 1 November 2008
- 5.1.5** Notwithstanding Article 5 1 1, or any other provision of these Articles, the Investor acknowledges that the Founder Shareholders may wish to transfer Shares to an Associate Subject to Articles 5 1 2 and 5 1 4 or any other provision of these Articles, the Investor acknowledges that the Employee Shareholders may wish to transfer Shares to an Associate Such transfers by the Founder Shareholders and the Employee Shareholders shall be **"Associate Transfers"**
- 5.1.6** Cron may transfer Shares to their Affiliates with the prior written consent of the Founder Shareholders and the Investor (an **"Affiliate Transfer"**)
- 5.1.7** Subject to Articles 5 1.1, 5 1 2, 5 1 4 and 5.1 8 the Investor, the Founder Shareholders agree not to unreasonably withhold their consent, and to grant whatever consents are reasonably necessary, to permit an Associate Transfer or an Affiliate Transfer Notwithstanding any other provision of this Agreement or the Articles, the Parties agree to waive any rights of pre-emption or other rights or restrictions on the Transfer of such Shares that they may have, provided, in each case, that prior to such Associate Transfer or Affiliate Transfer the relevant transferee (the **"Associate Transferee"** or **"Affiliate Transferee"** respectively) executes a Deed of Adherence and, in the case of an Associate Transfer by a Founder Shareholder, such Founder Shareholder shall remain liable for any breach of this Agreement by such transferee (or any subsequent transferee of such Shares made pursuant to this Article 5 1)

- 5.1.8** Any Associate Transferee or Affiliate Transferee that has been transferred shares pursuant to this Article 5 1 shall undertake that immediately upon ceasing to be an Associate or Affiliate of the transferring Shareholder it shall (and such Shareholder shall procure that it shall) notify the Directors of the same and retransfer all the interest in the Shares in the Company which the Associate or Affiliate holds at the time in question back to the Shareholder or to another Associate or Affiliate of that Shareholder
- 5.1.9** Except for transfers pursuant to Article 5 3 and for transfers to any Affiliate of the Investor, the Investor may not transfer B Ordinary Shares or Preference Shares without, at the same time, also transferring an equal proportion of its holding of Preference Shares or B Ordinary Shares respectively, rounding any fraction of a Preference Share down to the nearest whole number
- 5.1.10** For the purposes of this Article 5 1, references to the Founder Shareholders shall be deemed to include references to Sir Trevor Chinn

## **5.2 Pre-emption rights**

- 5.2.1** Except in the case of an Associate Transfer, an Affiliate Transfer or a Compulsory Transfer, the Founder Shareholders and Employee Shareholders' rights to Transfer Shares shall be subject to the following restrictions and provisions

### **5.2.2 Pre-Emption**

Subject to Article 5 1 2 and 5.1 3, before any Founder Shareholder or Employee Shareholder (the "**Selling Shareholder**") Transfers any Shares the Selling Shareholder shall give notice in writing (the "**Transfer Notice**") to the Company of its desire to do so and it will not Transfer such Shares unless the following procedures of this Article 5 2 2 or 5 4 5 (if applicable) have been observed

#### **(a) The Transfer Notice.**

- (i)** shall specify the number and class of Shares proposed to be transferred ("**Offered Shares**"),
- (ii)** shall specify the price per Share at which the Selling Shareholder proposes to Transfer the Offered Shares (the "**Prescribed Price**"),
- (iii)** shall specify the name of the proposed transferor and proposed transferee, if any, (the "**Proposed Transferee**") and its business and any other material terms pertaining to a Transfer to the Proposed Transferee,
- (iv)** shall constitute the Company by the Directors as the Selling Shareholder's agent to offer to sell to the other

Shareholders (the “**Offerees**”) the Offered Shares in accordance with Article (b), and

(v) shall not be withdrawn except as provided in Article (d)

(b) Within ten Business Days following receipt of the Transfer Notice, the Company shall offer the Offered Shares to the other Shareholders on the following basis

- (i) the Offered Shares shall be offered at the Prescribed Price per Share specified in the Transfer Notice,
- (ii) the offer shall limit the time, not being less than ten Business Days, within which the offer may be accepted by the other Shareholders (the “**Acceptance Period**”),
- (iii) the Offered Shares shall be offered to all other Shareholders in proportion, as near as is possible, to the proportion which their respective Ordinary Shareholdings bear to the aggregate Ordinary Shareholdings of all Shareholders (excluding for these purposes all Shares held by the Offeror),
- (iv) any Shareholder to whom Offered Shares are offered may accept all (but not part only) of the Offered Shares offered to it,
- (v) each Shareholder to whom the offer is made shall be invited to indicate whether, if it accepts the number of Offered Shares offered to it pursuant to Article 5.2.2(b)(iii), it wishes to purchase any Offered Shares offered to other Shareholders which they decline to accept (such Offered Shares being referred to as “**Excess Shares**”) and if so the maximum number which it would wish to purchase,
- (vi) if there are any Excess Shares they shall be allocated between the Shareholders who have indicated that they wished to purchase Excess Shares in proportion, as near as is possible, to the proportion which their respective Ordinary Shareholdings bear to the aggregate Ordinary Shareholdings of all Shareholders (excluding for these purposes all Shares held by the Offeror),
- (vii) any remaining balance of Excess Shares after such pro rata allocation shall be allocated to any Shareholders who have sought to purchase more than its proportionate entitlement of Excess Shares in proportion, as near as is possible, to the proportion which their respective Ordinary Shareholdings bear to the aggregate Ordinary Shareholdings of those Shareholders who have applied for

more than their proportionate entitlement of Excess Shares

- (c) Not later than five Business Days following the end of the Acceptance Period the Company shall give written notice (the "**Allocation Notice**") to the Selling Shareholder stating one of the following
- (i) that no Shareholder has sought to purchase any of the Offered Shares ("**nil take-up**") and that the provisions of Article 5 2 2(d) will apply,
  - (ii) the number of Offered Shares which Shareholders have sought to purchase, giving the name and address of each Shareholder and the number of Shares to be purchased by each of them, and if such number of Offered Shares does not comprise all of the Offered Shares (a "**partial take-up**"), that the provisions of Article 5 2 2(d) will apply to the number of Offered Shares that the Shareholders have not sought to take up, or
  - (iii) the number of Offered Shares which Shareholders have sought to purchase, giving the name and address of each Shareholder and the number of Offered Shares to be purchased by each of them, and if such number of Offered Shares comprise all of the Offered Shares ("**a full take-up**"), that the provisions of Article 5 2 2(e) will apply
- (d) If the Selling Shareholder is given notice of a nil take-up or a partial take-up the Selling Shareholder may, within ten Business Days of service on it of the relevant Allocation Notice proceed with the Transfer to the Proposed Transferee referred to in the Transfer Notice in relation to Shares not taken up, in which case the Selling Shareholder shall comply with the provisions of Article 5 3.1 and following the completion of the procedures in Article 5 3 1 (if applicable) may Transfer the Offered Shares (or in the case of a partial take-up the remaining balance thereof) by no later than the later to occur of forty Business Days after the completion of the procedures referred to in this Articles 5 2 2 or 5 3 1 (if applicable) to the Proposed Transferee at a price not lower than the Prescribed Price (provided that if the Proposed Transferee is in the opinion of the Board a competitor of the Company then prior to any such Transfer the prior written approval of the Board (including the Investor Directors) shall be required) and further subject to the condition that any Proposed Transferee must enter into a deed of adherence to the Investment Agreement prior to the transfer of such Shares to the Proposed Transferee
- (e) If the Selling Shareholder is given notice of a full take-up the Selling Shareholder shall be bound on payment of the Prescribed Price to transfer the Shares in question to the accepting

Shareholders, each sale and purchase to be completed at the registered office of the Company during normal business hours on the first Business Day after the expiry of five Business Days from the date of service of the Allocation Notice

- (f) If after having become bound to transfer any of the Offered Shares pursuant to Articles 5 2 2(d) and 5 2 2(e) (the “**Relevant Offered Shares**”) the Selling Shareholder defaults in transferring the Relevant Offered Shares, the following provisions shall apply
  - (i) the Company may receive the purchase money for such Relevant Offered Shares and the defaulting Selling Shareholder shall be deemed to have appointed any Director or the secretary of the Company as the Selling Shareholder’s agent and attorney, in accordance with Article 5 2 2(a)(iv), to execute a transfer of the Relevant Offered Shares in favour of the relevant Offeree(s) and to receive the purchase moneys in trust for the Selling Shareholder,
  - (ii) the receipt of the Company for the purchase money shall be a good discharge to the relevant Offeree(s) and after entry in the register of members of the name of the transferee(s) the validity of the transfer to the transferees shall not be questioned by any person, and
  - (iii) the Selling Shareholder shall be bound to deliver up any share certificate to the relevant Offeree(s) in respect of the Relevant Offered Shares and upon such delivery shall be entitled to receive the purchase price without interest. If such share certificate comprises any Shares which the Selling Shareholder has not become bound to transfer the Company shall issue to the Selling Shareholder a share certificate for the balance of those Shares
- (g) If one or more Offerees fail to complete the purchase of the Offered Shares which are to be transferred to it under Articles 5 2 2(d) and 5 2 2(e) (the “**Defaulted Offered Shares**”) in accordance with the terms of an Allocation Notice, then the following provisions shall apply
  - (i) the Company shall notify that fact to the Selling Shareholder, and
  - (ii) the Selling Shareholder may
    - (A) cancel the Company’s authority to sell the Defaulted Offered Shares to such Offeree(s) by delivering to the Company a written notice of withdrawal, and

- (B) may, subject to compliance with Article 5.3.1 (if applicable), before the expiration of forty Business Days after the end of the Acceptance Period, select by notice in writing to the Company to transfer the Defaulted Offered Shares to any person at a price not lower than the Prescribed Price and on terms not more favourable than those offered to the Offerees (provided that if such person is in the sole opinion of the Board a competitor of the Company then prior to any such Transfer to any such person the prior written approval of the Board, including the Investor Directors, shall be required) and further subject to the condition that any proposed purchaser of the Offered Shares enter into a deed of adherence to the Investment Agreement prior to the transfer of such Shares.

**5.2.3** For the purposes of this Article 5.2, references to the Founder Shareholders shall be deemed to include references to Sir Trevor Chinn

### **5.3 Investor's Tag Along Rights**

**5.3.1** If following the completion of the procedures referred to in Articles 5.2.2(a) to 5.2.2(c) (inclusive) the Selling Shareholder wishes to transfer the Offered Shares which have not been taken up by the other Shareholders to the Proposed Transferee or other third party, the Selling Shareholder shall give notice in writing to the Company and the Investor (a "**Sale Notice**") not less than fifteen Business Days prior to the proposed Transfer, and will not Transfer such Shares unless the following procedures have been observed

- (a) the Sale Notice shall confirm
  - (i) the number of Shares which the Selling Shareholder proposes to Transfer (which shall not exceed the number of Offered Shares referred to in the relevant Transfer Notice),
  - (ii) the Prescribed Price,
  - (iii) the identity of the Proposed Transferee;
  - (iv) any other terms relating to the sale, and
  - (v) the percentage (the "**Relevant Percentage**") which such Shares represent of the then current shareholding of the Selling Shareholder,
- (b) the Investor shall be entitled, within ten Business Days after receipt of the Sale Notice, to notify the Selling Shareholder that it wishes to sell to the Proposed Transferee Ordinary Shares at a price equivalent to the Prescribed Price specified in the Sale Notice that would be



payable in respect of the Ordinary Shareholding of the Investor in relation to those Ordinary Shares, and such notice issued by the Investor shall specify the maximum number of Ordinary Shares which the Investor wishes to sell (up to a maximum of the Relevant Percentage of the Investor's Ordinary Shareholding in relation to those Ordinary Shares as at the date of the Sale Notice),

- (c) if the Investor gives notice pursuant to Article 5 3.1(b), the Selling Shareholder shall be entitled to sell to the Proposed Transferee on the terms specified in the Sale Notice a number of Ordinary Shares not exceeding the maximum number of Ordinary Shares specified in the Sale Notice **provided that** at the same time the Proposed Transferee purchases the number of Ordinary Shares specified in the notice issued by the Investor(s) pursuant to Article 5 3 1(b) on terms no less favourable than those obtained by the Selling Shareholder from the Proposed Transferee,
- (d) if the Investor does not give any notice pursuant to Article 5 3 1(b) within the ten Business Days referred to therein, or if it notifies the Selling Shareholder that it does not wish to sell any Ordinary Shares at the Prescribed Price, then the Selling Shareholder shall be free to sell the number of Ordinary Shares specified in the Sale Notice in accordance with the terms of the Sale Notice,
- (e) no Transfer by the Selling Shareholder shall be made pursuant to any Sale Notice later than 60 Business Days after service of the relevant Sale Notice issued pursuant to Article 5 3 1(a)

**5.3.2** An obligation to transfer a Share pursuant to Articles 5 2.1 and 5 3 1 shall be deemed to be an obligation to transfer the entire legal and beneficial interest in the Share with full title guarantee free from all Encumbrances and other third party rights of whatever nature

**5.3.3** For the purposes of this Article 5.3, references to the Investor shall be deemed to include references to Sir Trevor Chinn

## **5.4 Drag Along Rights**

**5.4.1** If (i) the Investor and shareholders who together hold Ordinary Shares representing no less than sixty percent of the voting rights of the Company (the "**Dragging Shareholders**"), or (ii) provided that a Change of Control or Listing has not occurred on or prior to the fifth anniversary of the date of the date of adoption of these Articles, and after that date the Investor wishes to Transfer its entire interest in the share capital of the Company to a Third Party Purchaser, not being an Affiliate of the Investor, the Dragging Shareholders or the Investor (as the case may be) shall have the right (the "**Drag Along Right**") to require all the other Shareholders to Transfer all of their Shares to the Third Party Purchaser or as they/it shall direct in accordance with this Article (a "**Drag Along Sale**").

- 5.4.2** The Dragging Shareholders or the Investor (as the case may be) may exercise the Drag Along Right by giving notice to that effect (a “**Drag Along Notice**”) to all other Shareholders (the “**Called Shareholders**”) at least 10 Business Days before the Transfer of Shares. A Drag Along Notice shall specify that the Called Shareholders are required to transfer all their Shares (the “**Called Shares**”) pursuant to Article 5 4 1, the price at which the Called Shares are to be transferred and the proposed date of Transfer
- 5.4.3** The Drag Along Sale shall, subject always to the provisions of Articles 3.2 and 5 4 6, be on substantially the same terms and conditions as the sale of the Shares by the Dragging Shareholders or Investor (as the case may be) except for the Deferred Shares, which shall not receive more than £0 01 in aggregate for all Deferred Shares transferred pursuant to this Article 5 4 3
- 5.4.4** Completion of the sale of the Called Shares shall take place on the same date as the date proposed for completion of the sale of the Dragging Shareholder’s shares unless:
- (a) all of the Called Shareholders and the Dragging Shareholders or Investor (as the case may be) agree otherwise, or
  - (b) that date is less than seven days after the Drag Along Notice, in which case the date for completion of the sale of the Called Shares shall be the seventh day after the Drag Along Notice
- 5.4.5** If after having become bound to transfer any of his Shares pursuant to Article 5 4 1 (the “**Drag Along Transfer**”) the Called Shareholder defaults in transferring the Called Shares, the following provisions shall apply
- (a) the Company may receive the purchase money for such Called Shares and the defaulting Called Shareholder shall be deemed to have appointed any Director or the secretary of the Company as the Called Shareholder’s agent and attorney to execute a transfer of the Called Shares in favour of the relevant transferee(s) and to receive the purchase moneys in trust for the Called Shareholder,
  - (b) the receipt of the Company for the purchase money shall be a good discharge to the relevant transferee(s) and after entry in the register of members of the name of the transferee(s) the validity of the transfer to the transferee(s) shall not be questioned by any person, and
  - (c) the Called Shareholder shall be bound to deliver up any share certificate to the relevant transferee(s) in respect of the Called Shares and upon such delivery shall be entitled to receive the purchase price without interest. If such share certificate comprises any Shares which the Called Shareholder has not become bound to transfer the Company shall issue to the Called Shareholder a share certificate for the balance of those Shares

**5.4.6** For the avoidance of doubt, in the event that the aggregate consideration offered by the Third Party Purchaser for the Shares in the Company pursuant to a Drag Along Sale means that the Investor would receive an amount that is either less than or equal to the Preference Sum (as defined in the Articles) multiplied by the number of Preference Shares held by the Investor, such consideration payable by the Third Party Purchaser in respect of the Shares held by the Investor and the Called Shareholders shall be payable to the Investor on the completion of the Sale up to the preferred amount stated above

**5.4.7** For the purpose of this Article 5 4, the Outstanding Amount shall be paid for each Share transferred by a Committed Equity Holder prior to such transfer being registered and each Committed Equity Holder hereby agrees and undertakes to pay such amount outstanding prior to completion of the Drag Along Transfer pursuant to Article 5 4.5

## **5.5 COMPULSORY TRANSFER**

**5.5.1** Subject to Articles 5.5 10 and 5 5 12, if any Owner Manager and/or Employee Shareholder has his employment or office with the Company or any Group Company terminated (and without prejudice to any employment claims that they may have as a result of such termination) or it otherwise ceases, in respect of an Owner Manager within the first forty eight months after Completion and in respect of an Employee Shareholder at any time, or they are not continuing as a full time employee or office holder of the Company or any Group Company (as the case may be) (a "**Leaving Event**"), the Company may, within 30 days of such Leaving Event and if so directed by the Investor shall, give notice to the Owner Manager and/or an Employee Shareholder, any nominee holding Shares on behalf of the Owner Manager and/or an Employee Shareholder, or any Shareholder who is an Associate of such person (each a "**Leaver**") that, notwithstanding the provisions of this Agreement, the Leaver is required to offer some or all of his Shares as determined by Article 5 5 12 (a "**Compulsory Transfer**"), as directed by an Investor Director, to (i) a Director to hold on trust for the Shareholders and/or employees of the Group generally, or (ii) the Company Any such Shares not transferred to and held on trust by a Director nor purchased by the Company will be allocated and offered to the other Shareholders in accordance with the provisions of Articles 5 2 2(a) and 5.2 2(b), save that for the purposes of this Article

- (a) a reference to "**Offered Shares**" in such Articles shall mean such Shares as the Investor shall determine,
- (b) the reference to "**Prescribed Price**" in such Articles shall be construed in accordance with Article 5 5 4 below, and
- (c) no Proposed Transferee shall be specified in the Transfer Notice (which for the purposes of this Article 5 5 1 is referred to as a "**Compulsory Transfer Notice**")

**5.5.2** The Leaver irrevocably undertakes

- (a) to issue a Compulsory Transfer Notice in accordance with Article 5.5.2(a) within two Business Days of the Prescribed Price being determined in accordance with Article 5.5.4, and
- (b) that until a Transfer in accordance with this Article 5.5.2 has been effected, at any general meeting of the Company or in respect of any written resolution for the Company's Shareholders the Leaver shall, or shall make all reasonable endeavours to procure that any person holding those Shares on the Leaver's behalf shall, vote or abstain from voting all Shares registered in the Leaver's name, as directed in writing by the Investor

**5.5.3** If the Leaver shall fail to serve a Compulsory Transfer Notice within 10 Business Days of first becoming bound so to do, he shall be deemed to have appointed any director or the secretary of the Company as his attorney with power to serve a Compulsory Transfer Notice in respect of the relevant Shares.

**5.5.4** The Prescribed Price shall

- (a) in the case of a Good Leaver, as defined in Article 5.5.5 below, be paid Fair Market Price,
- (b) in the case of a Owner Manager who is a Bad Leaver, as defined in Article 5.5.6 below, be the lower of the price paid by the Leaver for those Shares and the Fair Market Price,
- (c) in the case of a Committed Equity Holder who is a Bad Leaver, be the price paid by the Committed Equity Holder for the Shares (including the Outstanding Amount,),
- (d) in the case of a holder of C Ordinary Shares who is a Bad Leaver, as defined in Article 5.5.7 below, be the lower of price paid for those Shares and the Fair Market Price

**5.5.5** For the purposes of this Article, a Leaver shall be deemed to be a Good Leaver if he is not a Bad Leaver

**5.5.6** For the purposes of this Article, a Leaver being an Owner Manager shall be deemed to be a Bad Leaver where the Owner Manager Holder leaves as a result of

- (a) committing gross misconduct,
- (b) being guilty of actions intended to cause deliberate or intentional damage to the Company or any Group Company from time to time, or
- (c) being convicted of a criminal offence (other than an offence under road traffic legislation) and which in the reasonable opinion of the Board materially affects his ability to carry out his duties;

- (d) leaving following his disqualification as a director,
- (e) resigning within 12 months of the date of his Service Agreement; or
- (f) committing a serious breach of the Warranties or the Sale Warranties

**5.5.7** An Employee Shareholder shall be deemed a Bad Leaver other than as a result of that Employee Shareholder leaving employment or office because of (i) death, (ii) having suffered a physical or mental deterioration which, in the opinion of the Board of Directors of the Company, is sufficiently serious to prevent the relevant Employee Shareholder from following his normal employment or office or which seriously prejudices his earning capacity, or (iii) the Employee Shareholder retires at normal retirement age

**5.5.8** For the purposes of this Article 5.5, a Fair Market Price shall be the price proposed by the Investor within two Business Days of the Company giving notice under Article 5.5.1, and agreed between the Investor and the Owner Manager and/or Employee Shareholder within eight Business Days of the Company giving notice under Article 5.5.1, failing which the Fair Market Price shall be calculated in accordance with Article 5.5.9, below

**5.5.9** In the event of a dispute relating to the Fair Market Price, determination of the Fair Market Price shall be referred to a firm of internationally recognised chartered accountants (the “Expert”) agreed between the Investor and the Leaver. The following principles shall apply

- (a) the Expert shall, unless otherwise agreed between the Investor and the Leaver, be a firm which is independent of all Parties and which shall not have acted for any party in any material capacity for a period of at least two years preceding the date of the Transfer Notice,
- (b) if the Investor and the Leaver are unable to agree upon such firm within a period of 10 Business Days of a failure to agree to the Fair Market Price, then the Expert shall be appointed by the President for the time being of the Institute of Chartered Accountants of England and Wales;
- (c) the parties shall procure that there is made available to the Expert such information as it reasonably requires in order to determine the Fair Market Price,
- (d) in certifying the Fair Market Price (which shall be the open market value of the Shares between a willing seller and a willing third party buyer at the date of the Transfer Notice), the Expert shall take into account all factors it considers to be relevant,
- (e) the Expert shall be deemed to be acting as an expert and not an arbitrator and its decision shall, in the absence of fraud or manifest error, be final and binding on the parties,

- (f) the cost of obtaining the Expert's certificate of the Fair Market Price shall be borne in equal shares by the Company and the Leaver or as the Expert may otherwise direct
- 5.5.10** The Leaver's Shares shall not be subject to the provisions of Article 5.5.1, to 5.5.1, where the Investor so directs.
- 5.5.11** If after having become bound to transfer any of his Shares pursuant to this Article 5.5.1, (the "**Compulsory Transfer**") the Leaver defaults in transferring the Compulsory Transfer, the following provisions shall apply
- (a) the Company may receive the purchase money for such Compulsory Transfer Shares and the defaulting Leaver shall be deemed to have appointed any Director or the secretary of the Company as the Leaver's attorney to execute a transfer of the Compulsory Transfer Shares in favour of the relevant transferee(s) and to receive the purchase moneys in trust for the Leaver,
  - (b) the receipt of the Company for the purchase money shall be a good discharge to the relevant transferee(s) and after entry in the register of members of the name of the transferee(s) the validity of the transfer to the transferee(s) shall not be questioned by any person, and
  - (c) the Leaver shall be bound to deliver up any share certificate to the relevant transferee(s) in respect of the Compulsory Transfer Shares and upon such delivery shall be entitled to receive the purchase price without interest. If such share certificate comprises any Shares which the Leaver has not become bound to transfer the Company shall issue to the Leaver a share certificate for the balance of those Shares
- 5.5.12** The Shares held by a Leaver that are subject to Compulsory Transfer shall be.
- (a) If the Owner Manager leaves before the first anniversary following 14th March 2007, all of the Leaver's Shares,
  - (b) If the Owner Manager is a Good Leaver and leaves before the fourth anniversary but after the first anniversary of 14th March 2007, 75% of the Leaver's Shares less 2.08% of the total Leaver's Shares for each elapsed calendar month since 14th March 2007. For avoidance of doubt if the Owner Manager leaves between (a) the first and second anniversaries of 14th March 2007, between 75% and 50% (depending on month of departure), (b) the second and third anniversaries of 14th March 2007, between 50% and 25% (depending on month of departure), (c) the third and fourth anniversaries of 14th March 2007, between 25% and 0% (depending on month of departure), and (d) no Shares if after the fourth anniversary of 14th March 2007, and

- (c) If the Owner Manager or the Employee Shareholder is a Bad Leaver, all of the Leaver's Shares
- (d) If the Committed Equity Holder is a Good Leaver and leaves
  - (1) before 1 August 2007, 50% of the Leaver's Shares,
  - (2) on or after 1 August 2007 but before 1 February 2008, 25% of the Leaver's Shares,
  - (3) on or after 1 February 2008, 0% of the Leaver's Shares
- (e) If the holder of a C Ordinary Share is a Good Leaver and leaves before.
  - (1) 13 March 2008 all of the Leaver's Shares,
  - (2) on or after 13 March 2008 but before 13 March 2009 75% of the Leaver's Shares,
  - (3) on or after 13 March 2009 but before 13 March 2010 50% of the Leaver's Shares,
  - (4) on or after 13 March 2010 but before 13 March 2011 25% of the Leaver's Shares,
  - (5) on or after 13 March 2011 0% of the Leaver's Shares,

**5.5.13** For the purpose of this Article 5.5 1, the Outstanding Amount shall be paid for each Share transferred by a Committed Equity Holder prior to such share transfer being registered and each Committed Equity Holder hereby agrees and undertakes to pay such amount outstanding prior to completion of the Compulsory Transfer

**5.5.14** In this Article 5 5 any reference to Shares of Sir Trevor Chinn shall be deemed to apply to his C Ordinary Shares only

## **6 LIENS AND CALLS**

**6.1** The Company shall have a first and paramount lien on every share for all monies (whether presently payable or not) payable at a fixed time or called in respect of that share and the Company shall also have a first and paramount lien on all shares standing registered in the name of any member whether solely or one of two or more joint holders for all monies presently payable by him or his estate to the Company. The directors may at any time, either generally or in a particular case, declare any share to be wholly or in part exempt from the provisions of this Article The Company's lien (if any) on a share shall extend to all distributions and other moneys or property attributable to that share

**6.1.1** The liability of any member in default in respect of a call shall include expenses. The following words shall be added at the end of the first sentence of Article 18 of Table A, "*and all expenses that may have been incurred by the Company by reason of such non-payments*"

- 6.1.2 In Regulation 19 of Table A, the words “all distributions and other moneys or property attributable to it” shall be substituted for the words “all dividends or other moneys payable in respect of the forfeited shares”
- 6.1.3 The Directors may, if they think fit, receive from any member all or any part of the amounts payable for the time being uncalled and unpaid on any of his shares
- 6.1.4 The Directors may decline to register the transfer of a share on which the Company has a lien

## **7 NOTICE OF GENERAL MEETINGS**

- 7.1 An annual general meeting and an extraordinary general meeting called for the passing of any special resolution shall be called by at least 21 clear days’ notice. All other extraordinary general meetings shall be called by at least 14 days’ clear notice but a general meeting may be called by shorter notice if it is so agreed
  - 7.1.1 in the case of an annual general meeting, by all the members entitled to attend and vote at such meeting, and
  - 7.1.2 in the case of any other meeting, by the requisite majority being a majority in number of the members having a right to attend and vote and together holding not less than ninety-five per cent in nominal value of the shares giving such right
- 7.2 A notice of a general meeting shall specify
  - 7.2.1 the time and place of the meeting,
  - 7.2.2 the general nature of the business to be transacted at the meeting,
  - 7.2.3 in the case of an annual general meeting, that the meeting is an annual general meeting, and
  - 7.2.4 in the case of special business, the general nature of that special business to be transacted at the meeting
- 7.3 All business shall be deemed special that is transacted at
  - 7.3.1 an extraordinary general meeting, and
  - 7.3.2 an annual general meeting with the exception of declaring a dividend, the consideration of the accounts, balance sheets and the reports of the Directors and auditors, the election of Directors in the place of those retiring and the appointment of, and the fixing of the remuneration of, the auditors
- 7.4 Subject to the provisions of these Articles and to any restrictions imposed on any shares, the notice of any general meeting shall be given to all the members and to the Directors and auditors.



## 8 DIRECTORS

8.1 The maximum number of Directors shall be seven

8.2 No person shall be appointed a Director at any general meeting unless either

8.2.1 he is recommended by the Directors, or

8.2.2 not less than 14 nor more than 35 clear days before the date appointed for the general meeting, notice executed by a member qualified to vote at the general meeting has been given to the Company of the intention to propose that person for appointment, together with notice executed by that person of his willingness to be appointed

8.3 For so long as,

8.3.1 the Investor, or any Member of the Same Group as the Investor, is a holder of Shares, the Investor shall be entitled to appoint on written notice to the Company up to two persons to the Board (the "**Investor Directors**"), to remove such persons on written notice to the Company for any reason whatsoever and to appoint another person in his place,

8.3.2 the Investor holds any Shares, and with the agreement of both Owner Managers (for so long as such Owner Managers are entitled to be directors of the Company), such consent not to be unreasonably withheld, the Investor may from time to time appoint or remove on written notice to the Company a person (an "**Observer**") to attend meetings of the Board (and its committees) and meetings of the boards of directors of subsidiaries of the Company (and their committees) The Observer must be given (as the same time as the relevant directors) notice of all meetings of the directors and all agendas, minutes and other papers relating to those meetings The Observer may speak at meetings and require business to be added to the agenda but may not in any circumstances vote on any matter;

8.3.3 subject to Article 5.5, so long as an Owner Manager is: (i) employed by the Company, or (ii) is the holder of at least 7.5% of the Ordinary Shares that Owner Manager shall be a Director, and

8.3.4 the Investor and the Owner Managers (for so long as each is entitled to be a director) shall (on mutual agreement) be entitled to appoint up to three further non-executive Directors

8.4 As soon as reasonably practicable following the Adoption Date the Company shall establish the following committees of the Board, namely a Compensation Committee and an Audit Committee each of which will comprise of three members, at least one of whom shall be an Investor Director with the other member(s) of each Committee being such persons as may be approved by the Investor The Audit Committee and the Compensation Committee will be chaired by an Investor Director and will be on such terms of reference as agreed by the Board from time to time (with the consent of the Investor Directors)

- 8.5 So long as Cron Industrier SA (“Cron”) holds 10% of the issued Ordinary Shares, Cron may from time to time with the consent of each of the Owner Managers (to the extent that each such Owner Manager is entitled to be a director at the relevant time) appoint or remove on written notice to the Company a director (a “Cron Director”). The Owner Managers (to the extent that each such Owner Manager is entitled to be a director at the relevant time) may remove the Cron Director for any reason on written notice to the Company
- 8.6 The Chairman of the Board shall be initially an Investor Director, to be nominated by the holders of the Preference Shares, until such time as the Board sees fit to appoint two non-executive directors (who shall only be appointed with the prior consent of the Investor and the Owner Managers), at which time, the Chairman of the Board shall be either an Investor Director or a non-executive director (as directed by the Investor). The Chairman of the Board shall not have a casting vote. Any additional directors shall be appointed as agreed between the Investor and the Owner Managers (to the extent that each such Owner Manager is entitled to be a director at the relevant time)
- 8.7 Subject to Article 8.3 above, the Company may by Ordinary Resolution in general meeting appoint any person who is willing to act to be a Director, either to fill a vacancy or as an additional Director
- 8.8 The Directors may appoint a person who is willing to act to be a Director, either to fill a vacancy or as an additional Director, provided that the appointment does not cause the number of Directors to exceed any number determined by the Company in general meeting as the maximum number of Directors for the time being in force
- 8.9 Every Director so appointed pursuant to this Article shall hold office until he is either removed in manner provided by this Article or dies or vacates office pursuant to Regulation 81 of Table A
- 8.10 No person shall be disqualified from becoming a Director by reason of his attaining or having attained the age of seventy or any other age; nor shall any special notice be required in connection with the appointment or the approval of the appointment of such person, and no Director shall vacate his office at any time by reason of the fact that he has attained the age of seventy or any other age
- 8.11 The Directors may exercise all and any of the powers of the Company to borrow money and/or to mortgage or charge its undertaking, property and/or uncalled capital (or any part of such undertaking, property and/or uncalled capital) and/or 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
- 8.12 A Director who declares his interest in the manner provided by the Act may vote as a Director in regard to any contract or arrangement in which he is interested (including, but not limited to, any contract, arrangement, transaction or proposal concerning the purchase and/or maintenance of any insurance policy in which he is in any way interested) or upon any matter arising in relation to it and, if he shall so vote, his vote shall be counted and he shall be counted in the quorum when any such contract or arrangement is under consideration

- 8.13** A resolution in writing signed by all the Directors entitled to receive notice of a meeting of Directors or of a committee of Directors shall be as effective for all purposes as a resolution passed at a meeting of the Directors or a committee of Directors (as the case may be) duly convened and held and may consist of several documents in the like form each signed by one or more of the Directors. The Directors shall be entitled to accept that a resolution has been signed by a Director if
- 8.13.1** the Directors receive a copy of the resolution bearing a facsimile of the relevant Director's signature, or
  - 8.13.2** it has been signed by a duly authorised representative for and on behalf of the relevant Director, or
  - 8.13.3** it has been signed by an alternate Director validly appointed by the relevant Director. If such a resolution is signed by an alternate Director validly appointed by a Director, it shall not be necessary for that Director also to sign the resolution. If such a resolution is signed by a Director who has appointed an alternate Director, it shall not be necessary for his alternate Director also to sign that resolution in that capacity,
- and, if the Directors do so accept, the resolution shall be effective for all purposes as having been signed by the relevant Director
- 8.14** A Director (other than an alternate Director) may at any time appoint any person to be his alternate Director and may at any time remove any such alternate Director. Any appointment or removal of an alternate Director shall be in writing signed by or on behalf of the appointor and shall be addressed to the secretary of the Company and shall take effect upon receipt (including by facsimile) at the registered office of the Company
- 8.15** An alternate Director shall cease to be an alternate Director if his appointor ceases for any reason to be a Director.
- 8.16** An alternate Director shall be entitled to receive notices of all meetings of the Directors (subject to his giving to the Company a forwarding address at which such notices may be served on him) and to attend speak and vote at any such meeting at which his appointor is not present and generally to perform all the functions of his appointor in his capacity as a Director in the absence of such Director. An alternate Director shall not be entitled as such either to receive any remuneration from the Company or to appoint an alternate Director.
- 8.17** Every person acting as an alternate Director shall be an officer of the Company and shall alone be responsible to the Company for his acts and defaults and he shall not be deemed to be the agent of or for his appointor
- 8.18** Subject to the provisions of these Articles, the Directors may regulate their proceedings as they think fit
- 8.19** The quorum for meetings of the Board shall be two Directors, one of whom must be an Investor Director appointed pursuant to Article 8.3.

- 8.20** A Director may, and the secretary at the request of any Director shall, call a meeting of Directors
- 8.21** Subject to the requirements of these Articles or the Investment Agreement, questions arising at a meeting shall be decided by a majority of votes
- 8.22** A Director who is also an alternate Director shall be entitled in the absence of his appointor to a separate vote on behalf of his appointor in addition to his own vote
- 8.23** It shall be necessary to give notice of meetings to Directors who are absent from the United Kingdom (provided that such Directors have given to the Company a forwarding address) and despatch of notices pursuant to these Articles to such addresses shall be deemed good and effective notice
- 8.24** Directors or, if appropriate, their alternates may participate in or hold a meeting of Directors or a committee of Directors by means of conference telephone or similar communications equipment provided that all persons participating in the meeting can hear each other throughout. Participation by such means shall be deemed to constitute presence in person and business so transacted shall be as effective for all purposes as that of a meeting of the directors or a committee of the directors (as the case may be) duly convened and held with such Directors physically present
- 8.25** In the case of an equality of votes, the chairman shall not have a second or casting vote.
- 8.26** In Regulation 82 of Table A
- 8.26.1** the words "*for their services as such*" shall be inserted after the words "*such remuneration*", and
- 8.26.2** the sentence. "A director who has ceased to hold office as such when the resolution is passed shall, unless it otherwise provides, be entitled to be paid the appropriate proportion of any remuneration voted to the directors for a period during all or any part of which he held office" shall be inserted at the end of that Regulation
- 8.27** In the third sentence of Regulation 84 of Table A, the parenthesis "*(unless the terms of his appointment otherwise provide)*" shall be inserted after the words "*shall terminate*"
- 8.28** In the first line of Regulation 87 of Table A, the words "*The directors on behalf of the Company*" shall be substituted for the words "*The directors*"

## **9 SECRETARY**

Subject to the provisions of Section 286 of the Act, the secretary of the Company shall be appointed by the Directors for such term, at such remuneration and upon such conditions as they think fit. Any secretary so appointed may be removed by the Directors. The provisions of Sections 283 and 284 of the Act shall be observed.

## 10 NOTICES

The Company shall give notice to each member of the Company by sending it by post in a prepaid envelope addressed to the member at his registered address. 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 and each and every notice so given shall be sufficient notice to such joint holders

## 11 WINDING UP

In the first sentence of Regulation 117 of Table A, the words “, *with like sanction*,” shall be inserted between the words “*and*” and “*determine*”

## 12 INDEMNITY

**12.1** Subject to the provisions of the Act, but without prejudice to any indemnity to which he may otherwise be entitled, every Director or other officer of the Company shall be indemnified out of the assets of the Company against any liability incurred by him either

**12.1.1** in defending any proceedings, whether civil or criminal, in which judgement is given in his favour or in which he is acquitted, or

**12.1.2** in connection with any application under Section 144(3) or (4) or Section 727 of the Act in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company

Subject to the provisions of the Act, the Directors shall have power to purchase and maintain insurance for the benefit of any person who is or was a Director or other officer of the Company (other than any auditor of the Company) or of any other company which is its holding company or in which the Company or such holding company has any interest whether direct or indirect or which is in any way allied to or associated with the Company or of any subsidiary undertaking of the Company or of any such other company including (but without prejudice to the generality of the preceding words) insurance indemnifying such persons against liability for negligence, default, breach of duty or breach of trust or any other liabilities which may lawfully be insured against. In this paragraph 26, the expressions “**holding company**” and “**subsidiary undertaking**” shall have the meanings respectively ascribed to them by the Act (as amended)