

Companies Act 2006
Private Company Limited by Shares

ARTICLES OF ASSOCIATION

of

UPP GROUP LIMITED

**Amended by special resolution passed on 12 September
2012, to be adopted on 12 September 2012**

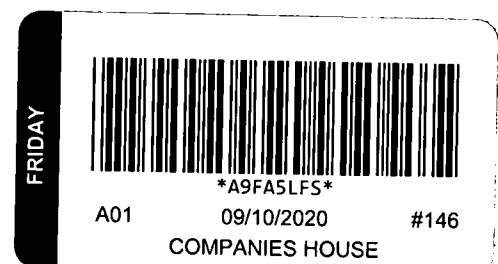
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of

UPP GROUP LIMITED

1 Preliminary and interpretation

1.1 In these Articles, unless there is something in the subject or context inconsistent therewith:

Adoption Date means the date of adoption of these revised Articles

Articles means these articles of association

A Shareholder means a Shareholder who holds A Shares from time to time

A Shareholder Representative means initially PGGM and then any other person approved as such by a Class A Ordinary Shareholder Resolution

A Share Return means the Capital Payment less any B Share Return

A Shares means the A ordinary shares of £0.0001 each in the capital of the Company, which have the rights and restrictions set out in these Articles

Bad Leaver Reason means, in respect of any Employee Participant who becomes a Departing Employee, a reason that is not a Good Leaver Reason, a Neutral Leaver Reason or an Intermediate Leaver Reason

Barclays Sale means any sale by a Barclays Entity to a Third Party of all or part of its interests, whether direct or indirect, in the Company, including, without limitation, a sale of shares in Student UK Topco Limited, provided that any such sale is the result of a contract of sale executed within eighteen months of the Adoption Date

Barclays Entity means each of BEIF (UPP) L.P., Barclays European Infrastructure Fund II Limited Partnership, The Alma Mater Fund L.P and any other Affiliate (as that term is defined in the SHA) of such entities

Board means the board of directors of the Company from time to time or, as the context may require, any duly authorised committee thereof (including, without limitation, the remuneration committee)

B Shareholder means a Shareholder who holds B Shares from time to time

B Share Return means in respect of any Capital Payment the amount of such Capital Payment referable to the B Shares calculated in accordance with the Spreadsheet, such amount to be determined by reference to the amount shown in the Relevant Cell (when such Capital Payment (aggregated with any previous Capital Payments), and any remaining value calculated on the Spreadsheet Assumptions (**Remaining Value**) is inserted in the Exit NPV cell for the relevant Performance Period), less:

- (a) any previous B Share Return paid out in accordance with these Articles and
- (b) the amount shown in the Relevant Cell when the Remaining Value is inserted in the Exit NPV cell for the relevant Performance Period, and subject to the Valuation Principles as set out in Article 13]

B Shares means the B ordinary shares of £0.01 each in the capital of the Company, which have the rights and restrictions set out in these Articles

Business Day means a day (other than a Saturday or Sunday) on which banks in the City of London are generally open for business

CA 2006 means the Companies Act 2006 including any statutory modification, amendment, variation or re-enactment thereof for the time being in force

Call Option means the right to require a B Shareholder to transfer his holdings of B Shares, as provided for by and in accordance with the provisions of Articles 10 and 11

Call Option Exercise Notice means a notice served in accordance with Articles 10.3 or 11.8, substantially in the form set out in the Appendix to these Articles

Call Option Exercise Period means:

- (a) in respect of a Call Option exercised under Article 10, 20 business days after notice of the proposed Share Sale is given to the B Shareholders (save that if for any reason notice is only given to the B Shareholders fewer than 20 business days before completion of the Share Sale, the Call Option Exercise Period shall be the period between the date of notification and the date of completion of the Share Sale) and
- (b) in respect of a Call Option exercised under Article 11, such period as the A Shareholders may determine in accordance with Article 11.9

Capital Payment means the amount paid by the Company on any return of capital (whether by liquidation, reduction of capital or otherwise)

Class A Ordinary Shareholder Resolution means a resolution passed by the A Shareholders from time to time

Company means UPP Group Limited

Competitive Activities means activities relating to the provision of student accommodation (other than by the direct provision of such accommodation by universities or other educational establishments offering secondary or tertiary education) that is competitive with or intends to be competitive with the activities of any member of the Group (including the provision of facilities management services in relation to student accommodation)

Date of Cessation means, in relation to a Departing Employee, the date on which he becomes a Departing Employee

Deferred Shares means deferred shares of £0.01 each in the capital of the Company, which have the rights and restrictions set out in these Articles

Deferred Shareholder means a Shareholder who holds Deferred Shares from time to time

Departing Employee means an Employee Participant who ceases or has ceased to be a director, officer or employee of, or to provide services to, the Company (or any other member of the Group) and does not continue as, or become, a director, or employee of or to provide services to any other member of the Group for whatever reason, provided that:

- (a) any person who ceases to be an employee of any member of the Group or whose services are no longer to be provided to any member of the Group, but who is remaining a director of any member of the Group after the termination of his employment or contract for provision of services, shall not be a Departing Employee until he is no longer a director of any member of the Group and
- (b) any person who ceases to be a director of any member of the Group but who continues to be employed by or to provide services to any member of the Group, shall not be a Departing Employee until he is no longer an employee of or providing services to any member of the Group.

Employee Participant means a person who is, or has been, a director, and/or an employee of and/or a consultant to any member of the Group and who holds B Shares or in respect of whom B Shares are held by the Nominee

Exit NPV cell means the cell of the Spreadsheet containing the exit NPV figure on the worksheet entitled "LTIS calcs" for the relevant Performance Period

Good Leaver Reason means, in respect of any Employee Participant who becomes a Departing Employee, where the Employee Participant becomes a Departing Employee:

- (a) on conduct related grounds that do not amount to gross misconduct
- (b) by reason of death or critical illness
- (c) by dismissal by his employer which is found by a court of competent jurisdiction (or which is agreed by the Board and the Departing Employee) to have been a breach of the Employee Participant's contract of employment or
- (d) on the grounds of redundancy as defined in the Employment Rights Act 1996

Group means the Company and each and any of its Subsidiaries from time to time, and **member of the Group** shall be construed accordingly

Intermediate Leaver Reason means, in respect of any Employee Participant who becomes a Departing Employee (other than for a Good Leaver Reason), where the Employee Participant becomes a Departing Employee in circumstances which are determined by an employment tribunal to be unfair or which the Board and the Departing Employee agree should be designated as unfair

Issue Date means, in relation to any Shares, the date of issue of those Shares JV Company has the meaning given to it in clause 6.20 of the SHA.

Listing means in connection with the admission to listing and/or trading of shares (the shares so listed being the **Listing Shares**) on a securities exchange, a sell down of not less than 75% of

- (a) the Shares, or
- (b) the shares of any UPP Chain Company or
- (c) the shares of any company which owns at least 75% of any of the Company's Subsidiaries

and for the avoidance of doubt, a sell down of less than 75% of the Listing Shares in connection with the admission to listing and or trading of shares on a securities exchange shall not be a Listing

Loan Notes means the loan note in agreed form as at the Adoption Date

Market Value means, subject to Article 14, the fair market value of a B Share at any time as determined pursuant to the most recent Valuation

Neutral Leaver Reason means, in respect of any Employee Participant who becomes a Departing Employee, where the Employee Participant becomes a Departing Employee by reason of his resignation

Nominee means UPP Group Holdings Limited (or such other person or entity who, from time to time, holds the legal interest of any B Shares on behalf of an Employee Participant)

Nominee Deed means the deed, in agreed form, or as otherwise approved by the Company, between an Employee Participant and the Nominee, pursuant to which the Nominee holds the legal title to B Shares on behalf of an Employee Participant

Ordinary Shares means the A Shares and the B Shares

Parent Undertaking shall have the meaning given to it in the CA 2006

Performance Period means each of the periods set out in the Spreadsheet, each such Performance Period corresponding to a financial year of the Company/Group

Permitted Transfer has the meaning in Article **Error! Reference source not found.**

Prescribed Ordinary Share Capital means the ordinary share capital (as that term is defined in section 1119 Corporation Tax Act 2010) of the Company

PGGM means PGGM Vermogensbeheer B.V.

Project means any student accommodation project carried on by an Underlying Company or a JV Company

Put Option means the right granted to a B Shareholder to transfer some or all of his holding of B Shares, as provided for by and in accordance with the provisions of Articles 6, 9 or 11

Put Option Exercise Notice means a notice served in accordance with Articles 6, 9 or 11 substantially in the form set out in the Appendix to these Articles

Put Option Exercise Period means:

- (a) in respect of a Put Option exercised under Article 6, the 31 day period starting on 1 May and ending on 31 May (inclusive) in each of 2016 to 2033 and
- (b) in respect of a Put Option exercised under Article 9, 20 business days after notice of the proposed Share Sale or Partial Sale is given to the B Shareholders (save that if for any reason notice is only given to the B Shareholders fewer than 20 business days before completion of the Share Sale or Partial Sale, the Put Option Exercise Period shall be the period between the date of notification and the date of completion of the Share Sale or Partial Sale) and
- (c) in respect of a Put Option exercised under Article 11, such period as is specified in accordance with Article 11.5

Relevant Cell means Cell E15 to L15 (depending on the relevant Performance Period) of the worksheet, forming part of the Spreadsheet, entitled Outperformance Schedule

Selling Shareholder means any Shareholder or any shareholder in a UPP Chain Company

SHA means the shareholders' agreement relating to Student UK Topco Limited entered in on 12 September 2012

Shareholder means a holder of Shares in the Company

Shares means the shares for the time being in the capital of the Company

Share Sale means:

- (a) a sale by Shareholders of A Shares which would result in a Third Party acquiring (whether through a single transaction or a series of transactions, and whether directly or indirectly) 75% or more in number of the A Shares or
- (b) any sale of one or more interests in one or more Parent Undertakings of the Company to a Third Party which indirectly has the effect of transferring 75% or more of the A Shares save that:
 - (i) after the tenth anniversary of the Adoption Date the percentages in paragraphs (a) and (b) above shall be 60% instead of 75% and
 - (ii) any Barclays Sale shall not constitute (or count towards) a sale of shares or interests for the purposes of this definition

Spreadsheet means the spreadsheet in agreed form as at the Adoption Date, as amended from time to time in accordance with Article 14

Spreadsheet Assumptions means the assumptions underlying the Spreadsheet in agreed form as at the Adoption Date and as amended from time to time by agreement between the Company, the B Shareholders and the A Shareholder Representative

Subsidiary shall have the meaning given to it in the CA 2006

Table A means Table A of The Companies (Tables A to F) Regulations 1985, as amended by the Companies (Tables A to F) (Amendment) Regulations 1985, the Companies Act 1985 (Electronic Communications) Order 2000, the Companies (Tables A to F) (Amendment) Regulations 2007 and the Companies (Tables A to F) (Amendment) (No. 2) Regulations 2007

Third Party means any person who is not either a party to the SHA or an Affiliate (as such term is defined in the SHA) of any such person

Third Party Purchaser means any Third Party who acquires shares (including, without limitation, Shares) pursuant to a Share Sale

Transfer means in respect of a transfer of Shares a transfer by a Shareholder of

- (a) full legal title and beneficial ownership and all legal and equitable interests in such Shares or
- (b) any transfer or other alienation of beneficial ownership of such Shares and **Transfers** shall be construed accordingly

Underlying Company has the meaning given to it in paragraph 6.16(b) of the SHA

Unvested B Shares has the meaning given in Article 8

UPP Chain Company means Student UK Topco Limited, Student UK Acqco Limited, UPP Group Holdings Limited and any company that is interposed:

- (a) above Student UK Acqco Limited (but below PGGM) or
- (b) below Student UK Topco Limited, Student UK Acqco Limited or UPP Group Holdings Limited (but above the Company)

Valuation means the valuation of the A Shares and the B Shares to be undertaken by the Company at 31 December of each year up to and including 2033, valuing the A Shares and the B Shares as at the end of the most recently ended Performance Period, such Valuation:

- (a) to be undertaken by reference to the Spreadsheet and the Valuation Principles set out in Article 13 (unless it is agreed by the Board, the A Shareholder Representative, and the Employee Participants to undertake the Valuation by reference to different principles) and
- (b) taking into account actual occurrences between the end of the most recently ended Performance Period and 31 December of the relevant year, and in particular, in respect of the B Shares, the amount showing in the Relevant Cell for the relevant Performance Period shall be the aggregate value of the B Shares

Valuation Principles has the meaning given in Article 13

Vanilla Put Option Exercise means the exercise of a Put Option under Article 6 but not under Article 9 or 11

Vested B Shares has the meaning given in Article 8

- 1.2 Unless the context otherwise requires, words or expressions contained in these Articles bear the same meanings as in the Companies Acts as in force on the date of adoption of these Articles.

1.3 In these Articles:

- (a) references to a regulation are to a regulation in Table A;
- (b) references to an article are to a provision of these Articles;
- (c) references to the Companies Act are to CA 2006 to the extent to which the provisions of the same are for the time being in force;
- (d) words and phrases used in these Articles shall have the meanings ascribed to them in or by virtue of Table A.

1.4 The regulations in Table A shall apply to the Company, except where they are excluded or modified by these Articles or are otherwise inconsistent with these Articles and, together with these Articles, they shall constitute the articles of the Company.

2 Share Capital

2.1 The share capital of the Company as at the Adoption Date is comprised of A Shares and B Shares having attached thereto the rights and restrictions as set out in these Articles.

2.2 Unless the authority hereby given is previously revoked or varied by the Company in general meeting, the directors may at any time and from time to time within the period of five years of the date of incorporation of the Company, in accordance with section 551 CA 2006, exercise generally and unconditionally the power of the Company to allot shares and to offer or agree to allot such securities (notwithstanding that such offer or agreement would or might require such securities to be allotted by the Company after the said period) provided that the maximum nominal value of the securities so allotted or offered or agreed to be allotted shall not, when aggregated with the nominal value of the Ordinary Shares in the capital of the Company agreed to be taken by the subscriber to the Memorandum of Association of the Company, exceed the authorised share capital of the Company as at the date of incorporation of the Company, and further provided that the total number of B Shares in issue shall not exceed 25,000.

2.3 The pre-emption provisions in section 561 of the CA 2006 and the provisions of sub-sections 562(1) to 562(5) inclusive of the CA 2006 shall not apply to any allotment of the Company's equity securities.

3 Rights attaching to A Shares and B Shares

3.1 The rights and restrictions attaching to the A Shares and the B Shares are as follows:

Dividends

- (a) subject to the terms of issue of any such Shares and the rights of the holders of any other class of Shares as provided in these Articles, the A Shareholders shall be entitled to receive any dividends out of the profits of the Company available for distribution and resolved under the Articles to be distributed in respect of each accounting reference period of the Company pro rata to the amounts paid up on their holdings of such Shares. For the avoidance of doubt, the B Shareholders shall not be entitled to receive any dividends;

Capital

- (b) on a distribution of assets of the Company among its members on a liquidation, reduction of capital or other return of capital, to the extent any surplus is remaining after satisfaction by the Company of its liabilities;
 - (i) the A Shareholders shall be entitled, pro rata to each holder's holding of A Shares as a proportion of the total number of A Shares in issue, to receive the amount paid up on their holdings of such A Shares together with a sum equal to the A Share Return as at the date of distribution of assets;
 - (ii) the B Shareholders shall be entitled pro rata to each holder's holding of B Shares as a proportion of the total number of B Shares in issue, to receive the amount paid up on their holdings of such B Shares together with a sum equal to the B Share Return as at the date of distribution of assets;

Voting

- (c) on a show of hands and on a poll every A Shareholder who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or by proxy shall have one vote for every A Share of which he is the holder. B Shares shall carry no voting rights save as provided for in Article 5

4 Non transferability of B Shares

4.1 Unless it is:

- (a) a Transfer of B Shares permitted by Articles 6, 7, 9, 10 or 11;
- (b) a Transfer of the legal title to such B Shares to the Nominee pursuant to a Nominee Deed;
- (c) a Transfer by a Secured Institution (as defined in Article 15.5(a) below); or
- (d) a Transfer made with prior written consent of the Board and the A Shareholder Representative,

(each being a **Permitted Transfer**) no B Shareholder or (when the B Shareholder is a Nominee for an Employee Participant) Employee Participant shall sell or transfer any B Share.

4.2 The purported sale, Transfer, disposal of or dealing with any right or interest in any B Shares in breach of these Articles shall be void.

5 General provisions relating to class rights

5.1 Subject to the provisions of the CA 2006, all or any of the rights for the time being attached to any class of Shares in issue may (whether or not the Company is being wound up) only be varied or abrogated either:

- (a) with the consent in writing of the holders of three quarters in number of the issued Shares of that class, which consent may be in hard copy form or electronic form sent to such address (if any) for the time being notified by or on behalf of the Company for that purpose or a combination of both;

- (b) with the sanction of a special resolution passed at a separate general meeting, of the holders of that class of Shares, but no such variation to the rights attached to any class of Shares may be made without A Shareholder Representative consent.

5.2 For the purposes of Article 5.1, if at any time the capital of the Company is divided into different classes of Shares, unless otherwise expressly provided by the terms of their issue, the rights attached to any class of Shares shall not be deemed to be varied by:

- (a) the creation or issue of further shares ranking prior to, or equally with, or subsequent to, that class of shares; or
- (b) the purchase or redemption by the Company of its own Shares.

5.3 All of the provisions of these Articles relating to general meetings of the Company or to proceedings at general meetings shall apply, mutatis mutandis, to every such separate meeting referred to in Article 5.1, except that:

- (a) the necessary quorum at any such meeting (other than an adjourned meeting) shall be two persons holding or representing by proxy at least one third in number of the issued shares of the class;
- (b) at an adjourned meeting the necessary quorum shall be one person holding Shares of the class on his proxy;
- (c) every holder of the Shares of the class shall, on a poll, have one vote in respect of every share of the class held by him; and
- (d) a poll may be demanded by one holder of Shares of the class whether present in person or by proxy.

6 Put Option

6.1

- (a) Subject to this Article 6, each B Shareholder shall be granted an annual right commencing on 1 May 2016 and exercisable during any Put Option Exercise Period, to serve a Put Option Exercise Notice, addressed to the Company and copied to the A Shareholder Representative specifying the number of Vested B Shares that he wishes to sell pursuant to the Put Option. Where the B Shareholder is a Nominee, a Put Option Exercise Notice shall only be exercised at the discretion of the Employee Participant for whom he acts as Nominee. Unless otherwise determined by the Board, a B Shareholder shall only be permitted to offer for sale pursuant to a Put Option served in accordance with this Article 6, such number of Vested B Shares as is equal to, as the case may be:
 - (i) one third of the total number of B Shares originally acquired by him (or if less all his remaining B Shares); or
 - (ii) two thirds of the total number of B Shares originally acquired by him; or
 - (iii) the total number of B Shares originally acquired by him.
- (b) Where a valid Put Option Exercise Notice has been served in accordance with Article 6.1(a) during a Put Option Exercise Period, the A Shareholders shall be obliged to acquire the number of B Shares specified in the Put Option Exercise Notice (such

acquisition to take effect pro rata to such A Shareholder's holding of A Shares as a proportion of the total number of A Shares in issue) in consideration for the issue of Loan Notes with a nominal value equal to the Market Value of the B Shares comprised in the Put Option Exercise Notice.

- (c) Within 10 Business Days of the end of the Put Option Exercise Period, the selling B Shareholder and the A Shareholders shall execute all such documents (including, without limitation, any instrument of transfer) and do all such things as may be required to:
 - (i) complete the transfer of the B Shares in respect of which the Put Option Exercise Notice has been validly delivered in accordance with this Article 6; and
 - (ii) the A Shareholders shall each issue Loan Notes for a nominal amount equal to their pro rata share of the consideration due in respect of such B Shares or, at the discretion of each A Shareholder, shall promptly pay such consideration in cash.

- 6.2 Any B Shares acquired by an A Shareholder may at any time, with the consent of the Board and the A Shareholder Representative, be converted into A Shares. Any such conversion shall, subject to Article 6.3, be effected in accordance with the following formula:

$$\text{The number of A Shares to be created on conversion} = \frac{A}{B} \times C$$

where:

- (a) A is the Market Value of the B Shares to be converted into A Shares in accordance with this Article 6.2;
- (b) B is the Market Value of the A Shares in issue immediately prior to such conversion; and
- (c) C is the total number of A Shares in issue immediately prior to such conversion.

- 6.3 To the extent that the application of the formula described in Article 6.2 would otherwise result in a decrease in the aggregate nominal capital of the Shares (**Permitted Aggregate Nominal Capital**), the Company will issue to A Shareholders, pro rata to their holdings of A Shares created on a conversion in accordance with Article 6.2, such number of Deferred Shares as ensures that the Permitted Aggregate Nominal Capital remains unchanged.

- 6.4 The rights and restrictions attaching to the Deferred Shares will be as follows:

- (a) the Deferred Shareholders should not be entitled to receive any dividends;
- (b) on a distribution of assets of the Company among its members on a liquidation, reduction of capital or other return of capital a Deferred Shareholder shall be entitled only to the repayment of the nominal value of such Deferred Shares after payment in respect of each other Share that is not a Deferred Share;
- (c) the Deferred Shareholders shall have no right to participate in any way in any profits or assets of the Company;
- (d) Deferred Shares shall carry no voting rights, save as provided for in Article 5.

- 6.5 A Deferred Shareholder shall not be entitled to transfer or otherwise dispose of the same, or any right or interest therein, without the prior written consent of the Board.
- 6.6 Subject to the CA 2006, the total number of Deferred Shares in issue may be redeemed or otherwise purchased by the Company at the option of the Company at any time for a total consideration of £1 by giving notice to the Deferred Shareholders.
- 6.7 For the avoidance of doubt, any B Shareholder from time to time (regardless of whether or not he is an Employee Participant) may exercise a Put Option Exercise Notice in accordance with this Article 6.
- 6.8 No B Shareholder shall be entitled to serve a Put Option Exercise Notice if he (or the Employee Participant for whom he acts as Nominee) has become a Departing Employee for a Neutral Leaver Reason, an Intermediate Leaver Reason or a Bad Leaver Reason (save that, in the case of a Nominee, this prohibition shall apply only in respect of those Shares which the Nominee holds on behalf of an Employee Participant who has become a Departing Employee for a Neutral Leaver Reason, an Intermediate Leaver Reason or a Bad Leaver Reason).
- 6.9 The right of a B Shareholder to serve a Put Option Exercise Notice pursuant to this Article 6 shall be without prejudice to the right of a B Shareholder to serve a Put Option Exercise Notice in accordance with Articles 9 or 11.

7 B Share Transfers

- 7.1 If an Employee Participant becomes a Departing Employee, the Board shall be required (save to the extent that the Departing Employee becomes a Departing Employee for a Good Leaver Reason, in which case the provisions of Article 7 shall not apply to him), as soon as practicable following the Date of Cessation, to serve a written notice (**Management Transfer Notice**) on the Nominee, the Departing Employee and the Company.
- 7.2 The Management Transfer Notice may require the Nominee to Transfer such number of B Shares held by them as nominee for the Departing Employee (or if, for any reason B Shares are held by a Departing Employee, may require the Departing Employee to Transfer):
 - (a) to such A Shareholder (**Offeree**) as is specified by the Company in its discretion in the Management Transfer Notice so long as the Offeree beneficially holds Shares comprising more than 25% (calculated by reference to nominal amount) of the aggregate Prescribed Ordinary Share Capital then in issue at all times from and including the time of the Management Transfer Notice to the Transfer of the B Shares pursuant to that notice; and
 - (b) at such price as is agreed or determined in accordance with Article 7.3.

Any B Shareholder required to transfer B Shares in accordance with this Article 7 is a **Management Seller**.

- 7.3 The price at which such B Shares may be required to be transferred by a Management Seller pursuant to this Article 7 shall be:
 - (a) when the Departing Employee has become a Departing Employee for a reason constituting a Neutral Leaver Reason:
 - (i) for the B Shares that are Vested B Shares as at the Date of Cessation, the Market Value of such Vested B Shares;

- (ii) for the B Shares that are Unvested B Shares as at the Date of Cessation, the nominal value of such Unvested B Shares;
- (b) where the Departing Employee has become a Departing Employee for a reason constituting an Intermediate Leaver Reason (in which case any Management Transfer Notice that is served shall be deemed to have been served immediately following completion of the first Valuation to be undertaken following the Date of Cessation or, if the Departing Employee has become a Departing Employee prior to the third anniversary of the Adoption Date, immediately following completion of the first Valuation to be undertaken following such third anniversary (any such Valuation being referred to hereafter as a **Relevant Valuation**));
 - (i) the Market Value of such B Shares, whether such B Shares are Vested B Shares or Unvested B Shares as at the Date of Cessation, as determined by the Relevant Valuation;
- (c) where the Departing Employee has become a Departing Employee for a reason constituting a Bad Leaver Reason:
 - (i) the nominal value of all such Departing Employee's B Shares, whether such B Shares are Vested B or Unvested B Shares as at the Date of Cessation.

7.4 The consideration payable in respect of a Departing Employee who has become a Departing Employee for a Neutral Leaver Reason pursuant to Article 7.3(a)(i) shall be a Loan Note issued by the Offeree which shall be held in escrow for a period of 12 months from the Date of Cessation and shall only be transferred (or the proceeds paid) to the selling B Shareholder on the expiry of such 12 month period if the Departing Employee has not engaged in or contracted to engage in Competitive Activities during that 12 month period. If the Departing Employee has so engaged in or contracted to engage in Competitive Activities, the selling B Shareholder (and, if different, the Departing Employee) shall forfeit his entitlement to such consideration, which will instead be applied in such way as the Company may direct. If the Departing Employee has not so engaged in or contracted to engage in Competitive Activities, the Loan Note shall be released from escrow and shall be transferred (or the proceeds of the redemption of the Loan Note paid) to the selling B Shareholder within 14 days after the end of such 12 month period.

7.5 The consideration payable in respect of a Departing Employee who has become a Departing Employee for an Intermediate Leaver Reason pursuant to Article 7.3(b)(i) shall, at the Company's discretion, be satisfied by procuring the issuance of a Loan Note by the Offeree or making a payment of cash.

7.6 On the date specified in the Management Transfer Notice, the selling B Shareholder shall deliver to the Company all duly executed instruments including instruments of transfer in respect of the relevant B Shares. The company secretary for the time being of the Company, or failing him one of the Directors or some other person duly nominated by a resolution of the Board for that purpose, shall be deemed to be the duly appointed agent of the B Shareholder with full power to execute, complete and deliver in the name and on behalf of the B Shareholder all documents necessary to give effect to the transfer of the B Shares pursuant to the Management Transfer Notice.

8 Vesting of B Shares

8.1 For the purposes of these Articles, the number of Vested B Shares held by a B Shareholder who is an Employee Participant or the Nominee of an Employee Participant at any point in time shall be determined by reference to the following formula:

$$N = A \times B \quad (\text{rounded to the nearest whole number})$$

Where:

- (a) N is the number of Vested B Shares;
- (b) A is equal to the number of B Shares held by a B Shareholder as at the Issue Date;
- (c) B is equal to the percentage set out in the table below:

Number of months after Issue Date	Percentage Vested
Up to 36 months after the Issue Date	0%
36 months up to 48 months after the Issue Date	33.33%
48 months up to 60 months after the Issue Date	66.66%
More than 60 months after the Issue Date	100%

- 8.2 Any B Share held by an Employee Participant or the Nominee of an Employee Participant that is not, at a relevant time, a Vested B Share shall be an Unvested B Share.
- 8.3 All B Shares other than those held by Employee Participants or the Nominee of an Employee Participant shall be treated as Vested B Shares.
- 8.4 In the event of a Share Sale or Listing, all B Shares shall, as provided for by Articles 9, 10 or 11 automatically become Vested B Shares.

9 Tag Along Rights

- 9.1 If a Share Sale is proposed to a Third Party Purchaser, each B Shareholder shall be entitled to exercise a Put Option in respect of his or her B Shares by delivering a Put Option Exercise Notice in respect of such B Shares (and, for these purposes, all B Shares shall be deemed to have automatically become Vested B Shares). Where the B Shareholder is a Nominee, such Put Option shall only be exercised at the instruction of the Employee Participant for whom he acts as Nominee.
- 9.2 Each time there is a sale of A Shares directly or indirectly, which sale meets the definition of a Share Sale in every respect save for the percentage of A Shares directly or indirectly sold (**Partial Sale**), each B Shareholder shall be entitled to exercise a Put Option in respect of the lower of:
 - (a) the percentage of the total number of B Shares held by him at the Adoption Date that is equal to the percentage of the total issued A Shares that are being disposed of by the selling A Shareholder in the Partial Sale; and
 - (b) the total number of B Shares held by him that are Vested B Shares as at the date of the Partial Sale.
- 9.3 For the avoidance of doubt, any Barclays Sale shall not constitute a Partial Sale.

- 9.4 Where Article 9.1 or 9.2 applies, the A Shareholders shall as soon as reasonably practicable after they become aware of the proposed Share Sale or Partial Sale and are in receipt of relevant information, provide B Shareholders and (when the B Shareholder is a Nominee for an Employee Participant) Employee Participants with information that fairly describes all material terms and conditions (including terms relating to price, time of completion of the Share Sale or Partial Sale and conditions precedent) agreed between the Selling Shareholders and the Third Party Purchaser. In any event, the A Shareholder Representative shall give at least 5 Business Days notice of the proposed Share Sale or Partial Sale.
- 9.5 The B Shareholder may exercise the Put Option in respect of his or her B Shares during the Put Option Exercise Period.
- 9.6 The exercise of a Put Option in accordance with Article 9.5 shall be conditional upon completion of the Share Sale or Partial Sale and shall be completed at the same time as the Share Sale or Partial Sale completes (save that the A Shareholders may in their discretion agree that the exercise shall be treated as having completed immediately before, or within 14 days following, completion of the Share Sale or Partial Sale).
- 9.7 Where a Put Option Exercise Notice is exercised in accordance with:
- (a) Article 9.1, the provisions of Article 6.1(b) and 6.1(c) shall apply save that:
 - (i) the Market Value of a B Share shall be calculated in accordance with Articles 13.5, 13.6(a) or 13.6(b), as applicable; and
 - (ii) the A Shareholders shall pay the consideration in cash; and
 - (b) Article 9.2, the provisions of Article 6.1(b) and 6.1(c) shall apply save that:
 - (i) the Market Value of a B Share shall be calculated in accordance with Article 13.7; and
 - (ii) the consideration shall be paid in cash to the extent cash is received by the Selling Shareholder, and in Loan Notes issued by the A Shareholder in relation to the balance (if any) of the non-cash consideration received by such selling A Shareholder(s), or if the Parties otherwise agree, the same non-cash consideration received by the selling A Shareholder in lieu of Loan Notes.

10 Drag Along Rights

- 10.1 If the Selling Shareholder proposes to sell shares (including, without limitation, the Shares) on a bona fide arm's length sale to a Third Party Purchaser and the consequence of such transfer would be a Share Sale, the Selling Shareholder shall have the right to require all the other Shareholders (**Remaining Shareholders**) to Transfer all their Shares (and in these circumstances all B Shares shall be deemed to have automatically become Vested Shares) (**Relevant Interests**) to the proposed transferee conditional upon such Transfer being completed, by giving notice to that effect to the Remaining Shareholders (**Drag Along Notice**). The Drag Along Notice shall be accompanied by copies of all documents required to be executed by the Remaining Shareholders to give effect to the transfer and the transfer shall be on the same terms and conditions (save, in relation to B Shareholders, as to consideration) as shall have been agreed between the Selling Shareholder and the proposed transferee. The Selling Shareholder may serve a Drag Along Notice upon any person who becomes a Shareholder after completion of a Share Sale upon exercise of rights granted prior to completion of a Share Sale.

- (a) The consideration payable pursuant to a Share Sale (whenever received and in whatever form) shall be held by a trustee nominated by the Board and shall, to the extent sufficient, and where the Share Sale is a sale of Shares, be applied amongst the Selling Shareholders and the Remaining Shareholders as if there had been a return of capital in respect of the Shares of that amount pursuant to Article 3.1(b), and otherwise shall be applied on such basis as reflects the respective rights attaching to the Shares, save that if the provisions of Article 10.3 apply, the amount payable to B Shareholders shall be calculated in accordance with Article 10.7(d) and shall be paid in cash.

10.2 If a Remaining Shareholder makes default in transferring its Shares pursuant to Article 10.1:

- (a) where the consideration is cash:
 - (i) the company secretary for the time being of the Company, or failing him one of the Directors or some other person duly nominated by a resolution of the Board for that purpose, shall be deemed to be the duly appointed agent of the holder with full power to execute, complete and deliver in the name and on behalf of the holder all documents necessary to give effect to the transfer of the Relevant Interests to the relevant transferee;
 - (ii) the appointment referred to in sub-clause (i) shall be irrevocable and is given by way of security for the performance of the obligations of the holder of the Relevant Interests under these Articles;
 - (iii) the Board may receive and give a good discharge for the purchase money on behalf of the holder and (subject to the transfer being duly stamped) enter the name of the transferee in the register of members and other appropriate registers as the holder by transfer of the Relevant Interests;
 - (iv) the Board shall forthwith pay the purchase money into a separate bank account in the Company's name and if and when the holder shall deliver up his share certificate or certificates for the Relevant Interests to the Company (or an indemnity in a form reasonably satisfactory to the Board of Directors in respect of any lost certificate) he shall thereupon be paid the purchase money, without interest and less any sums owed to the Company by the holder pursuant to these Articles;
 - (v) if such certificates (or indemnities) shall comprise any Shares which the holder has not become bound to transfer as aforesaid the Company shall issue him a balance certificate for such Shares;
 - (vi) the Company shall ratify and confirm whatever the person appointed pursuant to paragraph (i) shall do or purport to do by virtue of this Article 10.2 and the Company shall indemnify such person against all actions, proceedings, claims, costs, expenses and liabilities of every description arising from the exercise or the purported exercise in good faith of any of the powers conferred by this Article 10.2 and notwithstanding that they have arisen as a result of a lack of care on the part of such person;
- (b) on completion of the Transfer (duly stamped, if appropriate):
 - (i) the proposed transferee and/or its nominee shall be entered in the relevant register of the Company as the holder of the Shares registered in the name of the Remaining Shareholder; and

- (ii) the certificates in the name of the Remaining Shareholder in respect of the Shares shall be deemed to be cancelled and new certificates shall be issued in the name of the proposed transferee and/or its nominee.
- 10.3 As an alternative to serving a Drag-Along Notice on B Shareholders (but without prejudice to the Selling Shareholder's right to serve a Drag-Along Notice to any holder of Shares of another class in accordance with Article 10.1), the Selling Shareholder may instead serve (or procure the service of) a Call Option in respect of a B Shareholder's B Shares to oblige such B Shares to be transferred to the Selling Shareholder or such person as the Selling Shareholder may direct by serving (or procuring the service of) a Call Option Exercise Notice on the B Shareholders in relation to such B Shares.
- 10.4 Where the Selling Shareholder intends to serve (or procure the service of) a Call Option Exercise Notice, he shall promptly provide B Shareholders and (where the B Shareholder is a Nominee for an Employee Participant) Employee Participants with information that fairly describes all material terms and conditions (including terms relating to price, time of completion of the Sale and conditions precedent) agreed between the Selling Shareholders and the Third Party Purchaser.
- 10.5 The Selling Shareholder may serve (or procure the service of) the Call Option Exercise Notice at any time during the Call Option Exercise Period (but shall do so at least two Business Days prior to completion of the Share Sale), and upon service of the Call Option Exercise Notice upon a B Shareholder, the B Shareholder shall, subject to Article 10.6, be irrevocably bound to transfer the B Shares to such person as is named as the transferee in the Call Option Exercise Notice (**Transferee(s)**).
- 10.6 The exercise of a Call Option in accordance with Article 10.5 shall be conditional upon completion of the Share Sale and shall be completed at the same time as the Share Sale completes (save that the Selling Shareholder may in its discretion, but with the agreement of the A Shareholder Representative, agree that the exercise shall be treated as having completed immediately before, or within 14 days following, completion of the Share Sale).
- 10.7 The Transfer of B Shares pursuant to a Call Option shall be on the following terms:
 - (a) the B Shareholder shall deliver to the Transferee, duly executed transfers in favour of such person, or as it may direct, together with, if appropriate, certificates for the B Shares and a certified copy of any authority under which such Transfers are executed and, against delivery of the transfers, the Transferee(s) shall pay the consideration for the B Shares calculated in accordance with Article 10.7(d);
 - (b) the parties shall ensure (insofar as they are able) that the relevant Transfer of B Shares is registered in the name of the Transferee(s);
 - (c) the B Shareholders shall do all such other things and execute all other documents as the acquirer may reasonably request to give effect to the Transfer of B Shares pursuant to a Call Option. The company secretary for the time being of the Company, or failing him one of the Directors or some other person duly nominated by a resolution of the Board for that purpose, shall be deemed to be the duly appointed agent of the B Shareholder with full power to execute, complete and deliver in the name and on behalf of the B Shareholder all documents necessary to give effect to the transfer of the B Shares pursuant to the Call Option.
 - (d) Where a Call Option Exercise Notice is exercised by a Selling Shareholder in accordance with Article 10.3, the Selling Shareholder shall be obliged to acquire the

number of B Shares specified in the Call Option Exercise Notice at a cash price equal to the Market Value of the B Shares comprised in the Call Option Exercise Notice. The Market Value of a B Share shall be calculated in accordance with Articles 13.5, 13.6(a) or 13.6(b), as applicable.

11 Listing

- 11.1 In the event of a Listing, all B Shares shall be deemed automatically to have become Vested B Shares. Subject to Article 11.3, the B Shareholders will be given an opportunity to participate in the Listing on such basis as may be agreed, the intention being that the B Shareholders will be able to sell, in connection with the Listing such proportion of their B Shares (or interests deriving from their B Shares) pro rata to their overall holding of B Shares as is equivalent to the proportion of A Shares (or interests deriving from A Shares) pro rata to their overall holding of A Shares as A Shareholders are given the opportunity to sell in connection with the Listing.
- 11.2 Any entitlement the B Shareholders may be given to participate in a Listing in accordance with Article 11.1 shall be subject to the agreement by any Employee Participant on whose behalf a B Shareholder holds B Shares to enter into such lock-up or other arrangements as are customary in relation to a Listing, and to provide all such assistance as the Company may require in connection with a Listing.
- 11.3 As an alternative to being given an opportunity to participate in the Listing, the B Shareholders may exercise the Put Option in respect of their B Shares by delivering a Put Option Exercise Notice in respect of their B Shares.
- 11.4 If there is a listing of Listing Share, which listing meets the definition of Listing in every respect save for the percentage of Listing Shares disposed of (**Partial Listing**), each B Shareholder shall be entitled to exercise a Put Option in respect of the lower of:
- (a) the percentage of the total number of B Shares held by him that is equal to the percentage of the total issued Listing Shares that are being disposed of in the Partial Listing; and
 - (b) the total number of B Shares held by him that are Vested B Shares as at the date of the Partial Sale.
- 11.5 Where a B Shareholder exercises a Put Option pursuant to Article 11.3 or 11.4, the Put Option Exercise Period shall be such period as may be determined by the Board, always provided that a B Shareholder shall not be given fewer than 20 business days in which to exercise the Put Option.
- 11.6 The exercise of a Put Option in accordance with Article 11.3 or 11.4 shall (unless the Board determines otherwise) be conditional upon the Listing or Partial Listing taking place and shall be completed at the same time as the Listing or Partial Listing or such other time on or around the date of the Listing or Partial Listing as the Board may determine.
- 11.7 Where a B Shareholder exercises a Put Option pursuant to Article 11.3 or 11.4, the provisions of Article 6.1(b) shall apply save that the Market Value shall be calculated in accordance with Articles 13.8, 13.9 or 13.10, as applicable and the A Shareholders shall pay the consideration in cash.
- 11.8 In the event of a Listing, the A Shareholders may alternatively serve (or procure the service of) a Call Option in respect of a B Shareholder's B Shares by serving a Call Option Exercise Notice on the B Shareholders in relation to such B Shares.

- 11.9 The A Shareholders may serve (or procure the service of) the Call Option Exercise Notice at such time as they consider appropriate, and upon service of the Call Option Exercise Notice upon a B Shareholder, the B Shareholder shall, subject to Article 11.10, be irrevocably bound to Transfer the B Shares to the Transferee(s).
- 11.10 The exercise of a Call Option in accordance with Article 11.9 shall (unless the Board determines otherwise) be conditional upon the Listing taking place, and shall be completed at the same time as the Listing, or such other time on or around the date of the Listing as the Board may determine.
- 11.11 The transfer of B Shares pursuant to a Call Option shall be on the following terms:
- (a) the B Shareholder shall deliver to the Transferee(s), duly executed transfers in favour of the Transferee(s), together with, if appropriate, certificates for the B Shares and a certified copy of any authority under which such transfers are executed and, against delivery of the transfers, the Transferee(s) shall pay the consideration for the B Shares in cash calculated in accordance with Article 11.12;
 - (b) the parties shall ensure (insofar as they are able) that the relevant transfer of B Shares is registered in the name of the Call Option Transferee(s) or as it may direct;
 - (c) the B Shareholders shall do all such other things and execute all other documents as the Call Option Transferee(s) may reasonably request to give effect to the transfer of B Shares pursuant to a Call Option.
- 11.12 Where a Call Option Exercise Notice is exercised in accordance with Article 11.8, the Transferee(s) shall be obliged to acquire the number of B Shares specified in the Call Option Exercise Notice for cash equal to the Market Value of a B Share, which shall be calculated in accordance with Article 13.8 or 13.9, as applicable.
- 11.13 Article 11.4 shall apply mutatis mutandis each time there is a sell down of Listing Shares following a Partial Listing.

12 Lien

The lien conferred by regulation 8 shall attach also to fully paid Ordinary Shares, and the Company shall also have a first and paramount lien on all Ordinary Shares, whether fully paid or not, standing registered in the name of any member, whether he is their sole registered holder or is one of two or more joint holders, for all money presently payable by him or his estate to the Company. Regulation 8 shall be modified accordingly.

13 Valuation Principles

- 13.1 For all disposals of B Shares, the following valuation principles (**Valuation Principles**) shall apply.
- 13.2 The amounts in the Relevant Cell are amounts referable to the total number of B Shares to be issued as at the date of adoption of these Articles, being 25,000 B Shares, and accordingly the value ascribed to any single B Share upon the exercise of a Put Option or Call Option (whether under Articles 6, 9, 10, 11, 13 or any other provision of these Articles) shall be the amount in the Relevant Cell divided by 25,000.
- 13.3 The amounts in the Relevant Cell shall be capped at the amounts (**Capped Amount**) shown in the "Capped amounts" row of the "Employee weights" worksheet of the Spreadsheet such that,

if the amount in the Relevant Cell exceeds the Capped Amount for any Performance Period, it shall be replaced with the relevant Capped Amount.

13.4 Disposal of Projects:

- (a) in the event of the sale of a Project as to 100%, the consideration received by the Company, an Underlying Company or the appropriate economic percentage of the amount received by a JV Company will be reflected in the relevant year in the Spreadsheet as the final value for the Project in question;
- (b) in the event of a sale of less than 100% of a Project, the consideration received by the Company, an Underlying Company or the appropriate economic percentage of the amount received by a JV Company will be reflected in the relevant year in the Spreadsheet as the final value for the portion of the Project that has been sold. The value to the Company, an Underlying Company or a JV Company of the remaining portion of the Project will continue to be valued in accordance with the Spreadsheet, with all necessary downward adjustments made to reflect the portion of the Project that has been sold; and
- (c) in the event that Underlying Companies are listed, the principles set out in Articles 13.4(a) and 13.4(b) will apply mutatis mutandis where the shares of an Underlying Company are sold in connection with a listing and accordingly whether the actual value of the shares so listed increases or decreases subsequent to the occurrence of the relevant listing shall be disregarded;

13.5 If there is a Share Sale resulting in the sale of all the A Shares, the Market Value of a 13 Share shall be calculated in accordance with the Spreadsheet as if the amount in the Exit NPV cell was an amount equal to the total consideration payable pursuant to the Share Sale, save that if there has been any provision or discount made in respect of current or future obligations in respect of A Shareholder obligations under a Put Option or Call Option (whether under Articles 6, 9, 10, 11, 13 or any other provision of these Articles), an amount equal to such provision or discount shall be added to the total consideration;

13.6 If there is a Share Sale resulting in the sale of less than 100% of the A Shares directly or indirectly to a Third Party and:

- (a) all of the B Shares are Transferred in accordance with the provisions of Articles 10 or 11, the market value of a B Share shall be calculated in accordance with the Spreadsheet as if the amount in the Exit NPV cell was an amount equal to the total consideration payable pursuant to the Share Sale, adjusted as follows:
 - (i) if there has been any provision or discount made to the total consideration in respect of current or future obligations in respect of A Shareholder obligations under a Put Option or Call Option (whether under Articles 6, 9, 10, 11, 13 or any other provision of these Articles), an amount equal to such provision or discount shall be added to the total consideration; and
 - (ii) the adjusted consideration shall be multiplied by $100/x$, where x is the percentage of A Shares directly or indirectly sold.
- (b) less than 100% of the B Shares are Transferred in accordance with the provisions of Articles 9 or 10:

- (i) the market value of a B Share that is Transferred shall be calculated in accordance with Article 13.6(a); and
 - (ii) on any subsequent disposal of a B Share that is retained by an existing B Shareholder, the Market Value shall be calculated in accordance with the provision of these articles that applies to such disposal.
- 13.7 If there is a Partial Sale, the market value of a B Share disposed of under Article 9.2 shall be calculated in accordance with the provisions in Article 13.6(b) which shall apply mutatis mutandis.
- 13.8 If there is a Listing resulting in the sell down of all the Listing Shares, the Market Value of a B Share shall be calculated in accordance with the Spreadsheet as if the amount in the Exit NPV cell was an amount equal to the total consideration received in connection with the Listing (unless there has been any provision or discount made in respect of current or future obligations in respect of A Shareholder obligations under a Put Option or Call Option (whether under Articles 6, 9, 10, 11, 13 or any other provision of these Articles) in which case an amount equal to such provision or discount shall be added to the total consideration).
- 13.9 If there is a Listing resulting in the sell down of less than 100% of the Listing Shares, and:
 - (a) all of the B Shares are Transferred in accordance with the provisions of Article 11, the market value of a B Share shall be calculated in accordance with the Spreadsheet as if the amount in the Exit NPV cell was an amount equal to the total consideration received in connection with the Listing, adjusted as follows:
 - (i) if there has been any provision or discount made to the total consideration in respect of current or future obligations in respect of A Shareholder obligations under a Put Option or Call Option (whether under Articles 6, 9, 10, 11, 13 or any other provision of these Articles), an amount equal to such provision or discount shall be added to the total consideration; and
 - (ii) the adjusted consideration shall be multiplied by $100/x$, where x is the percentage of A Shares directly or indirectly sold down in connection with the Listing; and
 - (b) less than 100% of the B Shares are Transferred in accordance with the provisions of Article 11:
 - (i) the market value of a B Share that is Transferred in connection with the Listing shall be calculated in accordance with Article 13.9(a); and
 - (ii) on any subsequent disposal of a B Share that is retained by an existing B Shareholder, the Market Value shall be calculated in accordance with the provision of these articles that applies to such disposal.
- 13.10 If there is a listing and the definition of Listing is met in all respects other than the percentage of shares sold, the market value of a B Share disposed of under Article 11.4 shall be calculated in accordance with the provisions in Article 13.9(b), which shall apply mutatis mutandis.
- 13.11 If a Share Sale, Partial Sale, Listing or Partial Listing occurs prior to 36 months after the Adoption Date, the Spreadsheet will be modified in such a way that it can be applied to value the B Shares in accordance with the same methodology that would have applied if the Share Sale or Listing had occurred on or after 36 months following the Adoption Date.

- 13.12 If any disposal of B Shares (whether under Articles 6, 9, 10, 11, 13 or any other provision of these Articles) occurs after the end of the Performance Period which corresponds with Cell L15 of the worksheet, forming part of the Spreadsheet, entitled Outperformance Schedule, the Spreadsheet will be modified in such a way that it can be applied to value such B Shares in accordance with the same methodology that would have applied if such disposal had occurred in a Performance Period set out in the Spreadsheet.

14 Change process for spreadsheet

- 14.1 It is recognised by the Shareholders that adjustments to the valuation assumptions set out in the Spreadsheet (other than Section 1 of the Spreadsheet Assumptions headed "Methodology") may be required to be made to the Spreadsheet from time to time to reflect specific events and/or circumstances, and the Shareholders agree to negotiate in good faith in relation to whether amendments to the Spreadsheet (but, for the avoidance of doubt, not Section 1 of the Spreadsheet Assumptions headed "Methodology") are required and what form those amendments should take.
- 14.2 In the event that the Shareholders are agreed in principle that adjustments should be made but are unable to agree the precise nature of those adjustments, any dispute between them shall be referred to a third party expert in the relevant field whose identity is agreed by the A Shareholder Representative and the majority of the B Shareholders (**Expert**). In default of such agreement, the Expert shall be appointed by a professional body in the relevant field, who shall be instructed to appoint the Expert by the A Shareholder Representative.
- 14.3 Any Expert to whom a dispute is referred under Article 14.2 shall act as expert not arbitrator and the determination of such Expert in respect of any adjustment to be made to the Spreadsheet shall, in the absence of manifest error, be final and binding.
- 14.4 Expert costs shall be borne by the Company up to a maximum of £25,000 in any single twelve month period. No costs in excess of this sum may be incurred without agreement between the Shareholders as to how the costs will be borne. For the avoidance of doubt, reference to Expert costs shall be to the aggregate costs incurred in the relevant period in relation to any one or more Experts in relation to any one or more matters.

15 Transfer of Ordinary Shares

- 15.1 Subject to giving reasons for the refusal to the proposed transferee, the directors may, in their absolute discretion, refuse to register any transfer of an Ordinary Share, whether it is fully paid or not. Regulation 24 shall be modified accordingly.
- 15.2 If the directors refuse to register a transfer of an Ordinary Share they shall, as soon as practicable and in any event within two months after the date on which the transfer was lodged with the Company, send to the transferee notice of, and the reasons for, the refusal.
- 15.3 The directors may at any time give notice requiring any person entitled to an Ordinary Share by reason of the death or bankruptcy of the holder thereof to elect either to be registered himself in respect of the Ordinary Share or to transfer the Ordinary Share and if the notice is not complied with within sixty days the directors may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Ordinary Share until the requirements of the notice shall have been complied with. Regulation 31 shall be modified accordingly.
- 15.4 The provisions of this Article 15 shall not apply to Permitted Transfers.

15.5 Notwithstanding anything contained in these articles, whether expressly or impliedly contradictory to the provisions of this Article (to the effect that any provision contained in this Article shall override any other provision of these articles):

- (a) The directors shall not decline to register any transfer of shares, nor may they suspend registration thereof, where such transfer:
 - (i) is to any bank, institution or other person which has been granted a security interest in respect of such shares, or to any nominee of such a bank, institution or other person (or a person acting as agent or security trustee for such person) (**Secured Institution**) (and a certificate by any such person or an employee of any such person that a security interest over the shares was so granted and the transfer was so executed shall be conclusive evidence of such facts); or
 - (ii) is delivered to the Company for registration by a Secured Institution or its nominee in order to perfect its security over the shares; or
 - (iii) is executed by a Secured Institution or its nominee pursuant to a power of sale or other power existing under such security,

and the directors shall forthwith register any such transfer of shares upon receipt and furthermore notwithstanding anything to the contrary contained in these articles no transferor of any shares in the Company or proposed transferor of such shares to a Secured Institution or its nominee and no Secured Institution or its nominee shall (in either such case) be required to offer the shares which are or are to be the subject of any transfer as aforesaid to the shareholders for the time being of the Company or any of them and no such shareholder shall have any right under the articles or otherwise howsoever to require such shares to be transferred to them whether for any valuable consideration or otherwise.

- (b) The directors shall not issue any share certificates (whether by way of replacement or otherwise) without the prior written consent of (or on behalf of) all (if any) Secured Institutions (as defined in Article 15.5(a) above).
- (c) The lien set out in article 12, shall not apply to shares held by a Secured Institution (as defined in Article 15.5(a) above).
- (d) Any restriction on the granting of security over shares shall not apply to shares held by a Secured Institution (as defined in Article 15.5(a) above).

Any variation of this Article shall be deemed to be a variation of the rights of each class of share in the capital of the Company.

16 Purchase of own Shares

Subject to the Companies Acts, the Company may redeem or purchase, and may enter into any contract for the purchase of, all or any of its Shares of any class (including any redeemable shares), and may enter into any contract under which it may, subject to any conditions, become entitled or obliged to purchase all or any of such Shares and may make payments in respect of the redemption or purchase of such shares otherwise than out of distributable profits or the proceeds of a fresh issue of shares. Every redemption, purchase or contract entered into pursuant to this article shall be authorised by such resolution of the Company as may for the time being be required by law but, subject to such resolution, the directors shall have full power to determine or approve the terms of any such redemption, purchase or contract. Neither the

Company nor the directors shall be required to select the shares in question rateably or in any other particular manner as between the holders of shares of the same class or as between them and the holders of shares of any other class in accordance with the rights as to dividends or capital conferred by any class of shares. Subject to the Companies Acts, the Company may agree to the variation of any contract entered into pursuant to this article and to release any of its rights or obligations under any such contract. Notwithstanding anything to the contrary contained in these Articles, the rights attaching to any class of shares shall not be deemed to be varied by anything done by the Company pursuant to this article. Regulation 35 shall not apply to the Company.

17 Notice of general meetings

Subject to the Companies Acts, notice of any general meeting need not be given to any director in that capacity. Regulation 38 shall be modified accordingly.

18 Proceedings at general meetings

18.1 No business shall be transacted at any meeting unless a quorum is present. Two persons entitled to vote upon the business to be transacted; each being a member or a proxy for a member or a duly authorised representative of a corporation shall be a quorum, except when the Company has only one member, when the quorum shall be one such person. Regulation 40 shall not apply to the Company.

18.2 If within half an hour from the time appointed for a general meeting, a quorum is not present or, if during a meeting a quorum ceases to be present, the meeting, if convened upon the requisition of the members, shall be dissolved; in any other case, it shall stand adjourned to the same day in the next week at the same time and place or to such time and place as the directors may determine. If a quorum is not present at any such adjourned meeting within half an hour from the time appointed for that meeting, the meeting shall be dissolved. Regulation 41 shall not apply to the Company.

18.3 A poll may be demanded at any general meeting by any member entitled to vote at the meeting. Regulation 46 shall be modified accordingly.

19 Number of directors

Unless and until the Company in general meeting shall otherwise determine, the number of directors shall not be subject to any maximum but shall not be less than one. If and so long as there is a sole director, he may exercise all the powers and authorities vested in the directors by these Articles or Table A. Regulation 64 shall not apply to the Company and regulation 89 shall be modified accordingly.

20 Delegation of directors' powers

The directors may delegate any of their powers to committees consisting of such persons, whether directors or not, as they think fit. Regulation 72 shall be modified accordingly.

21 Appointment and retirement of directors

21.1 Regulations 76 and 77 and the last sentence of regulation 84 shall not apply to the Company.

21.2 Regulation 78 shall apply but with the deletion of the words and may also determine the rotation in which additional directors are to retire.

- 21.3 A member or members holding the whole or a majority in nominal value of the issued ordinary share capital for the time being in the Company shall have power from time to time and at any time to appoint any person as a director or directors either as an additional director or to fill any vacancy and to remove from office any director howsoever appointed. Any such appointment or removal shall be effected by an instrument in writing signed by the member or members making the same, or in the case of a member being a body corporate signed by one of its directors or other officers on its behalf, and shall take effect upon lodgement at the registered office of the Company or such later date as may be specified in the instrument.

22 Gratuities and pensions

The directors may, on behalf of the Company, exercise all the powers of the Company to provide benefits, whether by the payment of gratuities or pensions or by insurance or in any other manner (whether similar to the foregoing or not), for any director or former director or any relation, connection or dependant of any director or former director who holds or has held any executive office or employment with the Company or with any body corporate which is or has been a subsidiary of the Company or with a predecessor in business of the Company or of any such subsidiary and may contribute to any fund and pay premiums for the purchase or provision of any such benefit. No director or former director shall be accountable to the Company or the members for any benefit permitted by this article and the receipt of any such benefit shall not disqualify any person from being or becoming a director of the Company. Regulation 87 shall not apply to the Company.

23 Alternate directors

An alternate director who is himself a director shall be entitled, in the absence of his appointor(s), to a separate vote (or votes) on behalf of his appointor(s) in addition (if he is himself a director) to his own vote. Regulation 88 shall be modified accordingly.

24 Proceedings of directors

- 24.1 The word **signed** in regulation 93 shall apply as if it included the words "or approved by letter or facsimile".
- 24.2 Provided that a director has disclosed to the directors the nature and extent of any interest he may have, whether directly or indirectly, in any actual or proposed contract, transaction or arrangement with the Company in accordance with the Companies Acts, or any other material interest of his, a director may vote at a meeting of directors or of a committee of directors on a resolution concerning any matter in which he has, directly or indirectly, an interest or duty, which is material and which conflicts or may conflict with the interests of the Company, and he shall be counted in the quorum when that resolution or matter is considered. Regulations 94 to 96 inclusive shall not apply to the Company.
- 24.3 A meeting of the Board may be held between directors some or all of whom are in different places, whether by telephone or video conference or any other audio or audiovisual communication media, provided always that the number of directors participating constitutes a quorum, and provided that each director participating in the meeting can hear each of the other participants, and can address all of the other participants simultaneously.
- 24.4 Subject to the provisions of the Articles, the directors may regulate their proceedings as they think fit. A director may call a meeting of the directors. It shall not be necessary to give notice of a meeting to a director who is absent from the United Kingdom. Questions arising at a meeting shall be decided by a majority of not less than 75% of the voting rights. In the case of an equality of votes, the chairman shall not have a second or casting vote. A director who is also an

alternate director shall be entitled in the absence of his appointor to a separate vote on behalf of his appointor in addition to his own vote. Regulation 88 shall not apply to the Company.

25 Directors' power to authorise conflict situations

25.1 For the purposes of section 175 CA 2006, 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 (**Relevant Director**) has, or can have, a direct or indirect interest which conflicts, or possibly may conflict, with the interests of the Company (**Conflict Situation**). Any Conflict Authorisation shall extend to any actual or possible conflict of interest which may reasonably be expected to arise out of the Conflict Situation so authorised.

25.2 Where directors give a Conflict Authorisation:

- (a) the terms of the 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 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.

25.3 Any terms to which a Conflict Authorisation is made subject (**Conflict Authorisation Terms**) may include (without limitation to article 25.1) provision that:

- (a) where the Relevant Director obtains (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) 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 of the Company in circumstances where to do so would amount to a breach of a duty of confidence owed to that third party;
- (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
- (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 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 25.1) will not constitute a breach by him of his duties under sections 172 to 174 CA 2006.

25.4 Subject to article 25.5 but without prejudice to article 25.1 to article 25.3, 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, or has been appointed by the Company and/or any other member (if any) 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 25.4 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 of the Company, 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):
 - (i) absent himself from the discussions of, and/or the making of decisions;
 - (ii) 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 CA 2006.

25.5 A Group Conflict Authorisation given or deemed given under article 25.4 may be revoked, varied or reduced in its scope or effect by special resolution.

25.6 In this article 25 Relevant Group comprises:

- (a) the Company;
- (b) any body corporate which is for the time being a wholly owned subsidiary of the Company;
- (c) any body corporate of which the Company is for the time being a wholly owned subsidiary (Parent); and
- (d) any body corporate (not falling within any preceding paragraph of this definition) which is for the time being a wholly owned subsidiary of the Parent.

26 Notices

26.1 Any notices to be given pursuant to these Articles may be given by facsimile transmission to the facsimile number maintained at the relevant address of the addressee. Such a notice shall be conclusively deemed to have been properly given at the time shown on the transmission report received by the sender.

26.2 Any notice or other document delivered to or left at a registered address otherwise than by post shall be deemed to have been given at the time it was so delivered or left.

27 Indemnity

Subject to the provisions of the Companies Acts, but without prejudice to any other indemnity to which the person concerned may otherwise be entitled, every director, auditor, secretary or other officer of the Company shall be indemnified out of the assets of the Company against all costs, charges, losses, expenses and liabilities incurred by him in relation to the actual or purported execution and discharge of the duties of such office. Regulation 118 shall be extended accordingly.

28 Rollover

28.1 Subject to Article 7, where these Articles provide for an issue of Loan Notes of a particular nominal value (**Value**) by any person (**Issuer**) in relation to a disposal of B Shares, the Issuer shall instead pay cash of an amount equal to the Value unless, as at the date of the disposal of the B Shares (as determined under section 28 TCGA 1992), the Issuer legally and beneficially directly holds more than 25% (calculated by reference to nominal amount) of the aggregate Prescribed Ordinary Share Capital then in issue.

28.2 Where a cash payment is required under this Article 28 it shall be paid:

- (a) other than in respect of a Vanilla Put Option Exercise, on the date the Loan Notes would have been issued but for this Article 28; and
- (b) in respect of a Vanilla Put Option Exercise, on the date six months after the Loan Notes would have been issued but for this Article 28.

Appendix to the Articles of UPP Group Limited

Put Option Exercise Notice

To: The Secretary, UPP Group Limited

CC: PGGM, or such other A Shareholder Representative from time to time.

I/We, being the holder or the personal representative(s) of the holder, of the option granted under Article 6.1 of the Articles (**Put Option**) and the date of exercise of this Put Option being a date within the Put Option Exercise Period:

- 1 hereby exercise the Put Option to sell ♦ B Shares in UPP Group Limited (**Company**) for their Market Value, subject to the provisions contained in the Articles.
- 2 authorise the A Shareholders to withhold from the disposal proceeds, the amount of any Tax Liability (and for the purposes of this Put Option Exercise Notice, the expression **Tax Liability** shall mean the total of any PAYE income tax and primary class 1 (employee) national insurance contributions that the Company or any company that employs or engages (or formerly employed or engaged) the Employee Participant is liable to account for as a result of the exercise of this Put Option and pay such amount to the Company on my/our behalf;
- 3 agree to execute all such documents (including, without limitation, any instrument of transfer) and do all such things as may be required to complete the transfer of the B Shares in respect of which this Put Option Exercise Notice has been executed; and
- 4 declare that I/we have not exercised a Put Option Exercise Notice in the current Put Option Exercise Period apart from this Put Option Exercise Notice.

Executed as a deed by)
♦ Limited/plc)
acting by a director in the presence of) Director

.....
Signature of witness

Name

Address

.....

Notes:

- 1 Capitalised terms that are not defined in this Put Option Exercise Notice take their meaning from the Articles.
- 2 Where the Option is exercised by personal representatives, an office copy of the probate or letters of administration should accompany the form.
- 3 UPP Group Limited does not undertake to advise you on the tax consequences of exercising your Put Option. You should take appropriate professional advice before exercising your Put Option.

Appendix to the Articles of UPP Group Limited

Call Option Exercise Notice

To: ♦ [B Shareholder]

Pursuant to Article [10.3] [11.8] of the Articles of UPP Group Limited (Company)

I/we:

1 hereby exercise the Call Option to acquire ♦ B Shares in the Company for their Market Value, subject to the provisions contained in the Articles.

2 ♦

Executed as a deed by)
♦ Limited/plc)
acting by a director in the presence of) Director

.....
Signature of witness

Name

Address

.....

Notes:

1 Capitalised terms that are not defined in this Call Option Exercise Notice take their meaning from the Articles.