

Company Number: 5003339

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COMPANIES HOUSE

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

**WRITTEN RESOLUTIONS OF**

**TRACSCARE GROUP LIMITED  
(the "Company")**

**Pursuant to Chapter 2 of Part 13 of the Companies Act 2006**


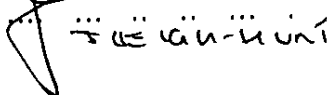
On 29<sup>th</sup> July 2013 the following Written Resolutions (such resolutions being passed as a special resolutions) were approved by the eligible members pursuant to sections 288 to 300 of the Companies Act 2006

**SPECIAL RESOLUTIONS**

- 1 That, in accordance with section 551 of the Companies Act 2006 (the "Act"), the directors be generally and unconditionally authorised to allot shares in the Company or grant rights to subscribe for or to convert any security into shares in the Company (the "**Rights**") up to an amount of 5,326 B ordinary shares of £0 01 each provided that this authority shall, unless renewed, varied or revoked by the Company, expire on the fifth anniversary of the date of this resolution save that the Company may, before such expiry, make an offer or agreement which would or might require shares to be allotted or Rights to be granted and the directors may allot shares or grant Rights in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired *Q.10*
2. THAT, in accordance with section 570 of the Act, the directors be generally empowered to allot equity securities (as defined in section 560 of the Act) pursuant to the authority conferred by resolution 1, as if section 561(1) of the Act did not apply to any such allotment, provided that this power shall (unless renewed, varied or revoked by the Company prior to or on that date) expire on the date being five years from the date this resolution is passed save that the Company may, before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the directors may allot equity securities in pursuance of any such offer or agreement notwithstanding that the power conferred by this resolution has expired *Ru*
- 3 THAT -

- (a) the articles of association of the Company be amended by deleting all the provisions of the Company's memorandum of association which, by virtue of Section 28 of the Companies Act 2006, are to be treated as provisions of the Company's articles of association, and
- (b) the new articles of association, in the form attached to this resolution for the purposes of identification, be adopted as the articles of association of the Company in substitution for, and to the exclusion of, the existing articles of association. AA

For MH Secretaries Limited  
Company Secretary

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Number: 5003339

THE COMPANIES ACT 2006

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PRIVATE COMPANY LIMITED BY SHARES

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N E W  
ARTICLES OF ASSOCIATION

(Adopted by Special Resolution passed on 29 July 2013)

- of -

TRACSCARE GROUP LIMITED

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Number 5003339

THE COMPANIES ACT 1985

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PRIVATE COMPANY LIMITED BY SHARES

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N E W  
ARTICLES OF ASSOCIATION  
(Adopted by Special Resolution  
passed on 29 July 2013)

- of -

TRACSCARE GROUP LIMITED

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**1. PRELIMINARY**

- 1 1 The regulations contained in Table A as amended by The Companies (Tables A to F) (Amendment) Regulations 2007 as amended and in force on the date of adoption of these Articles shall apply to the Company save in so far as they are excluded or varied hereby or to the extent inconsistent herewith.
- 1 2 The definitions and other interpretation provisions of the Schedule to these Articles shall apply

**2. SHARES**

- 2 1 The issued share capital of the Company as at the date of the adoption of these Articles is £1,199 07 divided into 96,248 'A' Ordinary Shares, 18,333 Ordinary Shares and 5,326 'B' Ordinary Shares. The liability of the members is limited to the amount, if any, unpaid on the shares held by them.
- 2 2 Except as otherwise expressly provided in these Articles, the Equity Shares shall rank *pari passu* in all respects.

**3. INCOME**

- 3 1 Subject to Article 3 2 and to the class rights attaching to the Investor Shares any profits resolved to be distributed in any Financial Year or part thereof shall be distributed amongst the holders of the Equity Shares, *pari passu* as if the same are one and the same class of share, *pro rata* to the number of Equity Shares respectively held by them.
- 3 2 The holders of B Ordinary Shares shall be entitled to receive 10 per cent. of any profits resolved to be distributed in any Financial Year or part thereof amongst the holders of the Ordinary Shares, *pro rata* to the number of B Ordinary Shares respectively held by them.

#### **4. CAPITAL**

- 4.1 On a return of assets on liquidation or otherwise, the assets of the Company remaining after payment of its debts and liabilities and available for distribution to holders of Equity Shares shall be applied in the following manner and order of priority
- (A) first, in paying to the holders of the 'A' Ordinary Shares (in proportion to the number of 'A' Ordinary Shares held by them respectively) the amounts respectively paid up or credited as paid up thereon,
  - (B) second, in paying to the holders of the Ordinary Shares (in proportion to the number of Ordinary Shares held by them respectively) the amounts respectively paid up or credited as paid up thereon,
  - (C) thirdly in paying to the holders of the B Ordinary Shares (in proportion to the number of B Ordinary Shares held by them respectively) the amounts respectively paid up or credited as paid up thereon, and
  - (D) lastly, the balance (if any) shall be distributed between the holders of the Equity Shares (as if one and the same class) pro rata to the number of Equity Shares respectively held by them
- 4.2 On a Sale, subject to Article 4.3, the total consideration received in respect of the Equity Shares shall be allocated between the sellers of such shares to the extent necessary to ensure that the aggregate sale proceeds are apportioned in the priority provided in Article 4.1.
- 4.3 On a Sale, the maximum consideration receivable in respect of the B Ordinary Shares shall be 10 times the nominal value of such B Ordinary Shares.

#### **5. VOTING RIGHTS**

- 5.1 Each holder of 'A' Ordinary Shares holding not less than five per cent of all the issued 'A' Ordinary Shares present in person or by proxy or corporate representative shall be entitled on a show of hands to one vote and, on a poll the number of votes available to all the holders of 'A' Ordinary Shares shall be equal to the number of issued 'A' Ordinary Shares and shall be attributed and be exercisable by the holders of the 'A' Ordinary Shares holding not less than five per cent of all the issued 'A' Ordinary Shares pro-rata to their respective such holdings
- 5.2 Except as expressly provided below each holder of Ordinary Shares present in person or by proxy or other voting representative permitted by these Articles shall be entitled on a show of hands to one vote and on a poll to one vote for every Ordinary Share of which he is the holder.
- 5.3 Except as expressly provided below each holder of B Ordinary Shares present in person or by proxy or other voting representative permitted by these Articles shall be entitled on a show of hands to one vote and on a poll to one vote for every B Ordinary Share of which he is the holder
- 5.4 During a Default Period only the holders of the 'A' Ordinary Shares shall be entitled to vote, in accordance with Article 5.1, and any holder of 'A' Ordinary Shares may convene a general meeting, by such notice as is required by the Act and these Articles, as if such holder had full and immediate authority on behalf of the Board for that purpose. The Company shall be provided with a copy of the

notice convening the meeting at the same time as it is sent to the members entitled to receive the same

- 5 5 For so long as any Privileged Relation and/or Family Trust of a Relevant Executive or former Relevant Executive shall hold shares in the Company and such a Relevant Executive or former Relevant Executive shall be physically able to do so and none of the circumstances in Article 17 3(B) or 17 3(C) apply to him, all votes attaching to the shares so held shall only be voted by or under direction of such a Relevant Executive or former Relevant Executive, except to the extent otherwise agreed from time to time by Investor Consent
- 5 6 Unless otherwise agreed by Investor Consent, no member shall be entitled to exercise any voting rights attaching to his shares whilst a Mandatory Transfer Notice has been given or deemed given in respect of them and has not expired

## **6. CLASS CONSENTS: INVESTOR SHARES**

- 6 1 Investor Consent shall be required before the Company or any other member of the Group shall:
- (A) except as expressly provided in the Subscription Agreement create or allot or issue any further shares or grant or agree to grant to any person any option or right to subscribe for convert into or otherwise to require the issue or allotment of any shares or the creation or allotment or issue of shares, except to the Company or a subsidiary thereof;
  - (B) pass a resolution for the reduction or cancellation of its share capital or the reduction of any uncalled liability in respect thereof,
  - (C) purchase or redeem the whole or any part of its share capital other than in accordance with the terms of issue of any class of share capital,
  - (D) modify vary alter or abrogate any of the rights privileges or restrictions attaching to any of the classes of its share capital,
  - (E) sell transfer lease licence or otherwise dispose of the whole or any material part of its business undertaking or assets whether by a single transaction or series of transactions related or not,
  - (F) make or permit any material alteration (including cessation) to the general nature of the business carried on by it from time to time,
  - (G) establish or adopt or (except with Special Director Consent) operate any retirement death or disability scheme or any bonus or profit sharing scheme or any share option scheme, employee share ownership plan or employees trust or other similar incentive scheme,
  - (H) change its corporate name or (except with Special Director Consent) any name under which it carries on its business or any part thereof;
  - (I) make any alteration to its Articles of Association,
  - (J) pass any resolution or seek any order or take any steps with a view to the liquidation, winding up or striking off dissolution or administration or receivership of any member of the Group or the equivalent in any other jurisdiction,

- (K) except for any dividends due and payable on Investor Shares or for dividends paid to the Company or a wholly owned subsidiary thereof, make any distribution by way of dividend or otherwise out of its profits or reserves;
- (L) approve or adopt its annual accounts or any subsequent modification thereto,
- (M) except as expressly provided in the Subscription Agreement, issue redeem or purchase any loan stock or loan notes or prepay any bank debt, or
- (N) enter into any agreement commitment or arrangement to do any of the foregoing

6.2 Special Director Consent shall be required before the Company or any other member of the Group shall:

- (A) make or provide any loan or financial facility other than (i) credit given in the ordinary course of business or (ii) loans to the Company or any subsidiary thereof and (iii) loans not exceeding £1,000 in the aggregate to any individual director or employee by way of advance to cover reasonable business expenses (iv) by way of season ticket loan to any individual director or employee,
- (B) give any guarantee suretyship or indemnity or similar liability in respect of the obligations of any person firm or company other than the Company or a wholly owned subsidiary thereof;
- (C) enter into any factoring or invoice discounting arrangements in respect of its debts;
- (D) permit or allow or do anything which results or will result in a breach of Article 22 (Borrowing Powers of Directors);
- (E) acquire share or loan capital of another company wherever incorporated (other than by way of formation of a wholly owned subsidiary) or any business or undertaking;
- (F) dispose of or dilute its interest directly or indirectly in any subsidiary or subsidiary undertaking,
- (G) save as expressly contemplated by any budgets expressly approved by Special Director Consent for this purpose, incur in any accounting period any capital expenditure or enter into any capital commitment (which expression shall include without limitation the entry into any transactions involving the taking by it or its own acquisition on hire and/or hire purchase of plant machinery or any conditional sale or deferred payment arrangement) exceeding in the aggregate £50,000 or such other limit as may from time to time be approved by Special Director Consent;
- (H) acquire develop dispose relocate or close any property or premises or business outlet (freehold or leasehold) or any interest therein other than by way of renewal of any lease previously held by the Company or the subsidiary concerned on fair market terms,
- (I) except solely in the ordinary course or business, enter into any agreement to occupy or permit any third party to occupy any property or premises

(whether freehold or leasehold) or vary any of the material terms under which it occupies or permits any third party to occupy any property or premises,

- (J) enter into or vary any of the material terms of any material agreement for the acquisition and/or user or other exploitation (whether by a member of the Group or a third party) of any intellectual property rights,
- (K) engage or dismiss or enter into or terminate any agreement of service or for services with any director or Senior Executive;
- (L) make any material change to the remuneration or benefits (including but not limited to agreeing the extent of such benefits) or other terms of employment or engagement any of its directors or Senior Executives or grant any material waiver or consent in respect thereof;
- (M) make payment by way of bonus or profit share to, any of its directors or Senior Executives and then only (in the case of a bonus or profit share payments) in amounts approved by a remuneration committee of the Board consisting of a majority of non-executive directors,
- (N) appoint or remove any director (other than an alternate director or an Investor Director pursuant to these Articles),
- (O) enter into any transaction or arrangement which is not either properly ancillary to or in the normal and ordinary course of conducting its business,
- (P) enter into any transaction or arrangement which is not on arm's length terms or which is of a particularly long term or unusual nature,
- (Q) enter into or in any material respect vary the terms of or grant any material waiver or consent in respect of an agreement or a transaction with any person who is or has in the previous twelve months been a director or shadow director or shareholder of the Company or connected person of such a director a shadow director or shareholder (save as expressly contemplated by the Subscription Agreement or for an agreement or transaction in the ordinary course of its trade and which in the reasonable opinion of the Special Director is not material to the Group as a whole);
- (R) remove its Auditors or appoint any new or additional Auditors, except in the case of a subsidiary or subsidiary undertaking of the Company to remove its auditors and appoint in their place the auditors of the Company,
- (S) change its accounting reference date (except, in the case of a subsidiary, to conform with that of the Company),
- (T) seek to take any steps to achieve a Flotation or a Sale, or
- (U) enter into any agreement, commitment or arrangement to do any of the foregoing

63 The provisions of Article 6.2 (matters requiring Special Director Consent) are special rights of (and only of) the 'A' Ordinary Shares and Article 8 shall be construed accordingly



## **7. NEW SHARE ISSUES**

7.1 Subject to the special rights of the respective classes of shares and to Article 7.3 and to the Subscription Agreement and (subject thereto) as may otherwise be resolved by special resolution and by the consent or sanction of the holders of the Ordinary Shares if and as required under Article 8.4 or Article 8.5, any unissued shares (whether forming part of the original share capital or not) shall, before they are issued, first be offered as follows to the members

- (A) the offer shall be made by notice in writing to all the members specifying the number and class and subscription price of the shares on offer limiting the time (not being less than seven days or) within which the offer may be accepted;
- (B) any Equity Shares offered to a member by reference to a particular class of Equity Shares already held by him shall be issued as shares of the same class,
- (C) acceptances shall be given to the Company by notice in writing and in such acceptance the applicant shall state the number of the shares on offer which he is willing to subscribe for,
- (D) after the end of such offer period or after the Company shall have received notice of the acceptance or as the case may be refusal of such offer from every offeree (whichever shall be the earlier event) the Directors shall allot the offered shares, first to and amongst the applicants who are registered as holders of the then issued Equity Shares and to the extent there is competition between them, pro-rata according to the number of Equity Shares in respect of which they are respectively registered as holders and secondly (if any of the offered shares shall remain after such applicants have been satisfied in full) to and amongst the remaining applicants and, to the extent there is competition between them, pro rata to the number of shares of the Company other than Equity Shares in respect of which they are respectively registered as holders

PROVIDED THAT no applicant shall be obliged to take more than the maximum number of offered shares specified by him in his application as aforesaid

7.2 If all or any of the unissued shares to which Article 7.1 applies are not taken up in accordance with the provisions of Article 7.1 the Directors may offer such shares at the share price to a third party (to be approved by Investor Consent) and, subject to these Articles and to the provisions of the Act, such shares shall be at the disposal of the Directors who may allot, grant options over or otherwise dispose of them to such persons at such times and generally on such terms and conditions as they think fit

7.3 The provisions of Article 7.1 shall not apply to the grant of a Permitted Option nor to the allotment of Ordinary Shares on exercise thereof but subject always to the terms of any Investor Consent relevant to the Subscription Rights concerned

## **8. VARIATION OF RIGHTS**

8.1 If at any time the share capital is divided into different classes of shares, the rights attached to any class may, whether or not the Company is being wound up, be varied modified abrogated or cancelled only with the approval of the holders of three quarters or more in nominal value of the issued shares of that class, or with

the consent in writing of a Majority of that class (or such higher percentage as may be required by the Act)

- 8.2 The provisions of these Articles regulations relating to General Meetings shall apply to every separate General Meeting referred to in Article 8.1, but the necessary quorum shall be two persons at least holding or representing by proxy or corporate representative three quarters or more in nominal value of the issued shares of the class and that any holders of shares of the class present in person or by proxy may demand a poll and on a poll each share concerned shall carry one vote PROVIDED THAT where there is only one holder of the issued shares of the relevant class a quorum shall be that holder alone present in person or by proxy or corporate representative.
- 8.3 Subject to Article 8.5 nothing in these Articles or otherwise shall confer any special rights or privileges or class rights or entitlements on the holders of any shares which are not Investor Shares during any Default Period and nothing done in a Default Period (or thereafter as a necessary consequence of anything done or any right or entitlement granted during a Default Period) by the Company or any member of the Group or any other shareholder thereof shall constitute or be deemed to constitute any variation modification or abrogation of the rights of or require any consent to be obtained from the holders of any shares which are not Investor Shares or any of them, other than anything which imposes upon the holder of any such shares any liability greater than that to which the subscriber of the same was subject at the time of their issue. Each holder of shares which are not Investor Shares hereby gives his irrevocable authority and power of attorney to the Special Director or any holder of Investor Shares to sign and give any waiver or consents on his part necessary to give effect to the foregoing provisions of this Article 8.3 including any which by virtue of Section 125 of the Act or otherwise can only be effective if so separately given.
- 8.4 Except as provided in Article 8.3, no resolution to amend or disapply the provisions of Article 3.1, 7.1 or 12.2 and no Special Resolution referred to in Article 8.1 shall be effective unless the consent or sanction of the holders of the Ordinary Shares (given as provided in Article 8.1) shall have been given in relation to such amendment or disapplication or the passing of such Special Resolution.
- 8.5 No Special Resolution to disapply Article 8.1 in relation to an issue or grant of rights to acquire shares on a Default Period shall be passed without the class consent of the holders of the Ordinary Shares except for the purposes of effecting a bona fide financing or reconstruction of the Company or Group on terms approved by the Board.
- 8.6 For the avoidance of doubt and subject to Article 8.3, the variation modification abrogation or cancellation of this Article or of any provision of these Articles which contains or affects any class rights shall (save as expressly provided herein) require the consent aforesaid of the holders of shares of the class or classes concerned to be effective.
- 8.7 In exercising any class rights as the holder of any particular class of share such holder shall be entitled to exercise such rights in its absolute discretion as it sees fit including for the avoidance of doubt without regard to the interests of any other holder of the same class of shares or the rights of holders of that particular class as a whole.

## 9. LIENS AND OTHER CAPITAL PROVISIONS

- 9 1 The Company shall have a first and paramount lien on all shares standing registered in the name of any person indebted or under liability to the Company and a right of set off against all moneys payable by the Company on or in respect of the same, whether he shall be the sole registered holder thereof or shall be one of two or more joint holders, for all moneys presently payable by him or his estate to the Company whether in respect of those shares or otherwise.
- 9 2 If any PAYE or income tax and/or national insurance contribution (or similar or substituted tax) liability and/or related interest penalties, fines, costs and expenses (together "**employee related tax liability**") becomes payable by the Company and/or any subsidiary thereof by reference to any shares held or disposed of by any member (even if the employee or director or former employee or director of the Company or other relevant Group member by reference to which the relevant employee related tax liability arises or arose is a person other than that member) the member concerned shall be liable on demand by the Company or Special Director and without right of reimbursement from the Group, to make payment to the Company of such amount as on an after tax basis will meet the employee related tax liability concerned and the lien referred to in Article 9 1 shall extend, as security for any such amount payable, to the shares concerned and to any proceeds for sale or other disposal thereof. On a Sale or Flotation the Company shall without limitation be irrevocably appointed as attorney and authorised on behalf of any such member to make such arrangements as are necessary for any such amounts payable by him under this Article 9 2 to be directly paid to the Company or relevant member of the Group out of any proceeds of sale which are payable for such shares on such Sale or under the Flotation arrangements.
- 9 3 Subject to the provisions of the Act and to the rights of the holders of the respective classes of shares of the Company, the Company may issue shares which are to be redeemed or are liable to be redeemed at the option of the Company or the shareholder; purchase its own shares (including any redeemable shares); and make a payment in respect of the redemption or purchase otherwise than out of distributable profits of the Company or the proceeds of a fresh issue of shares to the extent permitted by the Act

## 10. TRANSFERS - GENERAL

- 10 1 No shares or any interest therein shall be transferred and the Directors shall not register any transfer of shares in the Company other than a Permitted Transfer and, subject only to Article 11, the Directors shall be obliged to register a Permitted Transfer
- 10 2 For the purposes of the provisions of these Articles relating to transfer of shares, a transfer of shares includes a renunciation of any allotment of shares or of any Subscription Rights and any other disposition of any interest in any share (or the income or capital or other rights referable thereto) whether legal beneficial or otherwise (including the entry into any option or other agreement (conditionally or otherwise) for the possible sale or transfer thereof or grant of any security thereover) and whether or not for consideration or by written disposition or otherwise
- 10 3 Any transfer or purported transfer of any share or of any interest therein made otherwise than in accordance with these Articles shall be void and of no effect whatsoever. In addition the Directors shall be at liberty by notice in writing to the registered holders thereof to disenfranchise any shares which are the subject

of a transfer not made in accordance with these Articles until such time as the Directors (acting reasonably) are satisfied that the provisions of these Articles relating to transfer of shares have been complied with

- 10 4 The transferor of any share shall be deemed to remain the holder of the share until the name of the transferee is entered in the Register of Members in respect thereof

## 11. SPECIAL TRANSFER PROVISIONS

- 11 1 No transfer of Ordinary Shares or any interest therein shall be made or registered without Investor Consent except:

- (A) pursuant to acceptance of an offer made and completed under and in accordance with Article 14 1 or Article 14.2; or
- (B) by way of Permitted Family Transfer to the extent expressly permitted by the Subscription Agreement; or
- (C) where required and made in accordance with Article 13

- 11 2 No transfer of any shares or any interest therein shall be made or registered, without Investor Consent:

- (A) in breach of the Subscription Agreement or any deed of adherence thereto; or
- (B) in favour of a Competitor or any nominee thereof.

- 11 3 The following provisions shall apply as regards Restricted Securities, except to the extent otherwise agreed by Investor Consent -

- (A) for the purposes of this Article "**Restricted Securities**" shall mean any restricted securities or interests in restricted securities as defined in Part 7 of The Income Tax (Earnings and Pensions) Act 2003 ("**ITEPA**") as amended or proposed to be amended by the Finance Act 2003 in the Company or any member of the Group and other words and expressions defined in such Part 7 shall bear the same meaning except where clearly inconsistent with the context,
- (B) no Restricted Security or interest therein shall be transferred or otherwise disposed of or allotted or issued to any person in circumstances where as a result that person and the Company or another member of the Group could make an election in respect thereof under Section 431(1) ITEPA (an "**Up Front Election**"), unless the Board and the Special Director are satisfied that such election will be made and submitted to the Inland Revenue in the manner and by the latest time provided by Section 431(1) and (5) ITEPA,
- (C) each member who through employment by any member of the Group becomes entitled to make an Up Front Election or who is an associated person of a person so entitled shall and shall procure that any such associated person shall duly join with this employer member of the Group in duly making and submitting that election as and within the time limits provided in Sections 431(4) and (5) ITEPA and such member hereby irrevocably and as security for his due performance of such obligation appoints the Secretary for the time being of the Company as his attorney

for the purposes of signing and making any submitting any such election on his behalf,

- (D) each member shall duly provide to the Company and relevant employer member of the Group such information as it shall require or need for the purposes of fulfilling its obligations as a responsible person in relation to that member and/or his associated persons and/or any Restricted Securities or interest therein from time to time held or owned or formerly held or owned or proposed to be acquired by him and/or any such associated person and in particular and without limitation shall notify the Company of any reportable event and/or chargeable event relevant thereto without delays after it occurs, and
- (E) the Company shall procure that any Up Front Elections required to be signed and made by it and/or any other employer member of the Group as required by the foregoing are duly made as so required and in the manner and by the latest time provided in Sections 431(4) and (5) ITEPA.

- 11 4 The Directors may in their absolute discretion and shall if required by any Special Director, and without assigning any reason therefor, decline to register (i) any transfer of any share over which the Company has a lien, (ii) any transfer to more than four transferees, (iii) any transfer comprising shares of more than one class; (iv) any transfer of any share which is not fully paid to a person of whom the Directors do not approve, or (v) any transfer to an infant bankrupt or person suffering from mental disorder as that expression is used in Regulation 81(c) of Table A, or (vi) any transfer made otherwise than in accordance with Regulation 24(a) of Table A.

## 12. EXPRESSLY PERMITTED TRANSFERS

- 12 1 The provisions of this Article 12 are subject to the restrictions in Article 11
- 12 2 Any share may be transferred at any time by a member to any other person with the written consent of the holders of not less than eighty per cent (or during a Default Period, fifty-one per cent) in nominal value of the issued Equity Shares or (except where Article 14 applies) with Investor Consent
- 12 3 Without prejudice to Regulation 5 of Table A, any share may be transferred to a person to be held as bare nominee and any shares held by a member as bare nominee may be transferred to any other person or persons provided, in either such case, that the transferor and transferee certify to the Company and the Directors (including any Investor Director) are satisfied that no beneficial interest in such shares passed by reason of the transfer.
- 12 4 Subject to Article 12 5 and subject also to Investor Consent first being obtained where the shares are not Investor Shares, the following transfers of shares shall be permitted and constitute Permitted Family Transfers for the purposes of these Articles
- (A) a transfer of shares by their absolute beneficial owner, being an individual ("**the Original Member**") or his personal or other legal representatives, to a Privileged Relation of his or to trustees to be held on Family Trusts of his,
  - (B) a transfer of any shares transferred under Article 12 4(A) and/or any Related Shares in relation thereto

- (1) to the Original Member or any Privileged Relation of his, or
    - (2) by the trustees of the Family Trust concerned to new or continuing trustees thereof;
  - (C) a transfer of any shares held on the Adoption Date and/or thereafter acquired by the trustees of a Family Trust of an Approved Beneficiary and/or any Related Shares in relation thereto:
    - (1) to the Approved Beneficiary or any Privileged Relation of his, or
    - (2) to new or continuing trustees of such Family Trust
- 12.5 If a member holds shares as a result of an earlier transfer under Article 12.4 that member may only transfer such shares and/or any Related Shares in relation thereto under Article 12.4 to a person to whom the member who originally transferred him the shares could have transferred them under Article 12.4.
- 12.6 Any Investor may transfer all or any of its shares
- (A) to a Permitted Investor Transferee; or
  - (B) to a member who is already an Investor (or a person who is a Permitted Investor Transferee thereof), or
- provided that, in the case of Article 12.6(B), the transfer is approved by Investor Consent. Each person holding shares as a result of any such Permitted Transfer shall also be an Investor for the purposes of these Articles
- 12.7 If a member holds shares as a result of an earlier transfer under Article 12.6(A), that member may only transfer such shares and/or any Related Shares in relation thereto under Article 12.6(A) to a person to whom the member who originally transferred him the shares could have transferred them under Article 12.6(A)
- 12.8 Any shares may be transferred to the trustees of an Employees Trust or by the trustees of an Employees Trust to any beneficiary hereunder and the trustees of an Employee Trust may grant options in favour of any such directors or employees, provided in any such case such transfer or option is effected or granted in accordance with the terms of such trust and has been approved by Special Director Consent

### **13. MANDATORY TRANSFERS**

- 13.1 Subject to Article 13.2 if a person becomes a Leaver
- (A) he and each Relevant Member in relation to him shall, if and to the extent required by the Directors or any Special Director by notice in writing given to him (or his personal representative, as appropriate) at any time and from time to time during the period of twelve months following his Leaving Date, give a Mandatory Transfer Notice or Notices in respect of all or any of his or their Relevant Shares,
  - (B) if he or any Relevant Member in relation to him shall have been required to give a Mandatory Transfer Notice pursuant to Article 13.1(A) above or if when he became a Leaver he held no shares in the Company in respect of which such a Transfer Notice could have been required, he shall, if he subsequently becomes registered or unconditionally entitled to be

registered as the holder of shares in the Company pursuant to a right or opportunity made available to him prior to his becoming a Leaver, be deemed (unless otherwise agreed by all the Directors with Investor Consent) to have served a Mandatory Transfer Notice in respect of all such shares, upon becoming so registered or entitled

- 13 2 The Company may from time to time agree in writing, with Investor Consent, to exclude any one or more particular individuals and/or any of his or their Relevant Members from the provisions of Article 13.1, whether generally or in respect of a designated proportion of his or their Relevant Shares
- 13 3 If a Family Trust ceases for any reason to be a Family Trust any shares held by such trust shall be transferred (either directly or upon trust) to the Original Member or Approved Beneficiary whose Family Trust it is or to Privileged Relation(s) of that Original Member or Approved Beneficiary within twenty one days of that event failing which the trustees shall be deemed to have given a Mandatory Transfer Notice (in respect of all such shares held by the trustees) at such time thereafter as the Directors of the Company (with Investor Consent) or any Special Director shall notify it in writing.
- 13 4 If any person holding shares as a bare nominee as contemplated by Article 12 3 ceases to be such a nominee and shall fail within twenty-one days of such event to transfer all the shares concerned to the original beneficial owner then such person shall be deemed to have given a Mandatory Transfer Notice in respect of such shares at such time thereafter as the Directors of the Company (with Investor Consent) or any Special Director shall notify in him in writing
- 13 5 A person entitled to shares in consequence of the death bankruptcy receivership or liquidation of a member shall be bound at any time within twelve months of becoming so entitled, if and when called upon in writing by the Directors or a Special Director so to do, to give a Mandatory Transfer Notice in respect of all shares then registered in the name of the deceased or insolvent member unless such person is, or shall (within twenty-eight days of becoming so entitled) transfer such shares to, a person to whom shares may be transferred pursuant to Article 12. Regulations 20 to 31 inclusive of Table A shall be modified accordingly
- 13 6 If the Directors become aware that any shares are held by or for a Competitor they may with Investor Consent (and will if so required in writing by an Investor Majority) require, by written notice, the holder of the shares concerned to give a Mandatory Transfer Notice in respect of all or any of those shares either immediately or within such period as shall be specified in that notice
- 13 7 For the purpose of ensuring that a transfer of shares is in accordance with the provisions of these Articles and duly authorised hereunder or that no circumstances have arisen whereby a Transfer Notice is required to be given hereunder the Directors may (and shall if required by a Special Director) from time to time require any member or past member (including any one or more of joint holders of shares) or the legal personal representatives or the trustee in bankruptcy of any member or any person named as a transferee in any instrument of transfer lodged for registration, to furnish to the Company such information and evidence as the Directors (including any Special Director) may reasonably think fit regarding any matter which they may reasonably deem relevant to such purpose
- 13 8 If any information or evidence requested under Article 13 7 is not provided to the reasonable satisfaction of the Directors (including any Special Director) within

fourteen days after such a request, the Directors may (and will if required by any Special Director) refuse to register the transfer in question or (in case no transfer is in question) require by notice in writing that a Mandatory Transfer Notice is given in respect of the shares concerned. If such information or evidence discloses that in the reasonable opinion of the Directors a Transfer Notice ought to have been given in respect of any shares the Directors may (and will if required by any Special Director) by notice in writing require that a Mandatory Transfer Notice is given pursuant to these Articles in respect of the shares concerned.

- 13.9 Where under the provisions of these Articles a Mandatory Transfer Notice is required to be given in respect of any shares but it is not given within a period of fourteen days of demand therefor being made or within any other period specified it shall, be deemed to have been given on the fourteenth day after such demand is made or at the end of the relevant specified period, as appropriate

#### 14. TAG ALONG AND DRAG ALONG

- 14.1 Subject to Article 14.5, no sale or transfer of any shares ("**the Specified Shares**") shall be made which would result if made and registered (when taken together with all other proposed contemporaneous sales or transfers of shares in the Company) in a person or persons obtaining a Controlling Interest in the Company unless (i) the proposed transferee or transferees or his or their nominees has or have made a Qualifying Offer, as provided below, to purchase all of the issued share capital of the Company (including those to be issued on exercise of Subscription Rights) and (ii) all the Investor Loan Stock then in issue shall be redeemed by the Company or purchased by the Purchaser for its Specified Price referred to below on or before completion of the purchase of the Specified Shares.

- 14.2 If any Qualifying Offer which is proposed to be made under Article 14.1 is approved in writing for the purposes of this Article 14.2 and is accepted in respect of all their shares by the holders of at least fifty per cent (50%) in nominal value of the issued 'A' Ordinary Shares (even if including the purchaser or any persons connected with it or acting in concert with it) ("**the accepting shareholders**") then the holders of the other Equity Shares (including those who become such holders through exercise of Subscription Rights) shall be deemed hereby (both in that capacity and also if relevant in their capacity as the holders of any Investor Loan Stock) to appoint such person as shall be appointed for this purpose by an Investor Majority as their attorney for the purposes of receiving and accepting and executing any documents on their part required under the terms of the offer (including any further powers of attorney to enable the purchaser of their shares to vote them pending registration of their transfer) and Article 15.11 shall apply mutatis mutandis for these purposes

- 14.3 A Qualifying Offer for the purposes of the Article shall be in writing and.

- (A) be unconditional or subject to a condition that if its conditions are not satisfied or waived by Investor Consent the proposed sale or transfer of the Specified Shares will not proceed;
- (B) be open for acceptance for at least twenty-one days from its date, which shall be specified therein,
- (C) be made at the Specified Price, as defined below; and



- (D) except where Article 14.2 applies, include a commensurate cash alternative for any part of the Specified Price that would otherwise not have been payable in cash

14.4 For the purpose of this Article the expression **"the Specified Price"**

- (A) means in the case of any shares, and subject as provided below, a price per share at least equal to that offered or paid or payable by the proposed transferee or transferees or his or their nominees respectively for the Specified Shares subject to such adjustment as shall be necessary to give effect to the provisions of Article 4.2,
- (B) shall include an amount equal to the relevant proportion of any other consideration (in cash or otherwise) received or receivable by the holder or holders of the Specified Shares which having regard to the substance of the transaction as a whole can reasonably be regarded as in addition to the price paid or payable for the Specified Shares;
- (C) shall, in the case of any Investor Shares not be less than the amount paid up on them (plus an amount equal to all dividends and other monies accrued but not paid by the Company thereon), and
- (D) means, in the case of any Investor Loan Stock to be purchased or redeemed, its Redemption Value

14.5 Articles 14.1 and 14.2 shall not apply to any sale or transfer of shares under any of Articles 12.3 to 12.8 inclusive

14.6 Article 15 shall not apply to any transfer of shares made under Article 14.2 in circumstances where the holders (or their attorney(s) appointed in accordance with Article 14.2) of all the Equity Shares accept such offer

14.7 In the event of disagreement as to the calculation of the Specified Price or the amount of any cash alternative therefor for the purposes of this Article such disagreement shall, if not resolved within fourteen days of it arising, be referred to an umpire (acting as expert and not as arbitrator) nominated by the parties concerned (or in the event of disagreement as to nomination, appointed by the President for the time being of the Institute of Chartered Accountants in England and Wales on application by any such party) whose decision shall be final and binding (in the absence of manifest error) and the costs of such umpire shall be borne as he shall direct or, in default of such a direction, equally by the parties to the disagreement

## 15. **THIRD PARTY TRANSFERS**

15.1 Subject to Articles 11, 12 and 14, no shares or any interest therein shall be transferred or disposed of whether by way of sale or otherwise except in accordance with the following provisions of this Article 15.

15.2 Every holder of shares or person entitled to be registered in respect of a share or shares of the Company who intends to transfer or dispose of any share or shares registered in his name and/or to which he is so entitled or any interest therein (**"the Proposed Transferor"**) shall give notice in writing to the Directors of such intention (**"a Transfer Notice"**).

15.3 A Transfer Notice shall specify the number and class of shares which the Proposed Transferor intends to transfer and where a Transfer Notice is given or

deemed given in respect of shares of more than one class a separate Transfer Notice shall be deemed to have been given in respect of each such class of share

- 15 4 A Voluntary Transfer Notice may provide as a condition ("**a Total Transfer Condition**") that unless all the shares specified or deemed comprised therein are sold to persons found by the Company pursuant to this Article none shall be sold, and except as hereinafter provided, a Transfer Notice once given or deemed to be given shall not be revocable without the written consent of the Board including the Special Director (if any) in office at the time.
- 15 5 A Transfer Notice shall constitute the Company the agent of the Proposed Transferor to sell all the shares specified or deemed comprised therein ("**the Offered Shares**") in accordance with the provisions of this Article
- 15 6 Upon the expiry of seven days after determination of the Transfer Value of the Offered Shares as provided below and, provided the Proposed Transferor shall not have withdrawn the Transfer Notice as permitted in Article 15 18, the Directors shall forthwith by notice in writing inform
- (A) each of the members (other than the Proposed Transferor), and
  - (B) where the Offered Shares are Ordinary Shares or other shares originally subscribed by an Employees Trust ("**Employee Shares**"), such employees or proposed employees of any Group Company and/or the trustees of such Employees Trust or Trusts as the Directors shall agree with Investor Consent and/or as shall be required by the Special Director;
- of the number of and the price (being the Transfer Value) of the Offered Shares and invite each member or (where appropriate) other persons referred to in Article 15.6(B) ("**Priority Offerees**") to whom such notice is given to apply in writing to the Company within twenty one days of the date of despatch of the notice (which shall be specified therein) for such maximum number of the Offered Shares (being all or any thereof) as he shall specify in such application
- 15 7 The Directors shall, within seven days after the end of the twenty one day period referred to in Article 15.6, notify the Proposed Transferor of the number of Offered Shares (if any) for which they have found a purchaser or purchasers pursuant to Article 15 6 and, if the Directors have found such a purchaser or purchasers in respect of some only of the Offered Shares and the Transfer Notice properly contained a Total Transfer Condition, the Proposed Transferor shall be entitled to withdraw the Transfer Notice (in whole but not in part) within five days of such notification
- 15 8 During the three months following the end of the period of seven days referred to in Article 15 7 the Proposed Transferor (whether or not the Transfer Notice has been withdrawn under that paragraph) may (subject to Article 11) transfer to any person or persons at any price per share (not being less than the Transfer Value thereof determined aforesaid) any share not allocated in accordance with the provisions of this Article, except that if he has withdrawn the Transfer Notice under Article 15.7, he may not sell some only of the Offered Shares except with Investor Consent
- 15 9 If within the period of twenty-one days referred to in Article 15 6 applications are found for all or (except where the Transfer Notice is withdrawn under Article 15 7) any of the Offered Shares, the Directors shall allocate the Offered Shares (or so many of them as shall be applied for as aforesaid)

- (A) where the Offered Shares are Employee Shares, first to and amongst the applicant Priority Offerees in such proportions as the Directors shall agree with Investor Consent or to such persons who are or who are eligible to be Priority Offerees as shall otherwise be required by the Special Director and, secondly (if any such Offered Shares remain after such applications/transfers have been satisfied and effected in full), to and amongst the remaining applicants as provided in Articles 15.9(B) to 15.9(D),
- (B) except to the extent Article 15.9(A) applies, first or, as the case may be, next, to and amongst the applicants who are registered in respect of shares of the same class as the Offered Shares treating Equity Shares as one and the same class for this purpose (and to the extent there is competition between such applicants, pro rata according to the number of shares of such class of which they are registered as holders),
- (C) next (if any of the Offered Shares shall remain after the applicants under Articles 15.9(A) and 15.9(B) have been satisfied in full) to and amongst the remaining applicants who are registered holders of equity share capital of the Company (but not including any Equity Shares) and, to the extent there is competition between such remaining applicants, pro rata to the number of such shares of which they are respectively registered as holders, and
- (D) lastly (if any of the Offered Shares shall remain after all applicants under Articles 15.9(A) and 15.9(B) and 15.9(C) have been satisfied in full) to and amongst the remaining applicants (and, to the extent there is competition between such remaining applicants, pro rata according to the number of the shares of the Company of whatever class in respect of which they are registered as holders)

PROVIDED THAT no applicant shall be obliged to take more than the maximum number of Offered Shares applied for by him as aforesaid and that all requisite adjustments shall be made in the event that any applicant allocated Offered Shares shall fail to complete the purchase of the same when required in accordance with this Article

- 15.10 The Directors shall forthwith give notice in writing of the allocations of Offered Shares made pursuant to Article 15.9 (an "**Allocation Notice**") to the Proposed Transferor and to the persons to whom Offered Shares have been allocated and (provided that the aggregate number of shares so allocated coincides with the number of shares notified to the Proposed Transferor pursuant to Article 15.7) the Proposed Transferor shall thereupon be bound to transfer the shares allocated upon payment of the Transfer Value thereof. An Allocation Notice shall state the names and address of the purchasers and the number of shares agreed to be purchased by them respectively and the purchases shall be completed at such place and such time as shall be specified by the Directors in such Notice being not less than seven days nor more than twenty eight days after the date of such Notice
- 15.11 If the Proposed Transferor having become bound as aforesaid makes default in accepting payment of the purchase price for any Offered Share or, as the case may be, in transferring the same, the Directors or any Investor Director may receive such purchase money and may nominate some person to execute an instrument of transfer of such share in the name and on behalf of the Proposed Transferor and thereafter when such instrument has been duly stamped the Directors shall cause the name of the transferee to be entered in the Register of

Members as the holder of such share and where applicable shall hold the purchase money in trust without interest for the Proposed Transferor. The receipt of the Directors or any Investor Director for the purchase money shall be a good discharge to the purchaser (who shall not be bound to see to the application thereof) and after his name has been entered in the Register of Members in purported exercise of the aforesaid powers the validity of the proceedings shall not be questioned by any person.

- 15 12 Subject to Article 15.13, where a Voluntary Transfer Notice is given by an Investor the Transfer Value shall be such price per share as the Proposed Transferor shall specify in such Transfer Notice or, if no such price is specified, the Transfer Value agreed or determined under Article 15 16.
- 15 13 Where a Transfer Notice is given pursuant to acceptance of an offer made under Article 14, the Transfer Value shall be the Specified Price of the Offered Shares concerned.
- 15 14 Where a Mandatory Transfer Notice is given pursuant to Article 13 1 (or when it could have been so required) by a Bad Leaver or by a Relevant Member in relation to a Bad Leaver, the Transfer Value shall not exceed the amount paid up (inclusive of share premium) on the Offered Shares or, if lower, their Fair Value, unless otherwise agreed by Investor Consent.
- 15 15 When a Mandatory Transfer Notice is given under Article 13 1 (or when it could have been so required) by a Good Leaver or a Relevant Member of a Good Leaver, the Transfer Value of the Offered Shares shall be the amount (inclusive of share premium) paid up on the Offered Shares or, if higher, the following percentage of their Fair Value depending upon the number of whole years elapsed between the Commencement Date and Leaving Date of that Leaver

<u>Elapsed Years</u>	<u>% Fair Value</u>
less than one	0%
one or more but less than two	33%
two or more but less than three	67%
three or more	100%

- 15 16 Subject to Articles 15 12, 15 13, 15 14 and 15 15, the Transfer Value per share of any shares to be transferred pursuant to the provisions of these Articles shall be such sum as may be agreed between the Proposed Transferor and the Directors (with Investor Consent or the written consent of any Investor Director then in office) within twenty-eight days of the service or deemed service upon the Company of a Transfer Notice in which the Offered Shares are comprised or, in default of such agreement, such sum as the Determining Accountant shall report in writing as being in his opinion the fair value thereof on the Relevant Date (as defined below) ("**the Fair Value**") on the following basis:
- (A) assuming a sale as between a willing vendor and a willing purchaser of the whole of the issued shares of the Company in the open market,
- (B) by attributing to each class of shares such proportion of the sum calculated above as the Determining Accountant shall consider appropriate, and

- (C) by determining the Transfer Value per share of the Offered Shares by dividing the total value determined as aforesaid of the issued shares of the same class as (and including) the Offered Shares by the number of shares of such class then in issue

15 17 For the purposes of Article 15 16

- (A) the Determining Accountant shall be an chartered accountant appointed by agreement between the parties within seven days following the expiration of the period of twenty-eight days referred to in Article 15.16 or, failing such agreement, such valuer as is appointed (on the application of the Proposed Transferor or the Directors) by the President for the time being of the Institute of Chartered Accountants in England and Wales;
- (B) the "**Relevant Date**" shall mean
  - (1) in the case of a Voluntary Transfer Notice, the date on which it was given, or
  - (2) the Leaving Date of the relevant Leaver, where a Mandatory Transfer Notice is given by a Leaver or a Relevant Member of a Leaver pursuant to Article 13 1 or when it could have been so required, and
  - (3) in the case of any other Mandatory Transfer Notice, the date on which it was given or (if earlier) first required to be given under these Articles, and
- (C) the Determining Accountant shall be deemed to be acting as an expert and not as arbitrator and his report shall be in writing and addressed and produced to the Proposed Transferor and the Company and shall be final and binding, in the absence of manifest error therein The Directors shall procure that any Report required hereunder is obtained with due expedition and (save as provided in Article 15 18) the cost of obtaining such Report shall be borne by the Company

15 18 In the case of a Voluntary Transfer Notice where the Transfer Value is required to be determined by the Determining Accountant under Article 15 16, the Proposed Transferor shall have the right (at any time before the expiry of seven days after issue of the report by the Determining Accountant as to the Transfer Value of the Offered Shares and even if the Determining Accountant has not been appointed at the time) to withdraw the Transfer Notice by giving notice of such withdrawal to the Directors in writing and in such event he shall be responsible for the costs and expenses of the Determining Accountant referred to in Article 15 17 insofar as incurred prior to the date the Transfer Notice was withdrawn.

15 19 Upon receipt of a written application from any member holding shares in the Company, and subject to payment by him of the costs thereby incurred, the Directors shall request the Auditors to state the sum which in their opinion is the Fair Value of the share or shares being the subject of such application and such statement shall be certified in writing by the Auditors (acting as experts and not as arbitrators) Any member holding shares in the capital of the Company shall be entitled at any time to make an application to the Directors in pursuance of this Article and such application shall not be deemed to constitute a notice of his intention to transfer shares within the meaning of these Articles.

## **16. GENERAL MEETINGS**

- 16 1 All general meetings of the Company shall be held within the United Kingdom and no business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business and at all times throughout the meeting thereafter.
- 16 2 Two members present in person or by proxy (or, being a corporation, by representative) shall be a quorum provided that, subject to Article 16 3, one such member must be a holder of 'A' Ordinary Shares present in person or by proxy or corporate representative.
- 16 3 If at an adjourned meeting a quorum for the purposes of Article 16.2 is not present within half an hour from the time appointed for the meeting the meeting shall be dissolved, unless the meeting was adjourned for fourteen days or more and written notice of such adjournment was given to the members within five days of the adjournment, whereupon the quorum at any such adjourned meeting shall be any two members present in person or by proxy (or, being a corporation, by representative) Regulation 41 of Table A shall be read and construed accordingly.
- 16 4 At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before, or on the declaration of the result of, the show of hands) demanded by the Chairman or by any member present in person or by proxy On a show of hands votes may be given either personally or by proxy.
- 16 5 Unless a poll is demanded as provided in Article 15 4, a declaration by the Chairman that a resolution has on a show of hands been carried or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the book containing the Minutes of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution. The demand for a poll may be withdrawn
- 16 6 In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall not be entitled to a second or casting vote
- 16 7 Subject to the Act, a resolution in writing signed by all the members for the time being entitled to vote shall be as effective for all purposes as a resolution duly passed at a general meeting of the Company duly convened and held, and may consist of several documents in the like form each signed by one or more members In the case of a corporation the resolution may be signed on its behalf by a Director thereof or by its duly appointed or duly authorised representative
- 16 8 Regulation 62 of Table A shall be modified by the substitution in paragraph (a) of the words "one hour" in place of "48 hours" and by the substitution in paragraph (b) of the words "one hour" in place of "24 hours".

## **17. APPOINTMENT AND REMOVAL OF DIRECTORS**

- 17 1 Subject to the Act and unless and until the Company by special resolution shall otherwise determine, there shall be no maximum number of Directors and there shall be a minimum of two Directors.

- 17.2 Subject to the class rights of the Investor Shares, the holders for the time being of a Majority of the issued equity share capital of the Company may at any time and from time to time by written notice given to the Company at its registered office for the time being or to any Investor Director (such notice to take effect on delivery) appoint any person as a director and/or secretary of the Company and/or remove any person as a director and/or secretary of the Company, howsoever appointed.
- 17.3 The office of a Director shall be vacated if:
- (A) he ceases to be a Director by virtue of any provision of the Act or he becomes prohibited by law from being a Director, or
  - (B) he becomes bankrupt or insolvent or makes any arrangement or composition with his creditors, or
  - (C) he is, or may be, suffering from mental disorder and either:
    - (1) he is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983 or, in Scotland, an application for admission under the Mental Health (Scotland) Act 1960, or
    - (2) an order is made by a Court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his property or affairs; or
  - (D) (not being precluded from so doing by the terms of any contract with the Company) he resigns the office of Director by notice in writing to the Company, or
  - (E) in accordance with these Articles, he is removed from office by a resolution duly passed pursuant to Section 168 of the Act or by special resolution or under Article 17.2 (but without prejudice to any right he may have to damages by reason of such removal), or
  - (F) he shall for more than six consecutive months have been absent without permission of the Directors from meetings of the Directors held during that period and the Directors resolve that his office is vacated, or
  - (G) he is removed from office pursuant to Article 18

## **18. INVESTOR DIRECTORS AND SPECIAL REPRESENTATIVES**

- 18.1 Before a Flotation the holders of a Majority of the 'A' Ordinary Shares shall be entitled to appoint up to two persons as Directors of the Company one of whom who shall be the Special Director and also to appoint the chairman of the Board (who will not be an Investor Director unless expressly stated in the notice appointing him) and to remove from office any person so appointed (and subject to removal) to appoint another person in his place
- 18.2 During a Default Period the Investors or any Special Director may by notice to the Company declare that upon receipt of such notice the Special Director shall have that number of votes in relation to resolutions of the Board which exceed by one

the number of votes in aggregate of the other Directors (including the casting vote of the chairman, if any)

- 18 3 Any Investor Director appointed pursuant to this Article shall not be required to hold any share qualification
- 18 4 Any appointment or removal of a director under this Article shall be by instrument in writing signed by the relevant appointor(s) given to any officer of the Company (not being the director the subject of the notice) or to the Company at its registered office and shall take effect on and from the date on which such instrument is so given. Any officer receiving such a notice shall promptly supply a copy of it to the Company.
- 18 5 A director appointed under this Article may appoint any person as an alternate pursuant to Article 20 without the approval of a resolution of the Directors
- 18 6 An Investor Director shall be entitled to be a member of any committee of the Board and also to be appointed to the boards of such of the other members of the Group as he shall require
- 18 7 For so long as the right to appoint an Investor Director under this Article subsists, upon a poll being taken in connection with a resolution of the Company in General Meeting to remove an Investor Director or to restrict or delete this Article, the members entitled to appoint the same shall be entitled to exercise such total number of votes in respect of their holdings of 'A' Ordinary Shares as shall equal twice the total number of votes cast on such resolution by all other shareholders of the Company
- 18 8 For so long as the right to appoint an Investor Director under this Article subsists the holders of the 'A' Ordinary Shares entitled to make such appointment may in the same manner as provided in this Article nominate an observer to fulfil the role of such Investor Director in lieu of such Investor Director.
- 18 9 An observer shall be entitled to all the rights (other than to vote at meetings of the Board) of an Investor Director and (if appointed in lieu of a Special Director, when he shall be termed "**a Special Representative**") the Special Director he is appointed instead of but shall not by virtue of such nomination become a director or alternate director of the Company. A Special Representative appointed in lieu of a Special Director shall be automatically deemed to have been removed from office if his appointors appoint a Special Director.
- 18 10 If no Special Director or Special Representative is in office his powers under Articles 11 to 15 inclusive may be exercised and enjoyed by an Investor Majority

## 19. **DIRECTORS MEETINGS**

- 19 1 Subject to Article 19 2, the quorum necessary for the transaction of business of the Directors shall be two, at least one of whom shall (if he is in office or unless he otherwise agrees in writing) be a Special Director or his alternate
- 19 2 If not less than seven days prior notice of any proposed meeting of Directors has been given in writing to each Director or his alternate (unless absent from the United Kingdom and he has failed to leave an address at which he may be contacted by visible communication) setting out in reasonable detail the matters proposed to be considered thereat and at such proposed meeting no Special Director is present as required by the foregoing, any two Directors present in person or by alternate shall constitute a quorum.



- 19 3 The Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit provided that (unless otherwise agreed by all the Directors at the time as regards the meeting concerned) all meetings of the Directors shall be held within the United Kingdom. A Director may, and the Secretary on the requisition of a Director shall, at any time summon a meeting of the Directors. Save in the case of an emergency and unless all the Directors (or their duly appointed alternates) shall agree to the holding of a meeting by shorter notice, at least seven days' notice of every meeting of Directors shall be given either in writing or by teleconference or other similar means of visible communication to each Director, unless absent from the United Kingdom and he has failed to leave an address at which he may be contacted by teleconference or other similar visible communication.
- 19 4 Any Director enabled to participate in the proceedings of a meeting by means of a communication device (including a telephone) which allows all the other Directors present at such meeting whether in person or by means of such type of communication device, to hear at all times such Director and such Director to hear at all times all other Directors present at such meeting (whether in person or by means of such type of communication device) shall be deemed to be present at such meeting and shall be counted when reckoning a quorum.
- 19 5 At any meeting of the Directors each Director (or his alternate Director if the Director himself is not present) present at the meeting shall be entitled to one vote. In the case of an equality of votes at any meeting the Chairman of such meeting shall not be entitled to a second or casting vote. Regulation 88 of Table A shall be modified accordingly.
- 19 6 A resolution in writing signed by all the Directors shall be as effective for all purposes as a resolution passed at a meeting of the Directors duly convened and held, and may consist of several documents in the like form, each signed by one or more of the Directors, but so that the expression "**Director**" in this Article shall not include an alternate Director.

## **20. DIRECTORS' DECLARATIONS OF INTEREST AND CONFLICT SITUATIONS**

- 20 1 A Director who to his knowledge is in any way, whether directly or indirectly, interested in any actual or proposed contract, transaction or arrangement with the Company shall in the circumstances and to the extent that the same is required by the provisions of the Act declare the nature and extent of his interest in the relevant manner (or in any of the relevant manners) permitted in such circumstances. A Director who has declared such an interest may (to the greatest extent permitted by law) vote at any such meeting on any resolution concerning a matter in which he has, directly or indirectly, an interest and (whether he votes or not) may be counted towards any quorum.
- 20 2 To avoid doubt and without prejudice to the generality of Article 20.1, a Director shall not be precluded from voting or (whether he votes or not) from counting in the quorum on any board resolution to convene any general or class meeting or to approve and issue any written resolution of the members of the Company (or of any class) because he may benefit from or otherwise be affected by any authorisation (or the revocation of, or amendment of, any authorisation) in the context of his duty under section 175 of the Act which would be effected or permitted by such resolution, if passed.
- 20 3 For the purposes of the Act and subject, where relevant, to Article 20 4, the Directors shall have the power to authorise, on such terms (including as regards duration and revocation) and subject to such limits or conditions (if any) as they

may determine ("**Conflict Authorisation**"), any matter proposed to them in accordance with these Articles which would, or might, if not so authorised, constitute or give rise to a situation in which a Director (a "**Relevant Director**") has, or could have, a direct or indirect interest which conflicts, or possibly may conflict, with the interests of the Company (a "**Conflict Situation**")

20 4 Save where an Investor Director is the director in question or otherwise interested in the matter or there is no Investor Director in office, authorisation by the Board under the power conferred by section 175 of the Act (and any subsequent amendment or revocation of any such authorisation) will be effective only if an Investor Director votes in favour of, or consents in writing to the same

20 5 Where Directors give a Conflict Authorisation under the power conferred by section 175 of the Act

(A) the terms of such Conflict Authorisation shall be recorded in writing (but the authorisation shall be effective whether or not the terms are so recorded),

(B) the Directors may revoke or vary such Conflict Authorisation at any time but this will not affect anything done by the Relevant Director prior to such revocation or variation in accordance with the terms of such authorisation, and

(C) the Relevant Director shall be obliged to act in accordance with any terms, limits or conditions to which such Conflict Authorisation is made subject

20 6 Any terms to which a Conflict Authorisation is made subject ("**Conflict Authorisation Terms**") may include (without limitation to Article 20 1) provision that

(A) where the Relevant Director obtains (other than in his capacity as a Director or as its employee or agent or, if the Directors so decide, in any other capacity that would otherwise oblige him to disclose it to the Company) information that is confidential to a third party, he will not be obliged to disclose it to the Company or to use it directly or indirectly for the benefit of the Company or in performing his duties as a Director in circumstances where to do so would amount to a breach of a duty of confidence owed to that third party; and/or

(B) the Relevant Director may (but shall be under no obligation to) absent himself from the discussion of, and/or the making of decisions relating to, the relevant matter (whether at any meeting of the Directors or otherwise) and be excused from reviewing documents and information prepared by or for the Directors to the extent that they relate to that matter, and/or

(C) the Relevant Director be excluded from the receipt of documents and information, the participation in discussion and/or the making of decisions (whether at Directors' meetings or otherwise) related to the relevant matter,

and the Company will not treat anything done (or omitted to be done) by the Relevant Director in accordance with any such provision (or otherwise in accordance with any Conflict Authorisation Terms given under Article 20 1) as a breach by him of his duties under sections 172 to 174 of the Act

20 7 Subject to Article 20 8, authorisation is given by the members of the Company for the time being on the terms of these Articles to each Director in respect of any Conflict Situation that exists as at the date of adoption of these Articles or that subsequently arises because (in either case) the Director is or becomes a shareholder, investor or other participant in, lender to, guarantor, director, officer, manager or employee of, or otherwise in any other way interested or concerned in, any member of the Relevant Group ("**Group Conflict Authorisation**") The Conflict Authorisation Terms applicable to the Group Conflict Authorisation ("**Group Conflict Authorisation Terms**") are automatically set by this article so that the Director concerned

(A) is not obliged to disclose to the Company information that is confidential to a third party obtained by him (other than in his capacity as a director of the Company or as its employee or agent or, if the Directors so decide, in any other capacity that would otherwise oblige him to disclose it to the Company) in any situation to which the Group Conflict Authorisation applies, nor to use any such information directly or indirectly for the benefit of the Company or in performing his duties as a Director, in circumstances where to do so would amount to a breach of a duty of confidence owed to that third party, and

(B) may (but shall be under no obligation to):

(1) absent himself from the discussions of, and/or the making of decisions;

(2) make arrangements not to receive documents and information,

relating to the Conflict Situation concerned,

and the Company will not treat anything done (or omitted to be done) by the director concerned in accordance with the Group Conflict Authorisation Terms as a breach by him of his duties under sections 172 to 174 of the Act.

20 8 A Group Conflict Authorisation given or deemed given under Article 0 may be revoked, varied or reduced in its scope or effect only by special resolution

20 9 In this Article 20 "**Relevant Group**" comprises.

(A) the Company,

(B) any body corporate which is for the time being a subsidiary of the Company;

(C) any body corporate of which the Company is for the time being a subsidiary ("**Parent**"), and

(D) any body corporate (not falling within any preceding paragraph of this definition) which is for the time being a subsidiary of the Parent

20 10 If and for so long as any Investor (or the custodian or nominee of any Investor) shall be the holder of any share in the capital of the Company, authorisation is given by the members of the Company for the time being on the terms of these Articles to each Investor Director for the time being (including any alternate) in respect of any Conflict Situation that exists as at the date of adoption of these Articles or that subsequently arises because (in either case) the director is or becomes a shareholder, investor or other participant in, lender to, guarantor,

director, officer, manager or employee of, or otherwise in any other way interested or concerned in, or has been appointed by any Relevant Investor Entity ("**Relevant Investor Conflict Authorisation**") The Conflict Authorisation Terms applicable to the Relevant Investor Conflict Authorisation ("**Relevant Investor Conflict Authorisation Terms**") are automatically set by this Article 20.10 so that the director:

(A) is not obliged to disclose to the Company information that is confidential to a third party obtained by him (other than in his capacity as a Director or as its employee or agent or in any other capacity that would otherwise oblige him to disclose it to the Company) in any situation to which the Relevant Investor Conflict Authorisation applies, nor to use any such information directly or indirectly for the benefit of the Company or in performing his duties as a Director, in circumstances where to do so would amount to a breach of a duty of confidence owed to that third party; and

(B) may (but shall be under no obligation to):

(C) absent himself from the discussions of, and/or the making of decisions,

(D) make arrangements not to receive documents and information,

relating to the Conflict Situation concerned,

and the Company will not treat anything done (or omitted to be done) by the director concerned in accordance with the Relevant Investor Conflict Authorisation Terms as a breach by him of his duties under sections 172 to 174 CA 2006.

20 11 Any Conflict Authorisation (whether under Article 20 3, Article 20 7 or Article 20 9(D)) shall (subject to any express contrary wording in its terms) be automatically deemed to extend to any actual or possible conflict of interest which may reasonably be expected to arise out of the Conflict Situation so authorised

20 12 Nothing in this Article 20 (Directors' declarations of interest and conflict situations) shall relieve any Director from any duty he may otherwise have to declare and to update any declaration of any interest but no failure, delay or inaccuracy in making or updating such declaration shall prejudice or invalidate any Conflict Authorisation (whether under Article 20 3, Article 20 7 or Article 20 9(D))

20 13 On any shareholder resolution (whether in general meeting or by written resolution or extra statutory agreement or otherwise):

(A) to confer, revoke or vary any authorisation for any Investor Director or Chairman of the Board but for which an Investor Director or the Chairman of the Board would be or may in the future become in breach of his duty to the Company under section 175 of the Act, or

(B) to amend or delete this Article 20 (Directors' declarations of interest and conflict situations),

only the A Ordinary Shares shall confer votes on their holders.

## **21. ALTERNATE DIRECTORS**

- 21 1 Each Director shall have the power at any time to appoint as an alternate Director either another Director or (except in the case of an Investor Director) any other person approved for that purpose by a resolution of the Directors (such approval not to be unreasonably withheld), and, at any time, to terminate such appointment. Every appointment and removal of an alternate Director shall be in writing signed by the appointor and (subject to any approval required) shall (unless all the Directors agree otherwise) only take effect upon receipt of such written appointment or removal at the registered office of the Company
- 21 2 An alternate Director so appointed shall not be entitled as such to receive any remuneration from the Company except only such part (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct, but shall otherwise be subject to the provisions of these Articles with respect to Directors. An alternate Director shall during his appointment be an officer of the Company and shall not be deemed to be an agent of his appointor.
- 21 3 An alternate Director shall (subject to his giving to the Company an address at which notices may be served upon him) be entitled to receive notices of all meetings of the Directors and of any committee of the Directors of which his appointor is a member and to attend and to vote as a Director at any such meeting at which his appointor is not personally present and generally in the absence of his appointor to perform and exercise all functions, rights, powers and duties as a Director of his appointor and to receive notice of all General Meetings
- 21 4 The appointment of an alternate Director shall automatically determine on the happening of any event which if he were a Director would cause him to vacate such office or if his appointor shall cease for any reason to be a Director otherwise than by retiring and being re-appointed at the same meeting.
- 21 5 A Director or any other person may act as alternate Director to represent more than one Director and an alternate Director shall be entitled at meetings of the Directors or any committee of the Directors to one vote for every Director whom he represents in addition to his own vote (if any) as a Director, but he shall count as only one for the purpose of determining whether a quorum is present.

## **22. BORROWING POWERS OF DIRECTORS**

- 22 1 Subject as otherwise provided in these Articles, the Directors may exercise all the powers of the Company to borrow money, whether in excess of the nominal amount of the share capital of the Company for the time being issued or not, and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof, and, subject to the provisions of these Articles and of the Act, to issue debentures, debenture stocks and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party
- 22 2 Before a Flotation, except with Investor Consent:
- (A) the Directors shall restrict the borrowings of the Company and exercise all rights exercisable by the Company in relation to other members of the Group (other than borrowings between the Company and/or any wholly owned subsidiaries thereof) so as to secure (so far as by such exercise they can secure) that, no money shall be borrowed if the aggregate principal amount outstanding of all borrowings by the Group other than the Investor Loan Stock then exceeds or would as a result of such

borrowing exceed £31,580,010 or such greater amount as shall be approved from time to time by Investor Consent;

- (B) the Company shall not and shall procure that no other member of the Group shall create issue or enter into or allow to subsist or arise any mortgage or charge or other encumbrance whatsoever over any of its assets or undertaking or give any other form of security except.
- (1) as security for the Investor Loan Stock; or
  - (2) pursuant to the terms of the Facility Documents referred to in the Subscription Agreement, or
  - (3) the encumbrances clearly disclosed in the Disclosure Letter to the Subscription Agreement as already being in force at the time of its Completion, or
  - (4) liens arising in the ordinary course of business securing monies not yet due for payment and fully provided for, and
- (C) the Company shall not and shall procure that no other member of the Group shall vary or agree to any material variation in the extent or terms of its borrowings and similar facilities or the extent or terms of any security given in respect thereof or open or vary the mandate applicable to any bank account

22 3 In this Article the expression "**borrowings**" shall exclude normal trade credit but shall include any obligation for the payment or repayment of money, whether as principal or as surety and whether present or future, actual or contingent, incurred in respect of (i) money borrowed or raised, (ii) any bond, note, loan stock, debenture or similar instrument, (iii) acceptance or documentary credit facilities, (iv) foreign exchange options, (v) rental payments under leases and hire purchase agreements and instalments under conditional sale agreements (in all cases whether in respect of land, machinery, equipment or otherwise) entered into primarily as a method of raising finance or of financing the acquisition or use of the asset concerned, (vi) guarantees, indemnities, bonds, standby letters of credit or other instruments issued in connection with the performance of contracts and or in respect of the indebtedness of any other person (vii) invoice discounting factoring or similar facilities and (viii) the amount paid up on any share capital of any subsidiary of the Company (other than equity share capital) not for the time being owned by the Company or any subsidiary thereof

22 4 No debt incurred or security given in respect of monies borrowed or to be taken into account as monies borrowed in excess of the aforesaid limit shall be invalid or ineffectual except in the case of express notice to the lender or the recipient of the security at the time when the debt was incurred or security given that the limit hereby imposed had been or was thereby exceeded, but no lender or other person dealing with the Company shall be concerned to see or inquire whether such limit is observed

## 23. **NOTICES**

23 1 Every Director of the Company and every alternate Director shall, upon supplying the Company with an address for the giving of notices therefor, be entitled to receive notices of general meetings, provided always that non-receipt of any such notice by any Director or alternate Director shall not invalidate the proceedings at the general meeting convened by such notice

- 23 2 A notice may be given (i) by the Company to any member or Director either personally or by sending it by first class post (airmail if abroad) or Royal Mail Special Delivery post or by facsimile or other means of visible communication to him or to his registered address or to the address supplied by him to the Company for the giving of notice to him or (ii) to the Company for the purpose of these Articles by like method at its registered office for the time being
- 23 3 Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, preparing and posting a letter containing the notice, and to have been effected at the expiration of forty-eight hours after the letter containing the same is posted. Where a notice is sent by facsimile or other means of visible communication, service of the notice shall be deemed to be effected forthwith
- 23 4 Notwithstanding anything else provided in these Articles, any Director who has not given an address for service to the Company shall not be entitled to notices hereunder

#### **24. INDEMNITY**

- 24 1 Subject to the provisions of the Act, but without prejudice to any other indemnity to which the person concerned may otherwise be entitled, every director, alternate director, auditor, secretary or other officer of the Company shall be entitled to be indemnified by the Company against all costs, charges, losses, expenses and liabilities incurred by him in the execution and discharge of his duties or the exercise of his powers or otherwise in relation thereto. Regulation 118 of Table A shall be extended accordingly
- 24 2 The Directors may exercise all the powers of the Company to purchase and maintain for every Director or other officer insurance against any liability for negligence, default, breach of duty or breach of trust or any other liability which may be lawfully insured against.

#### **25. FINANCING RESTRICTIONS**

Notwithstanding any other provisions of these Articles, no payment shall be declared or made by the Company by way of dividend or other distribution, purchase, redemption, reduction or return of shares or capital or by addition to or repayment of any dividend reserve if and to the extent that such payment is prohibited or restricted by any Financing Restriction. No dividends or other distributions payable in respect of the shares of the Company, whether pursuant to the provisions to these Articles or otherwise, shall constitute a debt enforceable against the Company unless permitted to be paid in accordance with any Financing Restriction

## **SCHEDULE**

### **(Definitions and Interpretation)**

- 1 The following provisions of Table A shall not apply to this Company viz Regulations 3, 24, 35, 39, 40, 46, 47, 50, 53, 54, 64 to 69 (inclusive) and 73 to 77 (inclusive), the last two sentences of Regulation 79 and Regulations 80, 81, 88, 89, 93 to 98 (inclusive) 115 and 118.

- 2 In these Articles (including this Schedule) unless the context otherwise requires

**"A' Ordinary Shares"** means 'A' Ordinary Shares of 1p each in the capital of the Company

**"Accounts"** means audited accounts of the Company or (as the case may be) audited consolidated accounts of the Group

**"Act"** means the Companies Act 2006

**"Adoption Date"** means the date of the passing of the resolution adopting these Articles

**"Approved Beneficiary"** means any person who, in relation to a Family Trust, is approved as such from time to time by the Board with Investor Consent or is otherwise stated by the Subscription Agreement to be an Approved Beneficiary

**"associated company"** means, in relation to a company, a subsidiary or holding company for the time being of such company or a subsidiary for the time being of such a holding company

**"Auditors"** means the auditors from time to time of the Company

**"Bad Leaver"** means any Leaver who is not a Good Leaver

**"B' Ordinary Shares"** means 'B' Ordinary Shares of 1p each in the capital of the Company

**"the Board"** means the board of directors from time to time of the Company or any duly constituted and authorised committee thereof

**"business day"** means a day (not being a Saturday or Sunday) on which banks generally are open for business in London

**"Commencement Date"** means in respect of any Leaver the later of 26 March 2004 or the date on which he first became a Relevant Executive;

**"Competitor"** means any person who, in the reasonable opinion of the Board (including any Investor Director) or an Investor Majority, carries on or is interested, directly or indirectly, in any business which competes, directly or indirectly, with any business carried on by the Group or who is connected with or an associated company of such a person

**"Controlling Interest"** means an interest in shares giving to the holder or holders control of the Company within the meaning of section 1124 of the CTA 2010



**"CTA 2010"** means the Corporation Tax Act 2010

**"Default Period"** means any period in which, except with Investor Consent or Special Director Consent

- (a) the Company or any member of the Group (other than a dormant subsidiary) is in liquidation or receivership or administration or otherwise insolvent within the meaning of Section 123 of the Insolvency Act 1986 (or the equivalent in any jurisdiction outside England and Wales) or the Directors of the Company admit the Company or such member of the Group is insolvent, or
- (b) an event of default (by whatever name called) is outstanding for the purposes of the Investor Loan Stock or any other borrowings or financial facilities of the Group exceeding £50,000 in aggregate and has not been remedied or any other event has occurred or circumstances subsist which (with the giving of notice, passing of time or otherwise) would be such an event of default; or
- (c) any of the special rights or privileges attaching to any Investor Shares in these Articles and/or the terms of any Investor Consent or Special Director Consent shall have been breached (other than a breach with immaterial consequences or caused by the Special Director or any holder(s) of Investor Shares) and (if remediable) not remedied within fourteen days of the breach to the satisfaction of the Special Director or an Investor Majority, or
- (d) the Company (except where the action of the Company is taken by or on the instructions of any holder(s) of the Investor Shares or the Special Director) other Principal Parties party to the Subscription Agreement or any of them are in material breach of any of its or their obligations assumed under or pursuant to the Subscription Agreement and (if remediable) shall have failed within fourteen days of the breach to remedy the same to the satisfaction of the Special Director.

**"Employees Trust"** means any trust established by the Company or another member of the Group (with any consent required under Article 6) to acquire and hold shares in the capital of the Company for the benefit of employees and/or former employees of the Group and/or their dependants

**"Equity Shares"** means Ordinary Shares and/or 'A' Ordinary Shares and/or 'B' Ordinary Shares and references to **"Equity Share Capital"** shall be construed accordingly

**"Fair Value"** means the fair value of any shares in the Company determined as provided in Article 15 16

**"Family Trust"** means in relation to any Original Member or Approved Beneficiary a trust (whether arising under a settlement inter vivos or a testamentary disposition by whomsoever made or on intestacy) under which:

- (a) no immediate beneficial interest in the shares in question is for the time being vested in any person other than the Original Member or Approved Beneficiary or Privileged Relations of his; and
- (b) no power of control over the voting powers conferred by such shares is for the time being exercisable by or subject to the consent of any person

other than the trustees as trustees or the Original Member or Approved Beneficiary or Privileged Relations of his

and so that for this purpose a person shall be considered to be beneficially interested in a share if such share or the income thereof is or may become liable to be transferred or paid or applied or appointed to or for the benefit of such person or any voting or other rights attaching thereto are or may become liable to be exercisable by or as directed by such person pursuant to the terms of the relevant trusts or in consequence of any exercise of a power or discretion conferred thereby on any person or persons

**"Financial Year"** means a financial year or other period in respect of which the Company prepares its Accounts in accordance with the relevant provisions of the Act

**"Financing Restriction"** means any provision of any loan or similar agreement entered into between the Company and any bank or similar financial institution with the express prior written approval of an Investor Majority and which prohibits or restricts the repurchase or redemption of any shares in the Company of payment of dividends thereon without the consent of that bank or institution

**"Flotation"** means the effective admission of any part of the equity share capital of the Company to the Official List of the UK Listing Authority and trading on The London Stock Exchange or the grant of effective permission by The London Stock Exchange for dealings to take place in the same on the Alternative Investment Market or the commencement of dealings in the same on any other recognised investment exchange (as defined in Part XVIII of the Financial Services and Markets Act 2000 (whichever is the earlier))

**"Good Leaver"** means a Leaver who

- (a) becomes a Leaver because:
  - (i) he dies, or
  - (ii) he is admitted to hospital in pursuance of an application of admission under the Mental Health Act 1983 or is subject to or an order is made by a Court having jurisdiction in matters concerning mental disorders, or
  - (iii) he or she suffers permanent disability or other incapability entitling the relevant member of the Group to terminate his or her contract of employment or other appointment, or
  - (iv) he or she retires on reaching the normal retirement age as set out under his or her contract of employment or other appointment; or
  - (v) he or she is unfairly dismissed, but not where such dismissal is unfair only by reason of procedural unfairness; or
- (b) does not fall within any of the foregoing categories but nevertheless the Board, with Investor Consent, designates him as a Good Leaver for the purposes of these Articles.

**"Group"** means the Company and its subsidiaries and subsidiary undertakings from time to time

**"Interest Rate"** means a rate (as well after as before judgment or liquidation) of three per cent (3%) per annum over the base rate for the time being of Barclays Bank PLC

**"Investor"** means any person being an allottee of Investor Shares and/or Investor Loan Stock and/or any person who becomes an Investor pursuant to Article 12.6 and who in any such case from time to time holds shares in the Company

**"Investor Consent"** means the written consent of an Investor Majority

**"Investor Directors"** means the Special Director and any other director appointed pursuant to Article 18 and references to an Investor Director shall be construed accordingly

**"Investor Group"** means, in relation to any corporate Investor, that Investor and its associated companies from time to time

**"Investor Loan Stock"** means the £5,000,000 Secured Loan Stock of the Company created by instrument executed on completion of the Subscription Agreement and any further such Loan Stock created with Investor Consent and consent of the holders of the Ordinary Shares (except in a Default Period)

**"Investor Majority"** means the holders of a Majority in nominal value of each class of Investor Shares

**"Investor Shares"** means 'A' Ordinary Shares and any other shares in the Company which with Investor Consent and the consent of the holders of the Ordinary Shares under Article 8 are designated as Investor Shares by Special Resolution

**"Leaver"** means any person who ceases or (as the case may be) will cease (through having given or been given notice) to be a Relevant Executive in circumstances where he does not or (as the case may be) will not continue immediately thereafter to be a Relevant Executive in any capacity

**"Leaving Date"** means the date on which the Leaver concerned became a Leaver

**"Majority"** means as regards members of a class or classes of shares, a majority by reference to the number of shares of such class or classes held and not by reference to the number of members holding shares of such class or classes

**"Mandatory Transfer"** means any transfer of shares required pursuant to Article 13 or which is given by any person at a time when he could be required under Article 13 to make such a transfer

**"Mandatory Transfer Notice"** means a Transfer Notice given or deemed to be given pursuant to Article 13 or given by a person at a time when he could be required under Article 13 to give such a Transfer Notice

**"Ordinary Shares"** means Ordinary Shares of 1p each in the capital of the Company

**"Original Member"** means an Original Member as defined in Article 12.4

**"Permitted Family Transfer"** means a Permitted Family Transfer as defined in Article 12.4 and references to a **"Permitted Family Transferee"** shall be construed accordingly

**"Permitted Investor Transferee"** means in relation to any Investor:

- (a) any member for the time being of its Investor Group,
- (b) any body corporate controlled by that Investor or another member of its Investor Group or which immediately following the transfer of Investor Shares concerned will be such a body corporate,
- (c) any investment fund or trust or partnership controlled or managed or advised (in an investment adviser capacity) or promoted by that Investor or another member of its Investor Group or any investment manager or advisor thereof;
- (d) any trustee or manager or beneficiary or shareholder or partner or unitholder or other participant in or of that Investor or any investment fund or trust or partnership referred to in paragraph (c) above;
- (e) any directors or employees of that Investor or a member of its Investor Group or any trust or carried interest or similar partnership in which they or any of them participate, or
- (f) any Investment trust or fund or partnership or other private equity investor to whom the Investor, if it is an original party to the Subscription Agreement, shall transfer shares by way of syndication of its investment, in whole or in part, with the consent of an Investor Majority, or
- (g) a nominee or custodian for any of the foregoing

**"Permitted Option"** means any Subscription Right:

- (a) outstanding on 26 March 2004, as clearly disclosed in or by the Disclosure Letter to the Subscription Agreement; or
- (b) granted after 26 March 2004 with Investor Consent

**"Permitted Transfer"** a transfer of shares permitted by Articles 10 to 15 (inclusive)

**"Privileged Relation"** means in relation to an individual member or deceased or former individual member, the husband or wife or the widower or widow of such member and all the lineal descendants in direct line of such member and a husband or wife or widower or widow of any of the above persons and for the purposes aforesaid a step-child or adopted child or illegitimate child of any person shall be deemed to be his or her lineal descendant

**"Redemption Value"** means as regards any Investor Loan Stock, its Redemption Value as defined in Article 11.4

**"Related Shares"** means in relation to any shares, any shares issued in respect of such shares by way of capitalisation or bonus issue or acquired in exercise of any right or option granted or arising by virtue of them

**"Relevant Executive"** means a director or employee of, or a consultant to, the Company or any member of the Group

**"Relevant Member"** means in relation to a Relevant Executive or Leaver, any member holding shares as a direct or indirect result of a Permitted Family Transfer by such Relevant Executive or Leaver (or his personal representatives) or who or which is a Privileged Relation or Family Trust of such Relevant Executive or Leaver holding shares as a result (directly or indirectly) of their subscription by them (or another Privileged Relation or Family Trust of his) at the request or direction of the Relevant Executive or Leaver

**"Relevant Shares"** means any shares in the Company for the time being held by a Relevant Member and/or in respect of which a Relevant Member is unconditionally entitled to be registered as the holder

**"Sale"** means the sale or transfer (excluding any acquisition of shares by way of Permitted Investor Transfer) of Equity Shares constituting at least ninety per cent of the equity share capital of the Company to a single purchaser (or to one or more purchasers as part of a single transaction) or the acquisition (whether or not as part of a single transaction but excluding any acquisition of shares by way of Permitted Investor Transfer) of Equity Shares constituting such an interest by any person or group of persons who are connected persons of each other and who did not previously hold such an interest

**"Senior Executive"** means a Relevant Executive in receipt of remuneration (including for this purpose all amounts paid by way of commission or bonus or under any profit sharing bonus or incentive scheme or by way of pensions contribution) in excess of £40,000 per annum or such increased amount as may from time to time have been approved by Special Director Consent

**"Special Director"** and **"Special Representative"** means any Special Director or Special Representative appointed pursuant to Article 18

**"Special Director Consent"** means the express written consent of the Special Director or Special Representative in office at the relevant time or, where there is no Special Director or Special Representative in office or the Special Director or Special Representative in office is unable to unwilling or unavailable to provide any consent for the purposes of these Articles, an Investor Consent

**"Subscription Agreement"** means the Subscription Agreement entered into on 26 March 2004 between, inter alios, the Company and certain of its members relating to the subscription of Investor Shares and Investor Loan Stock, as from time to time amended supplemented or novated

**"Subscription Rights"** means any rights (whether under options, warrants, on conversion of any indebtedness or otherwise) to call for the allotment or issue of shares in the Company

**"Transfer Notice"** means a Voluntary Transfer Notice or a Mandatory Transfer Notice, as the case may be

**"the Transfer Value"** means the value attributable to the shares comprised in any Transfer Notice determined as provided in Article 15

**"Voluntary Transfer"** means any transfer of shares other than a Mandatory Transfer;

**"Voluntary Transfer Notice"** means a Transfer Notice other than a Mandatory Transfer Notice.

- 3 In these Articles references to a document being executed include references to its being executed under hand or under seal or as a deed or by any other method and references to writing include references to any visible substitute for writing and to anything partly in one form and partly in another form
- 4 In these Articles words denoting the singular number include the plural number and vice versa, words denoting the masculine gender include the feminine gender and words denoting persons include corporations
- 5 Where the context so admits, words or expressions contained in these Articles bear the same meaning as in the Act as in force on the Adoption Date.
- 6 Except where expressly stated references in these Articles to any provision of any enactment or of any subordinate legislation (as defined by Section 21(1) of the Interpretation Act 1978) include any modification or re-enactment of that provision for the time being in force
- 7 References in these Articles to a "connected person" of any person and "control" shall mean any connected person thereof and control for the purposes of Sections 839 and 840 of the Income and Corporation Taxes Act 1988 as in force on the Adoption Date
- 8 References to the amount "paid up" on a share shall include all amounts credited as paid up thereon including any premium
- 9 References in these Articles to a "dormant subsidiary" of the Company are references to any subsidiary of the Company which at the relevant time is dormant for the purposes of the Act as in force on the Adoption Date.
- 10 The headings in these Articles are inserted for convenience only and shall not affect their construction.