

THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

WRITTEN RESOLUTIONS

of

**THINK DIGITAL GROUP LTD**  
(the "Company")

PASSED ON : *21 August* .....2017

FRIDAY



A08 \*A6DL609K\*

25/08/2017

#396

COMPANIES HOUSE

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006, the following resolutions were passed by written resolution, in the case of resolutions 1 to 3 as Special Resolutions and in the case of resolutions 4 and 5 as Ordinary Resolutions:

SPECIAL RESOLUTIONS

- 1 THAT the regulations contained in the printed document attached to this resolution be and they are hereby approved and adopted as the Articles of Association of the Company in substitution for and to the exclusion of all existing articles of association.
- 2 THAT 1,200 issued ordinary C shares of £0.50 each in the capital of the Company be and are hereby re-designated as ordinary A shares of £0.50 each in the capital of the Company having the rights and being subject to the restrictions set out in the articles of association adopted pursuant to resolution 1.
- 3 THAT each of the issued ordinary B shares of £0.50 each in the capital of the Company be and are hereby re-designated as ordinary A shares of £0.50 each in the capital of the Company having the rights and being subject to the restrictions set out in the articles of association adopted pursuant to resolution 1.

ORDINARY RESOLUTIONS

- 4 That the authorised share capital of the Company be and it is hereby increased from £9,500 to £10,555.55 by the creation of 105,555 additional shares of £0.01 each.
- 5 That, following the re-designation referred to in resolutions 2 and 3 above, each of the ordinary A shares of £0.50 of the Company be sub-divided into ordinary A shares of £0.01 each having attached to them the rights set out in the articles of association adopted pursuant to resolution 1.
- 6 That, following the re-designation referred to in resolutions 2 and 3 above, each of the ordinary C shares of £0.50 of the Company be sub-divided into ordinary C shares of £0.01 each having attached to them the rights set out in the articles of association adopted pursuant to resolution 1.

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(the "Company")

PASSED ON : *21 August* .....2017

\*A6DL6080\*  
A08 25/08/2017 #389  
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(Registered Company No: 4771588)

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PRIVATE COMPANY LIMITED BY SHARES

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ARTICLES OF ASSOCIATION

- of -

THINK DIGITAL GROUP LTD

(Adopted by Special Resolution passed on 21 August 2017)

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PRIVATE COMPANY LIMITED BY SHARES

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ARTICLES OF ASSOCIATION

- of -

THINK DIGITAL GROUP LTD

(Adopted by Written Resolution passed on 21 August 2017)

1 INTRODUCTION

- 1.1 In these Articles "**Model Articles**" means the model articles set out in Schedule 1 to the Companies (Model Articles) Regulations 2008 as in force on the date when these Articles become binding on the Company. The articles contained in the Model Articles shall, except where they are excluded or modified by these Articles, apply to the Company.
- 1.2 Model Articles 2, 12(4), 14, 15, 26(5), 52 and 53 shall not apply to the Company but the articles hereinafter contained and the remaining articles of the Model Articles, subject to the modifications hereinafter expressed, shall constitute the Articles of the Company.
- 1.3 Save as expressly stated otherwise, words and expressions defined in the Model Articles shall (unless the context otherwise requires) bear the same meanings in these Articles. The headings are inserted for convenience only and shall not affect the construction of these Articles.

2 DEFINITIONS

In these Articles the following words and expressions shall have the following meanings:

**Acceptance Period** a period during which an offer made under Article 12.3 is open for acceptance;

**A Ordinary Shares** A ordinary shares of one pence each in the capital of the Company;

**the A Ordinary Shareholders** the holders for the time being of the issued A Ordinary Shares;

**Affiliate:** means, in relation to the Investor:

- (a) any fund or company (including without limitation any unit trust, investment trust, limited partnership, general limited partnership or general partnership), which is advised by, or the assets of which are managed (whether solely or jointly with others) from time to time by, the Investor;

- (b) any fund or company (including without limitation any unit trust, investment trust, limited partnership, general limited partnership or general partnership), of which the Investor, or the Investor's general partner, trustee, nominee, manager or adviser, is a general partner, trustee, nominee, manager or adviser; or
- (c) any fund or company (including without limitation any unit trust, investment trust, limited partnership, general limited partnership or general partnership), which is advised by, or the assets of which are managed (whether solely or jointly with others) from time to time by, the Investor's general partner, trustee, nominee, manager or adviser;

<b>Asset Sale:</b>	a sale by the Company or other member of the Group on bona fide arms' length terms of all, or substantially all, of the Group's business, assets and undertaking (other than pursuant to an intra-group reorganisation);
<b>Bad Leaver</b>	an Employee who ceases to be an Employee, but is not a Good Leaver;
<b>business day</b>	any day other than a Saturday, a Sunday or any other day which is a public holiday in England;
<b>CA 2006</b>	the Companies Act 2006;
<b>Commencement Date</b>	the date of adoption of these Articles;
<b>Company</b>	Think Digital Group Ltd, a company incorporated in England and Wales (registered no. 4771588);
<b>Compulsory Seller:</b>	as defined in Article 13.1;
<b>Compulsory Walton Seller:</b>	as defined in Article 13.2;
<b>C Ordinary Shares</b>	C ordinary shares of one pence each in the capital of the Company;
<b>C Ordinary Shareholders</b>	the holders for the time being of the issued C ordinary shares;
<b>Employee:</b>	an individual who is employed by a Group Company or an individual whose services are otherwise made available to a Group Company (and "employment" shall be construed accordingly to include such an arrangement);
<b>Employee benefit trust:</b>	a trust established, with the prior written approval of the directors, for the purpose of enabling or facilitating transactions in shares in the Company between, and/or the acquisition of beneficial ownership of such shares by, any of the following persons:

- (a) bona fide Employees or former Employees; or
- (b) the wives, husbands, widows, widowers, children or stepchildren under the age of eighteen of any such Employees or former Employees;

**End Date:** has the meaning given to it in Article 8.1;

**Excess Shares:** has the meaning given to it in Article 8.4;

**Excluded Person:**

- (a) any Employee whose employment or directorship with a Group Company is subject to notice of termination;
- (b) any person who was, but has ceased to be, an Employee; or
- (c) any Related Party of any person within (a) or (b) above;

**Exit:** completion of:

- (a) a Sale;
- (b) a Listing; or
- (c) an Asset Sale;

**Family Members:** in relation to a Shareholder who is a director or Employee of, or consultant to, a Group Company, his spouse or children or grandchildren (including step and adopted children and his spouse's children and grandchildren (including step and adopted children));

**Family Trust:** in relation to a Shareholder who is a director or Employee of, or consultant to, a Group Company, a trust (whether arising under a settlement, declaration or trust, testamentary disposition or on an intestacy) in respect of which the only beneficiaries (and the only persons capable of being beneficiaries) are the Settlor and/or his or her Family Members;

**financial year and financial period:** an accounting reference period (as defined by CA 2006) of the Company;

**FSMA:** the Financial Services and Markets Act 2000;

**Good Leaver:** an Employee who ceases to be an Employee in any of the following circumstances:

- (a) retirement on or after reaching retirement age in accordance with his terms of employment;
- (b) death;
- (c) ill health or permanent disability;
- (d) redundancy;

- (e) dismissal otherwise than for reasonable cause (the question of whether there is reasonable cause being determined by the director(s) in their absolute discretion); or
- (f) the sale or disposal of the subsidiary or business by which he is employed;

**Group Company:** the Company and its subsidiary undertakings from time to time and any holding company of the Company inserted for the purposes of planning for an Exit, in which the share capital structure of the Company is replicated in all material respects and **"member of the Group"** and **"Group Company"** shall be construed accordingly

**Investor:** Queripel Partners II LP, a Guernsey limited partnership with registered number 2901;

**Investor's Group:** means, in relation to the Investor:

- (d) any group undertaking for the time being of the Investor;
- (e) any Affiliate of the Investor;
- (f) any general partner, limited partner, trustee, nominee, operator, arranger or manager of, or adviser to, the Investor or of or to any group undertaking or Affiliate of the Investor; and
- (g) any co-investment scheme of the Investor or of a group undertaking or Affiliate of the Investor, or any person holding shares or other interests for or under such scheme or entitled to the benefit of shares or other interests under such scheme,

and **"member of an Investor's Group"** shall be construed accordingly;

**Listing:**

- (a) both the admission of any of the Company's shares (or the shares in a holding company of the Company inserted for the purpose of planning for the Listing, in which the share capital structure of the Company is replicated in all material respects) to the Official List maintained by the FCA becoming effective (in accordance with paragraph 3.2.7G of the Listing Rules) and the admission of any of the Company's shares to trading on the LSE's market for listed Shares (in accordance with paragraph 2.1 of the Admission and Disclosure Standards of the LSE, as amended from time to time);
- (b) the admission to trading of any of the Company's shares (or the shares in a holding company of the Company inserted for the purpose of planning for the Listing, in which the share capital structure of the Company is replicated in all material respects) on AIM becoming effective; or
- (c) equivalent admission to trading to or permission to deal on any other Recognised Investment Exchange becoming effective in relation to any of the Company's shares (or the shares in a holding company of the Company inserted for

the purpose of planning for the Listing, in which the share capital structure of the Company is replicated in all material respects);

<b>Listing Rules:</b>	the rules made by the FCA as those rules are amended from time to time;
<b>LSE:</b>	the London Stock Exchange plc;
<b>Member:</b>	a holder of Shares;
<b>a member of the same group:</b>	as regards any company, a company which is for the time being a holding company or a subsidiary of that company or of any such holding company;
<b>New Holding Company:</b>	a new holding company of the Company which is inserted for the purposes of planning for an Exit, in which the share capital structure of the Company is replicated in all material respects;
<b>New Issue Notice:</b>	has the meaning given to it in Article 8.1;
<b>The Prescribed Price:</b>	<ul style="list-style-type: none"><li>(a) in respect of Shares to be sold pursuant to Article 13, the price per Sale Share of the relevant class determined in accordance with that Article; or</li><li>(b) in all other cases, the price per Sale Share of the relevant class specified in the Transfer Notice or (if no price is specified) the price per Sale Share agreed or determined pursuant to Article 12.2;</li></ul>
<b>Proposing Transferor:</b>	a Member proposing to transfer Shares or any interest therein;
<b>Purchaser:</b>	a person willing to purchase Shares comprised in a Transfer Notice;
<b>Recognised Investment Exchange:</b>	has the meaning given to it in section 285 FSMA;
<b>Related Party:</b>	<p>in respect of any person:</p> <ul style="list-style-type: none"><li>(a) that person's personal representatives;</li><li>(b) any Family Member of that person;</li><li>(c) the trustee(s) of a Family Trust of that person; and</li><li>(d) any nominee of any of the above;</li></ul>
<b>Relevant Shares:</b>	(so far as the same remain held by the trustees of any Family Trusts) the Shares originally transferred or issued to the trustees and any additional Shares issued to such trustees by way of capitalisation or acquired by such trustees on the exercise of any right or option granted or arising by virtue of the holding of the



Relevant Shares or any of them;

**Reserved Shares:** has the meaning given to it in Article 7.1;

**Sale:** the bona fide arm's length Transfer (whether through a single transaction or a series of transactions) of Shares which would result in a person and any other person:

(h) who is a connected person of that person; or

(i) with whom he is acting in concert;

other than:

(i) a person who has acquired Ordinary Shares pursuant to Articles 11.1(f) to 11.1(g); or

(ii) a New Holding Company,

holding or increasing a holding of more than 70 per cent. of the voting rights attaching to the Shares in issue;

**the Sale Shares:** all Shares comprised in a Transfer Notice;

**Second End Date:** has the meaning given to it in Article 8.4;

**Settlor:** in the context of a Family Trust, the Shareholder who established the Family Trust;

**Shareholders' Agreement:** any agreement relating to the Company entered into between the Members from time to time;

**Shares:** shares of any class in the Company;

**the Subscription Price:** in respect of any Share, the amount paid or credited as paid up on that share, including sums paid, or credited as paid, by way of premium; and

**Transfer:** in relation to any Share or any legal or beneficial interest in any Share, to:

(a) sell, assign, transfer or otherwise dispose of it;

(b) create or permit to subsist any Encumbrance over it;

(c) direct (by way of renunciation or otherwise) that another person should, or assign any right to, receive it;

(d) enter into any agreement in respect of the votes or any other rights attached to the share; or

agree, whether or not subject to any condition precedent or subsequent, to do any of the foregoing; and

**Transfer Notice:** a written notice served or deemed to be served by a Member on the Company in accordance with Article 11.3, 12 or 13.

### **3 LIABILITY OF MEMBERS**

The liability of the Members is limited to the amount, if any, unpaid on the shares in the Company held by them.

### **4 CHANGE OF NAME**

- 4.1 Subject to the provisions of these Articles, the directors may, by way of a resolution passed at any meeting of the board, change the name of the Company.

### **5 SHARE CAPITAL**

The share capital of the Company at the date of adoption of these Articles is £10,555.55, divided into 930,000 issued A Ordinary Shares and 20,000 issued C Ordinary Shares. The balance of the authorised but unissued share capital may be allotted pursuant to Article 7.1.

### **6 SHARE RIGHTS**

The A Ordinary Shares and C Ordinary Shares shall have, and be subject to, the following rights and restrictions.

#### **6.1 Income**

Any sums distributed by the Company in or in respect of any financial year shall be apportioned amongst the A Ordinary Shareholders and the C Ordinary Shareholders in proportion to the total number of A Ordinary Shares and/or C Ordinary Shares respectively held by them.

#### **6.2 Capital**

On a return of capital on liquidation or otherwise the surplus assets of the Company remaining after payment of its liabilities shall be apportioned amongst the A Ordinary Shareholders and the C Ordinary Shareholders in proportion to the total number of A Ordinary Shares and C Ordinary Shares respectively held by them.

#### **6.3 Dividends**

Any dividends paid by the Company on any class of Shares, subject to the provisions of CA 2006, shall be paid *pro rata* and *pari passu* to the holders of such class of Shares.

#### **6.4 Voting**

On a show of hands every A Ordinary Shareholder who (being an individual) is present in person or (being a corporation) is present by a representative shall have one vote and on a poll every A Ordinary Shareholder who is present in person or by a proxy or (being a corporation) by a representative shall have one vote for every A Ordinary Share of which he is the holder.

A C Ordinary Shareholder shall not, by virtue of his holding of C Ordinary Shares, be entitled to receive notice, attend or vote at a general meeting of the Company.

### **7 ISSUE OF NEW SHARES**

- 7.1 The directors are hereby authorised pursuant to sections 549 and 551 CA 2006 generally to exercise each and every power of the Company to allot shares in the Company up to a maximum amount of £1,055.55, such authority to expire on the day immediately preceding the fifth anniversary of the Commencement Date, unless previously revoked, renewed or varied by the Company in general meeting (the "**Reserved Shares**").

7.2 The directors shall be entitled, pursuant to the authority conferred by Article 7.1 or any renewal or variation of such authority, to make at any time prior to its expiry any offer or agreement which would or might require relevant securities to be allotted after such expiry, and to allot relevant securities pursuant to any such offer or agreement.

7.3 The provisions of sections 561(1) and 562 CA 2006 shall not apply to the Company.

## **8 RIGHTS ON ISSUE OF FURTHER SECURITIES**

8.1 Subject always to any allotment of Reserved Shares pursuant to Article 7 to which the provisions of this Article 8 shall not apply, if from time to time the Company proposes to issue or allot any equity shares (or instruments convertible into equity shares) in the capital of the Company for cash, other than the Reserved Shares (the "**Relevant Shares**"), no such Relevant Shares will be so issued unless such issuance and/or allotment is made pursuant to this Article 8.1 and each Member has first been given an opportunity which shall remain open for not less than 10 Business Days (such date as chosen being the "**End Date**") to subscribe, at the same time and on the same terms, for its Relevant Entitlement. Such opportunity shall be offered to each of the Members in the form of a written notice from the Company (the "**New Issue Notice**").

8.2 For the purposes of this Article 8, "**Relevant Entitlement**" shall mean, in the case of each Member, such percentage of the Relevant Shares as equates to his pro rata share of the Shares in issue immediately prior to the issue of the Relevant Shares.

8.3 The New Issue Notice shall specify the total number of Relevant Shares to be issued, the Relevant Entitlement of each Member and the subscription price of each Relevant Share. If and to the extent that a Member wishes to subscribe for any or all of its Relevant Entitlement, it shall give notice to the Company on or before the End Date, failing which the Member shall be deemed to have declined to subscribe for any or all of its Relevant Entitlement in connection with the New Issue Notice. Any notice given by a Member pursuant to this Article 8.3 shall be irrevocable.

8.4 If by 5 p.m. on the End Date, the Company has not received notices under Article 8.3 in respect of all of the Relevant Securities (the Relevant Securities in respect of which no notice has been received being the "**Excess Shares**"), the board shall offer such Excess Securities to those Members who have given notice under Article 8.3. Such Members shall be given a further reasonable period of time (being not less than 5 Business Days, such date chosen being the "**Second End Date**") to subscribe for all or any of the Excess Shares at the same time and on the same terms on which that Member subscribed for the Relevant Shares pursuant to the New Issue Notice. Applications for Excess Shares shall be satisfied pro rata to the number of Shares held by such Members.

8.5 Within 5 Business Days of the End Date (or the Second End Date, as applicable), the Company shall give notice to each Member of:

- (a) the number and price of the Relevant Shares (and Excess Shares, as applicable) for which that Member has committed to subscribe; and
- (b) the place and time, being the date 5 Business Days after the date of the notice pursuant to this Article 8.5, on which the subscription is to be completed and the account details for the telegraphic transfer of the required subscription monies.

## **9 VARIATION OF CLASS RIGHTS**

9.1 Whenever the capital of the Company is divided into different classes of shares the special rights attached to any class may be varied or abrogated either whilst the Company is a going concern, or during or in contemplation of a winding up, with the consent in writing of the holders of three fourths of the issued shares of the class or with the sanction of a special resolution passed at a separate meeting of the holders of that class or in accordance with Article 9.2. To every such separate meeting all the

provisions of these Articles relating to general meetings of the Company shall apply mutatis mutandis except that:

- (a) the necessary quorum shall be at least two persons holding or representing by proxy one third in nominal amount of the issued shares of the class, but so that at any adjourned meeting of such holders at which such a quorum is not present the holder or holders present shall be a quorum; and
  - (b) the holders of shares of the class in question shall on a poll have one vote in respect of every share of the class held by them respectively.
- 9.2 The special rights attaching to either the A Ordinary Shares or the C Ordinary Shares as a class may be varied or abrogated by a special resolution of the Company in general meeting.
- 9.3 The rights attached to any class of Shares shall not (unless otherwise provided by the rights attached to the Shares of that class) be deemed to be varied by the creation or issue of further Shares ranking in some or all respects *pari passu* therewith (but in no respect in priority thereto) or by the purchase or redemption by the Company of any of its own Shares.

## **10 TRANSFER OF SHARES**

- 10.1 No Transfer of Shares shall take place, and the directors shall not register a Transfer of Shares, unless:
- (a) the Transfer is permitted by, and made in accordance with, these Articles; and
  - (b) if required in accordance with the Shareholders' Agreement, the proposed transferee has entered into a deed of adherence to the Shareholders' Agreement, in the applicable form set out therein.
- 10.2 The directors may, in their absolute discretion decline to register any Transfer of any Share, whether or not it is a fully paid share.
- 10.3 For the purpose of ensuring compliance with the transfer provisions in these Articles and ensuring that a Transfer of Shares is permitted under these Articles, and that no circumstances have arisen whereby a notice is required to be or ought to have been given under these Articles, or that an offer to Members is required to be or ought to have been made pursuant to Article 14.1, the board may, require any Member (or the personal representative(s) of a Member who has died) or any person named as a transferee in a Transfer lodged for registration, to provide the Company with such information and evidence as the board may reasonably deem relevant (including, without limitation, the names of all persons having interests in the shares from time to time registered in the relevant Member's name) and each Member agrees to procure the provision of such information to the board. Until such information or evidence is provided to the reasonable satisfaction of the board:
- (a) the directors shall be entitled to refuse to register any relevant Transfer and shall not do so without the prior consent of the board;
  - (b) (save with the prior consent of the board) the relevant shares shall cease to confer the right to receive notice of or to attend or vote (either in person or by proxy and whether on a poll or on a show of hands) at any general meeting of the Company or (subject to the CA 2006) at any meeting of the holders of any class of shares in the capital of the Company; and
  - (c) (save with the prior consent of the board) the relevant shares shall not be counted in determining the total number of votes which may be cast at any such meeting, or required for the purposes of a written resolution of any members or

any class of members, or for the purposes of any other consent required under these Articles or the Shareholders' Agreement.

## **11 PERMITTED TRANSFERS**

### **11.1 Permitted transfers**

Subject to the provisions of Article 10, A Ordinary Shares may at any time be transferred:

- (a) by an Employee (not being a holder of the Shares concerned as a trustee) to a Family Member of that Employee; or
- (b) by an Employee to trustees of a Family Trust of that Employee; or
- (c) by any A Ordinary Shareholder holding as trustee of any pension fund, to any additional or successor trustee of such pension fund; or
- (d) by any Member, with the prior written consent of the directors, to the trustee(s) or nominee for the time being of an employee benefit trust; or
- (e) by the trustee(s) or nominees for the time being of an employee benefit trust, with the prior written consent of the directors, to any beneficiary of such employee benefit trust; or
- (f) by the Investor to a member of the Investor's Group; or
- (g) in the case of the Investor, on a distribution in kind under the constitutional documents of a fund (including without limitation any unit trust, investment trust, limited partnership, general limited partnership or general partnership) which that Investor holds Shares for or on behalf of, to the underlying investors in, or partners or holders of units in, or to shareholders of, participants in or the holders of other interests in such fund (or to a nominee or trustee for any such partners, holders, members or investors), and any Shares held by any nominee or trustee for such holders, partners, members or investors may be transferred to such holders, partners, members or investors or to another nominee or trustee for such holders, partners, members or investors; or
- (h) on or after a Listing; or
- (i) by any Member in consequence of acceptance of an offer made to that Member pursuant to Article 14.1, or pursuant to a notice given under Article 14.3; or
- (j) by a Member in pursuance of a sale of Specified Shares (whether alone or in combination with other sales of Shares) as described in Article 14; or
- (k) with the consent of the holders of 95% of the voting rights attaching to the A Ordinary Shares.

### **11.2 Transfers by trustees of Family Trusts**

Where Shares have been transferred under Article 11.1(b) or under Article (a) or (b) below to trustees of a Family Trust of an Employee, or been issued to trustees of a Family Trust of an Employee, the trustees and their successors may transfer all or any of the Relevant Shares as follows:

- (a) on any change of trustees, the Relevant Shares may be transferred to the trustees for the time being of the Family Trust concerned; or
- (b) pursuant to the terms of such Family Trust or in consequence of the exercise of any power or discretion vested in the trustees or any other person, all or any of

the Relevant Shares may be transferred to the trustees for the time being of any other Family Trust of the same Employee or deceased or former Employee or to any Family Member of the relevant Employee or deceased or former Employee who has become entitled to the Shares proposed to be transferred.

### **11.3 Relevant Shares passing to third parties**

In the event that any Relevant Shares held by trustees cease to be held on a Family Trust (otherwise than where an authorised transfer of those Shares has been made) the Member holding the Shares shall notify the directors in writing that that event has occurred and the Member shall be bound, if and when required in writing by the directors to do so, to give a Transfer Notice in respect of the Relevant Shares (but without specifying a Prescribed Price and so that the right of revocation conferred by Article 12.4 shall not apply).

### **11.4 No permitted transfer of C Ordinary Shares**

For the avoidance of doubt nothing under this Article 11 shall permit the transfer of C Ordinary Shares.

## **12 PRE-EMPTION**

The right to transfer Shares shall (save in respect of transfers made pursuant to Article 11) be subject to the following restrictions:

### **12.1 Transfer Notices**

- (a) Before transferring any Shares the Proposing Transferor shall serve a Transfer Notice on the Company specifying the number and class of Shares in question, and the Transfer Notice shall constitute the Company as his agent for the sale of those Shares at the Prescribed Price to any Member or Members. Except as provided in this Article, a Transfer Notice once given or deemed to be given shall not be revocable except with the consent of the directors.
- (b) A Transfer Notice:
  - (i) may comprise Shares of more than one class;
  - (ii) may specify the Prescribed Price per Share (or, where the Transfer Notice comprises Shares of more than one class, the Prescribed Price per Share for each class);
  - (iii) shall, if the Proposing Transferor has received any offer to purchase Shares of the same class or classes as the Sale Shares (whether or not an offer capable of becoming legally binding upon acceptance), within the period of three calendar months prior to service of the Transfer Notice, give the name of the offeror, the number and class (or classes) of Shares concerned and the price (or prices) per Share offered; and
  - (iv) may not be given by a Member who is an Employee or former Employee, or is a Related Party of an Employee or of a former Employee, unless:
    - (A) the directors (other than the Proposing Transferor, if a director) have given written consent; or
    - (B) the Transfer Notice is required by the directors under Article 11.3, 12.6 or 13.

## 12.2 Prescribed Price

- (a) Immediately on receipt of a Transfer Notice comprising A Ordinary Shares or C Ordinary Shares which does not specify a Prescribed Price for such Shares, the directors (other than the Proposing Transferor, if a director), shall seek to agree the Prescribed Price with the Proposing Transferor. In the event that the Prescribed Price is not agreed within 10 business days of receipt of the Transfer Notice by the Company the directors may request the auditors of the Company (acting as experts and not as arbitrators) to certify the Prescribed Price.
- (b) The auditors shall within 10 business days of such a request certify to the Company the Prescribed Price, being (subject to Article 13.2) the value of each A Ordinary Share or C Ordinary Share (as the case may be) calculated on the following basis:
  - (i) by determining the sum which a willing purchaser would offer to a willing vendor for the whole of the issued share capital of the Company;
  - (ii) by dividing the resultant figure between the total number of A Ordinary Shares and C Ordinary Shares in issue;
  - (iii) by dividing the sum attributable to the Shares of the relevant class by the number of Shares of that class in issue;
  - (iv) by making such adjustment (if any) as the auditors of the Company consider necessary to allow for any rights which may be outstanding under which any person may call for the issue of further Shares;
  - (v) allocating the value per share so that a C Ordinary Share is valued at 90% of the value of an A Ordinary Share; and
  - (vi) by making such adjustment as the auditors of the Company consider necessary to reflect any premium or discount arising in relation to the size of the holding the subject of the Transfer Notice or in relation to any restrictions on the transferability of the Shares.
- (c) The costs of the auditors in respect of the certification of the Prescribed Price shall be borne by the Company.

## 12.3 Offer of Sale Shares

The Sale Shares shall, within 10 business days following receipt of the Transfer Notice or (in a case falling within Article 12.2(a)) agreement or certification of the Prescribed Price, be offered by the Company in accordance with Article 12.4 for purchase at the Prescribed Price. All offers shall be made by notice in writing and limit a time (being between 10 and 15 business days, inclusive) within which the offer must be accepted or, in default, will be deemed to have been declined.

## 12.4 Offers

- (a) The Company shall offer the Sale Shares to the holders of A Ordinary Shares or to such one or more Employees (or persons whom it is proposed should be appointed Employees) the trustee(s) or the nominee of an Employee Benefit Trust or the holders of C Ordinary Shares and in such numbers or proportions as the directors (other than the Proposing Transferor, if a director) may determine in their absolute discretion, provided that no Sale Shares shall be offered to the Proposing Transferor, any Related Party of the Proposing Transferor or any Excluded Person.

- (b) An offer made under Article (a) shall be made on the following basis (and so that each class of Sale Shares, if more than one, shall be offered separately for the purposes of this Article):
- (i) if there is more than one holder of any class of shares ("**the relevant class**") to whom an offer is to be made pursuant to Article (a) the Shares on offer shall be offered to such holders in proportion as nearly as may be to their existing holdings of Shares of the relevant class, and the directors' decision as to the number of Shares which shall be "in proportion as nearly as may be to their existing holdings of Shares of the relevant class" shall be conclusive;
  - (ii) any Member to whom Sale Shares are offered may accept all or some only of the Sale Shares offered to him;
  - (iii) each Member to whom the offer is made (if more than one) shall be invited to indicate whether, if he accepts the number of Sale Shares offered to him pursuant to this Article 12.4, he wishes to purchase any Sale Shares offered to other Members in the same offer which they decline to accept (such Sale Shares being referred to as "**excess Shares**") and if so the maximum number which he wishes to purchase;
  - (iv) if there are any excess Shares they shall be allocated between the Members who have indicated that they wish to purchase excess Shares. If the number of excess Shares available is insufficient the excess Shares shall be allocated between the Members seeking to purchase them as follows:
    - (A) any Member who has sought to purchase no more than his proportionate entitlement of excess Shares (calculated by reference to the proportion of the total holdings of Shares of the relevant class of Members seeking to purchase excess Shares represented by that Member's holding) shall be allocated all the excess Shares he sought to purchase; and
    - (B) any Member or Members who sought to purchase more than their proportionate entitlement shall have the number of excess Shares applied for scaled down and (if more than one) in proportion to their respective holdings of Shares of the relevant class; and
  - (v) subject to the provisions of this Article, the Purchasers shall be bound to purchase the Sale Shares allocated to them under the provisions of this Article 12.4 at the Prescribed Price.

#### 12.5 Notice to Proposing Transferor

Not later than five business days following the expiration of the last Acceptance Period the Company shall give written notice to the Proposing Transferor stating:

- (a) if it is the case, that no Purchaser has been found for any of the Sale Shares, or, otherwise; and
- (b) the number of Sale Shares which Members have sought to purchase, giving the name and address of each Purchaser and the number of Sale Shares to be purchased by him,

and so that if Purchasers have been found for some only of the Sale Shares the Proposing Transferor may within five business days of service on him of notice under this Article 12.5 revoke his Transfer Notice by written notice to the Company.



## 12.6 Transfer by Proposing Transferor

- (a) In the event that the Proposing Transferor is given notice under Article 12.5 (and subject to the Proposing Transferor not revoking his Transfer Notice in accordance with Article 12.5, where possible) the Proposing Transferor shall be bound on payment of the Prescribed Price to transfer the Shares in question to the respective Purchasers. The sale and purchase shall be completed at the office during normal business hours on the first business day after the expiry of 10 business days from the date of service of notice under Article 12.5.
- (b) If a Proposing Transferor, having become bound to transfer any Shares to a Purchaser, shall fail to do so the directors may authorise any individual to execute on behalf of and as attorney for the Proposing Transferor any necessary instruments of transfer and shall register the Purchaser as the holder of the Shares. The Company's receipt of the purchase money shall be a good discharge to the Purchaser, and the Company shall thereafter hold the same on trust for the Proposing Transferor. After the name of the Purchaser has been entered in the register of members in purported exercise of these powers, the validity of the proceedings shall not be questioned by any person.
- (c) The Proposing Transferor may transfer Sale Shares to any person or persons in the following circumstances:
  - (i) if the Company shall fail to find a Purchaser or Purchasers for any of the Sale Shares pursuant to Article 12.4, the Proposing Transferor may transfer all or any of the Sale Shares;
  - (ii) if the Company shall find a Purchaser or Purchasers for some (but not all) of the Sale Shares and shall serve notice accordingly under Article 12.5 the Proposing Transferor may transfer all or any of the Sale Shares for which no Purchaser has been found, but so that if the Proposing Transferor revokes his Transfer Notice under Article 12.5 he may transfer all (but not some only) of the Sale Shares,subject to the following restrictions:
  - (iii) Shares may not be transferred after the expiry of three calendar months after the date on which notice is given under Article 12.5;
  - (iv) the Shares must be transferred in a bona fide transaction at a price not less than the Prescribed Price, the directors may require to be satisfied that the Shares are being transferred in pursuance of a bona fide transaction for the consideration stated in the instrument of transfer without any deduction, rebate or allowance to the purchaser; and
  - (v) no Shares may be transferred, pursuant to this Article 12.6 by any person who is an Excluded Person, unless the directors resolve to approve such transfer.

## 12.7 Transmission of Shares

A person entitled to a Share in consequence of the death, bankruptcy, receivership or liquidation of a Member shall be bound at any time, if called upon in writing to do so by the directors not later than 30 business days after the directors receive notice from the person concerned that he has become so entitled to give a Transfer Notice (without specifying a Prescribed Price) in respect of all the Shares then registered in the name of the deceased or insolvent Member. Such a Transfer Notice shall not be capable of revocation under the provisions of Article 12.5.

#### 12.8 **Member becoming Excluded Person**

In the event that any Member becomes an Excluded Person the directors may at any time thereafter by notice in writing to such Member revoke any Transfer Notice given by such Member prior to that event. These Articles shall thereafter operate as if no such notice had been given, provided that such revocation shall be without prejudice to any sale of Shares the subject of the Transfer Notice completed prior to such revocation.

#### 12.9 **Administrative provisions**

- (a) For the purpose of ensuring that a transfer of Shares is authorised under these Articles or that no circumstances have arisen by reason of which a Transfer Notice may be required to be given, the directors may from time to time require any Member or past Member or the personal representatives or trustee in bankruptcy, receiver or liquidator of any Member or any person named as transferee in any instrument of transfer lodged for registration to provide to the Company such information as the directors reasonably think fit regarding any matter which they consider relevant. If such information is not provided to the reasonable satisfaction of the directors within a reasonable time after request, the directors shall be entitled to refuse to register the transfer in question or (in case no transfer is in question) to require by notice in writing that a Transfer Notice be given in respect of the Shares concerned. If the information discloses (in the reasonable opinion of the directors) that a Transfer Notice ought to have been given in respect of any Shares the directors may by notice in writing require that a Transfer Notice be given in respect of the Shares concerned. Any Transfer Notice required to be given under this Article 12.9 shall not specify a price per Share and shall not be capable of revocation under the provisions of Article 12.5.
- (b) In any case where the directors may require a Transfer Notice to be given in respect of any Shares, if a Transfer Notice is not duly given within a period of 10 business days of demand being made, a Transfer Notice shall be deemed to have been given at the expiration of that period. Such a deemed Transfer Notice shall not be capable of revocation under Article 12.5.
- (c) Any notice required to be given under this Article by the Company to a Member or by a Member to the Company or otherwise shall be given or served either personally or by sending it by first class post to the office or to the registered address of the Member (as the case may be) or, if he has no registered address within the United Kingdom and has supplied to the Company an address in the United Kingdom for the giving of notice to him, to the address so supplied. When a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the notice and to have been effected 48 hours after posting.

#### 12.10 **Waiver of restrictions**

The restrictions imposed by this Article may be waived in relation to any proposed transfer of Shares with the consent of all Members who, but for such waiver, would or might have been entitled to have such shares offered to them in accordance with Article 12.4.

### 13 **COMPULSORY TRANSFER**

- 13.1 Subject to Article 13.2, if any Employee ceases to be an Employee the directors may by notice in writing given at any time following the date of cessation require the former Employee (if a Member) and each Related Party of the former Employee who holds Shares (together "**the Compulsory Sellers**") to give a Transfer Notice in respect of all Shares registered in their respective names (irrespective of whether the Shares were so registered at the date of cessation, or were registered subsequently) provided that, in the case of a former Employee who ceases to be an Employee by reason of his death,

the directors may require the Compulsory Sellers to give a Transfer Notice in respect of only 50 per cent of the Shares held by such Compulsory Sellers.

13.2 If Mr Walton ceases to be an Employee at any time whilst he or any of his Related Parties holds Shares then:

- (a) if Mr Walton is a Good Leaver (other than in circumstances where he retires on or after reaching retirement age in accordance with his terms of employment), the directors shall not be entitled to require Mr Walton and/or any of his Related Parties to give a Transfer Notice in respect of any of the Shares registered in their respective names (irrespective of whether the Shares were so registered at the date of cessation, or were registered subsequently);
- (b) if Mr Walton is a Good Leaver in circumstances where he retires on or after reaching retirement age in accordance with his terms of employment, the directors may by notice in writing:
  - (i) at any time following the date of cessation of Mr Walton's employment require Mr Walton and each Related Party who holds Shares (together "**the Compulsory Walton Sellers**") to give a Transfer Notice in respect of 50 per cent of the Shares registered in their respective names (irrespective of whether the Shares were so registered at the date of cessation, or were registered subsequently); and
  - (ii) at any time following the second anniversary of the date of cessation of Mr Walton's employment give a Transfer Notice to the Compulsory Walton Sellers in respect of the balance of the Shares registered in their respective names (irrespective of whether the Shares were so registered at the date of cessation, or were registered subsequently); and
- (c) if Mr Walton is a Bad Leaver, the directors may by notice in writing given at any time following the date of cessation of Mr Walton's employment require the Compulsory Walton Sellers to give a Transfer Notice in respect of all Shares registered in their respective names (irrespective of whether the Shares were so registered at the date of cessation, or were registered subsequently).

13.3 If a Transfer Notice is given under the provisions of this Article 13 (or deemed given under this Article 13 by virtue of Article 12.8):

- (a) the Transfer Notice shall not specify a Prescribed Price, the Prescribed Price shall be agreed between the director(s) (other than the Compulsory Seller or Compulsory Walton Seller (as applicable), if a director) and the Compulsory Seller or Compulsory Walton Seller (as applicable) or (in default of agreement with 10 business days of service, or deemed service, of the Transfer Notice) shall be determined as follows:
  - (i) if the former Employee was a Good Leaver, the Prescribed Price shall be determined in accordance with Article 12.2(b); or
  - (ii) if the former Employee was a Bad Leaver, the Prescribed Price shall be 80 per cent of the price determined in accordance with Article 12.2(b); and
- (b) the Transfer Notice shall not be capable of revocation.

## 14 CHANGE OF CONTROL

14.1 No Member or Members (the "**Specified Members**") may undertake any transfer of any A Ordinary Shares (the "**Specified Shares**") if resulting (if made and registered) in a person (or persons) not being a Member at the time of such transfer obtaining a

controlling interest (as defined below) in the Company, unless before the transfer is lodged for registration the proposed transferee or his nominee has made an offer (the "Offer") open for acceptance for at least 15 business days to purchase all of the issued Shares in the Company (including or excluding the Specified Shares) at the Specified Consideration. No offer shall be required under this Article 14.1 if the Specified Members exercise their rights under Article 14.3.

14.2 For the purposes of this Article 14:

- (a) the expression "**a controlling interest**" means the legal or beneficial ownership by a person and his connected persons (as defined in Section 1122 of the Corporation Tax Act 2010) of Shares having the right to exercise more than 70 per cent of the votes at a general meeting of the Company; and
- (b) the "**Specified Consideration**" means a consideration (whether in cash, securities or otherwise or in any combination) per A Ordinary Share or C Ordinary Share equivalent to that offered by the proposed transferee or transferees for each Specified Share together with an amount equal to the relevant proportion of any other consideration (in cash or otherwise) received or receivable by the holders of the Specified Shares which having regard to the substance of the transaction as a whole can reasonably be regarded as an addition to the price paid or payable for the Specified Shares.

14.3 If the effect of a transfer of Shares would (if made and registered) result in a person (or persons) not being a Member at the time of such transfer obtaining a controlling interest in the Company, the Specified Members (or any of them) may give notice in writing to all holders of Shares other than:

- (a) the Specified Members; and
- (b) the proposed transferee

(the "**Minority Shareholders**") requiring them within five business days of the date of the notice to transfer all (but not some of) of their holdings of Shares to the proposed transferee. The transfer of the A Ordinary Shares shall be on the same terms and conditions as those agreed between the Specified Members and the proposed transferee and the transfer of the C Ordinary Shares shall be at a price per Share equal to 90% of the value of the price per share thereby determined for the A Ordinary Shares. Written notice given under this Article 14.3 shall be accompanied by all documents required to be executed by the relevant Minority Shareholder to give effect to the required transfer.

14.4 If any Minority Shareholder:

- (a) shall fail to transfer shares as required by Article 14.3 the deemed transfer provisions of Article 12.6(b) shall apply to the transfer of such shares mutatis mutandis but so that references to the purchase money, the Proposing Transferor and the Purchaser shall respectively be construed as references to the consideration for such Shares, the Minority Shareholder and the proposed transferee;
- (b) shall fail to execute any other document required to be executed in order to give effect to the provisions of Article 14.3, the directors may authorise any individual to execute such document(s) on behalf of and as attorney for the Minority Shareholder; and
- (c) if the Specified Members comply with their obligations under Article 14.1, or exercise their rights under Article 14.3, they may proceed with the transfer of the Specified Shares, and Article 12 shall not apply to such transfer.

14.5 This Article 14 shall not apply if the Transfer referred to in Article 14.1 or 14.3 is:

- (a) to a person who is an original party to the Shareholders' Agreement;
- (b) to an Investor or a third party who has acquired shares pursuant to a permitted transfer in accordance with Article 11.1; or
- (c) to a new holding company of the Company which is inserted for the purposes of planning for an Exit, in which the share capital structure of the Company is replicated in all material respects.

## **15 GENERAL MEETINGS**

- 15.1 Model Article 41(1) shall be modified by the insertion at the end of that regulation of the following sentence: "If at any adjourned meeting a quorum is not present within fifteen minutes from the time appointed for holding that meeting, the meeting shall be dissolved."
- 15.2 A poll may be demanded at any general meeting by any member present in person or by proxy and entitled to vote. Model Article 44 shall be modified accordingly.
- 15.3 The appointment of a proxy and any authority under which it is executed or a copy of such authority certified notarially or in some other way approved by the directors may:
- (a) in the case of an instrument in writing, be deposited at the office or at such other place within the United Kingdom as is specified in the notice convening the meeting or in any instrument of proxy sent out by the Company in relation to the meeting not less than 24 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote; or
  - (b) in the case of an instrument in writing, be delivered at the meeting or adjourned meeting at which the person named in the instrument proposes to vote to the Chairman or to the secretary or to any director; or
  - (c) in the case of a poll, be delivered as an instrument in writing at the meeting at which the poll was demanded to the Chairman or to the secretary or to any director, or at the time and place at which the poll is held to the Chairman or to the secretary or to any director or scrutineer; or
  - (d) in the case of an appointment contained in an electronic communication, where an address has been specified for the purpose of receiving electronic communications:
    - (i) in the notice convening the meeting; or
    - (ii) in any instrument or proxy sent out by the Company in relation to the meeting; or
    - (iii) in any invitation contained in an electronic communication to appoint a proxy issued by the Company in relation to the meeting,
 be received at such address not less than 24 hours before the time for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote and an appointment of proxy which is not deposited, delivered or received in a manner so permitted shall be invalid.
- 15.4 In the event that more than one appointment of a proxy relating to the same share is deposited, delivered or received for the purposes of the same meeting, the appointment last delivered or received (whether in writing or contained in an electronic communication) shall prevail in conferring authority on the person named therein to attend the meeting and vote. An appointment of proxy contained in an electronic

communication found by the Company to contain a computer virus shall not be accepted by the Company and shall be invalid

## **16 NUMBER OF DIRECTORS**

Unless and until the Company in general meeting shall otherwise determine the number of directors shall be not less than two.

## **17 APPOINTMENT OF DIRECTORS**

- 17.1 Notwithstanding any other provision of these Articles, the holders for the time being of Shares carrying 40% of the votes capable of being cast at a general meeting shall have the right at any time and from time to time to appoint one or more persons to be a director or directors of the Company. Any such appointment shall be effected by notice in writing to the Company signed by or on behalf of such holders, who may in like manner at any time and from time to time remove from office any such director.
- 17.2 The Investor may at any one time and on more than one occasion appoint up to two persons as it shall direct to be directors (each such person being designated as an "Investor Director" which expression shall, where the context so permits include a duly appointed alternate of such a director) and at any time and on more than one occasion remove an Investor Director from office.
- 17.3 The Investor Director shall, as required by the Investor, promptly be formally appointed to the board of directors of any other member of the Group and appointed to any committee of the board of any member of the Group.
- 17.4 Any appointment or removal of an Investor Director shall be in writing served on the Company signed by the Investor appointing such director and shall take effect at the time it is served on the Company or produced to a meeting of the board, whichever is earlier. Any such appointment or removal by a corporation may be signed on its behalf by its duly authorised representative.

## **18 CHAIRING OF DIRECTORS' MEETING**

If the chairman is not participating in a directors' meeting within ten minutes of the time at which it was to start, the participating directors may appoint one of themselves to chair it.

## **19 ALTERNATE DIRECTORS**

- 19.1 Any director (other than an alternate director) may at any time appoint any other director or any other person who is willing to act to be his alternate director. Any director may at any time remove from office an alternate director appointed by him.
- 19.2 An alternate director shall (subject to his giving the Company an address for the purpose of communications in electronic form at which notices may be served on him) be entitled to receive notice of all meetings of the directors and of committees of which his appointor is a member and (in the absence of his appointor) to attend and vote as a director and be counted in the quorum at any such meeting and generally (in the absence of his appointor) to perform all the functions of his appointor as a director.
- 19.3 An alternate director may represent more than one director. An alternate director shall have one vote for each director for whom he acts as alternate (in addition, if he is a director, to his own vote) but he shall count as only one for the purpose of determining whether a quorum is present.
- 19.4 An alternate director shall not be entitled to receive any remuneration from the Company in respect of his appointment as an alternate director except only such part (if any) of the remuneration otherwise payable to his appointor as his appointor may by notice in writing to the Company from time to time direct.

- 19.5 An alternate director shall be entitled to contract and be interested in and benefit from contracts or arrangements with the Company and to be repaid expenses and to be indemnified to the same extent as if he were a director.

## **20 DIRECTORS' GRATUITIES AND PENSIONS**

- 20.1 The directors may exercise all the powers of the Company to provide benefits whether by the payment of gratuities, pensions or other retirement, superannuation, death or disability benefits of any kind or other allowances or benefits to any individuals (including their relations, dependants and people connected with them) who are or were at any time directors of the Company or any body corporate which is or has been a subsidiary of the Company or a predecessor in business of the Company or any such subsidiary. The directors may contribute to any fund or scheme and pay premiums to a third party for the purchase or provision of any such benefit.
- 20.2 A director or former director shall not be accountable to the Company or the shareholders for any benefit of any kind conferred under or pursuant to this Article 20.

## **21 DIRECTORS' POWERS TO AUTHORISE CONFLICTS OF INTEREST**

- 21.1 The board of directors shall, for the purposes of section 175 of the CA 2006, have the power to authorise any matter which would or might otherwise constitute or give rise to a breach of the duty of a director under that section to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company.
- 21.2 Authorisation of a matter under this Article 21 shall be effective only if:
- (a) any requirement as to the quorum at the meeting of the board at which the matter is considered is met without counting the director in question and any other interested director (together the "**interested directors**"); and
  - (b) the matter was agreed to without the interested directors voting or would have been agreed to if the votes of the interested directors had not been counted.
- 21.3 Any authorisation of a matter under this Article 21:
- (a) may extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter so authorised;
  - (b) shall be subject to such conditions or limitations as the board may determine, whether at the time such authorisation is given or subsequently; and
  - (c) may be terminated or suspended by the board at any time,
- provided always that any such termination or suspension or the imposition of any such conditions or limitations will not affect anything done by the director concerned prior to such event in accordance with the relevant authorisation.
- 21.4 A director shall comply with the terms of any such authorisation and with any policies or procedures dealing with conflicts of interest which are from time to time approved by the board.
- 21.5 Articles 21.1 to 21.4 (inclusive) shall not apply to any interest permitted under Article 22.

## **22 DIRECTORS' PERMITTED INTERESTS**

- 22.1 Subject to compliance with Article 22.3 a director notwithstanding his office may:
- (a) be a party to, or otherwise interested in, any proposed or existing contract, transaction or arrangement with a relevant company;

- (b) hold any other office or place of profit with any relevant company (except that of auditor) in conjunction with his office of director on such terms, including as to remuneration, as the directors may determine;
- (c) alone, or through a firm with which he is associated, do paid professional work (except as auditor) for any relevant company and be entitled to remuneration for professional services as if he were not a director;
- (d) be a director or other officer or trustee or representative of, employed by, a partner or a member of, or hold shares or other securities (whether directly or indirectly) in, or otherwise be interested in, any relevant company; and
- (e) have any interest which has been authorised by an ordinary resolution of the Company, subject to any terms or conditions applicable to such authorisation under or pursuant to such resolution.

22.2 For the purposes of Article 22.1 a "**relevant company**" means:

- (a) the Company; or
- (b) any other body corporate promoted by the Company or in which the Company is otherwise interested.

22.3 Subject to Article 22.4, a director shall declare the nature and extent of any interest permitted under Article 22.1 at a meeting of the board or in the manner set out in section 184 or section 185 of the CA 2006 (irrespective of whether the interest is in a transaction or arrangement with the Company and whether he is under a duty under the CA 2006 to make such a declaration) or in such other manner as the board may lawfully determine.

22.4 No declaration of an interest shall be required by a director:

- (a) in relation to an interest which cannot reasonably be regarded as likely to give rise to a conflict of interest; or
- (b) in relation to an interest of which the director is not aware or where the director is not aware of the contract, transaction or arrangement in question (and for these purposes, the director concerned is treated as aware of anything of which he ought reasonably to be aware);
- (c) if, or to the extent that, the other directors are already aware of such interest (and for these purposes, the other directors are treated as aware of anything of which they ought reasonably to be aware); or
- (d) if, or to the extent that, it concerns the terms of his service contract.

22.5 If a director has an interest which is permitted under Article 22.1 he shall comply with any policies or procedures dealing with conflicts of interest and with any specific terms relating to that director which are (in each case) from time to time approved by the board.

## **23 PROVISIONS APPLYING TO AUTHORISED CONFLICTS AND PERMITTED INTERESTS**

23.1 A director shall not by reason of his holding office as director (or of any fiduciary relationship established by holding that office), be accountable to the Company for any benefit, profit or remuneration which he or any person connected with him derives from any matter authorised under Article 21 or any interest permitted under Article 22.

23.2 No contract, transaction or arrangement relating to any matter authorised under Article 21 or any interest permitted under Article 22 shall be liable to be avoided by virtue of such authorised matter or permitted interest.



- 23.3 Subject to any terms imposed by the board and/or to any policies or procedures dealing with conflicts of interests which are from time to time approved by the board, a director shall be under no obligation to disclose to the Company any information which he obtains or has obtained otherwise than as a director of the Company and in respect of which he owes a duty of confidentiality to another person in relation to any matter authorised under Article 21 or any interest permitted under Article 22.
- 23.4 Article 23.3 is without prejudice to any equitable principle or rule of law which may excuse a director from disclosing information where these Articles would otherwise require him to do so.

## **24 PROCEEDINGS OF DIRECTORS**

- 24.1 The Company shall send to each director from time to time appointed to the board:
- (a) notice of each meeting of the board or of a committee of the board or of the board or committee of the board of any other member of the Group to which they have been appointed in accordance with Article 17;
  - (b) unless the board otherwise agrees, not less than five business days' notice of each meeting of the board or of a committee of the board or of the board or committee of the board of any other member of the Group to which they have been appointed (save in the case of an emergency, in which case such notice as is reasonably practicable in the circumstances shall be given), together with a written agenda of the business to be transacted at the meeting and all papers to be circulated in connection with or presented to it, and unless the Investor Director and Mr Walton otherwise agree, no business shall be transacted at any such meeting except for that specified in the agenda relating to it; and
  - (c) as soon as practicable after each such meeting, a copy of the minutes.
- 24.2 The quorum for the transaction of business of the board shall be two directors including an Investor Director or his alternate and Mr Walton, unless either an Investor Director or the Investor and Mr Walton has previously agreed otherwise in writing (and for this purpose "writing" shall include fax and email communications) or there is no Investor Director in office at that time. Model Article 11(2) shall not apply.
- 24.3 Any director who participates in the proceedings of a meeting by means of an electronic communication by which all the other directors present at such meeting (whether in person or by alternate or by means of electronic communication) may hear at all times such director and such director may hear at all times all other directors present at such meeting (whether in person or by alternate or by means of electronic communication) shall be deemed to be present at such meeting and shall be counted when reckoning a quorum.
- 24.4 Subject to any terms imposed by the board and/or to any policies or procedures dealing with conflicts of interests which are from time to time approved by the board, a director:
- (a) shall be counted in the quorum for and shall be entitled to attend and vote at any meeting of the board in relation to:
    - (i) any proposed or existing contract, transaction or arrangement with the Company in which he is interested and which is permitted under Article 22.1(a); and
    - (ii) any resolution relating to a matter authorised under Article 21 or any interest which is permitted under Article 22; and/or
  - (b) may, where he reasonably believes that any actual or potential conflict of interest arising out of any matter authorised under Article 21 or any interest permitted under Article 22 exists:

- (i) absent himself from any meeting of the board (or part of any meeting) at which any such matter or interest will or may be discussed; and/or
- (ii) make arrangements not to receive or review documents or information relating to any such matter or interest and/or for such documents or information relating to any such matter or interest to be received and reviewed by a professional adviser.

## 25 BORROWING POWERS

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

## 26 RIGHT TO INDEMNITY

26.1 If and only to the extent permitted by law, but without prejudice to any indemnity to which a relevant officer may otherwise be entitled, the Company may, if the board so determines, indemnify out of its own funds:

- (a) every relevant officer against all costs, charges, losses, expenses and liabilities incurred by him:
  - (i) in connection with any negligence, default, breach of duty or breach of trust by him in relation to the Company or an associated company;
  - (ii) in performing his duties; and/or
  - (iii) in exercising his powers; and/or
  - (iv) in claiming to perform his duties or exercise his powers; and/or
  - (v) otherwise in relation to or in connection with his duties, powers or office; and
- (b) every relevant officer, where the Company or associated company acts as a trustee of an occupational pension scheme, against any liability incurred in connection with the relevant company's activities as a trustee of such scheme.

26.2 For the purposes of this Article 26 and Article 28:

- (a) "**associated company**" shall mean a company which is either a subsidiary or holding company of the Company or a subsidiary of the holding company of the Company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of CA 2006); and
- (b) "**relevant officer**" means any director or other officer (or former director or other officer) of the Company or an associated company, but excluding in each case any person engaged by the Company (or associated company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor).

## 27 INSURANCE

27.1 If and only to the extent permitted by law, but without prejudice to the power contained in Article 26, the directors may purchase and maintain at the expense of the Company insurance for or for the benefit of any persons who are or were at any time directors, officers (excluding auditor) or employees of the Company or any related company or trustees of any pension fund or employees' share scheme in which any employees of the Company or any related company are interested.

- 27.2 In this article "**related company**" means (i) any company which is or was the Company's holding company or (ii) any body (whether incorporated or not) in which the Company or any holding company has or had any kind of interest (whether direct or indirect) or (iii) any body (whether incorporated or not) which is associated or connected in any way with the Company or any holding company of the Company, (iv) any predecessors in business of the Company or any other body referred to in this Article 27.2, or (v) any body (whether incorporated or not) which is a subsidiary undertaking of the Company or any other body referred to in this Article 27.2.

## **28 FUNDS TO MEET EXPENDITURE**

- 28.1 The Company (to the extent permitted by law):

- (a) may provide a relevant officer with funds to meet expenditure incurred or to be incurred by him:
  - (i) in defending any criminal or civil proceedings in connection with any alleged negligence, default, breach of duty or breach of trust by him in relation to the Company or an associated company; or
  - (ii) in connection with any application for relief under any of the provisions mentioned in section 205(5) of the CA 2006; or
  - (iii) in defending himself in any investigation by a regulatory authority or against action proposed to be taken by a regulatory authority, in connection with any alleged negligence, default, breach of duty or breach of trust by him in relation to the Company or an associated company; or
- (b) may do anything to enable a relevant officer to avoid incurring such expenditure.

## **29 NOTICES**

If a notice or other document is sent by post, it shall be deemed to have been served or delivered twenty-four hours after it was posted or (where second class post is used) forty-eight hours after it was posted. Proof that an envelope containing the notice or document was properly addressed, stamped and put into the post shall be conclusive evidence that the notice was given. Any notice or other document not sent by post but delivered or left at a registered address or address for service in the United Kingdom shall be deemed to have been served or delivered when it was so delivered or left. A notice or other document sent in electronic form shall be deemed to have been served or delivered at the time it was sent. Proof that a notice or other document in electronic form was sent in accordance with guidance issued from time to time by the Institute of Chartered Secretaries and Administrators shall be conclusive evidence that the notice was given.