

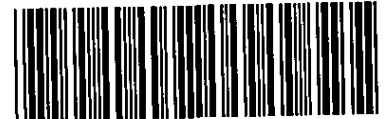
Company Number 06299941

THE COMPANIES ACT 2006

A PRIVATE COMPANY LIMITED BY SHARES

WRITTEN RESOLUTIONS
of
CLEGG HOLDINGS LIMITED

FRIDAY



A33 *AQQ7EYY7* 04/11/2011 148
COMPANIES HOUSE

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006, the directors of the Company propose that the following resolutions are passed:

Resolution proposed by the directors as an ordinary resolution

1 That pursuant to the provisions of section 551 of the Companies Act 2006 (the "Act"), the directors be generally and unconditionally authorised to exercise all the powers of the Company to allot shares in the Company provided that:-

- 1.1 the maximum aggregate nominal amount of such shares that may be allotted under this authority is £1.00 (comprising one ordinary share of £1.00); and
- 1.2 this authority shall, (unless revoked, varied or renewed in accordance with the Act), expire on the fifth anniversary of this resolution (except that the Company may, before such expiry, make an offer or agreement which will or might require shares to be allotted after such expiry and the directors may allot shares in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired);

and the authority granted by this resolution is in substitution for any authority to allot shares previously granted to the directors which (to the extent that it remains in force and unexercised) is revoked.

Resolutions proposed by the directors as special resolutions

- 2 That in accordance with section 570 of the Act the directors be generally authorised to allot equity securities (as defined in section 560 of the Act) pursuant to the authority given in resolution 1 above as if section 561(1) of the Act (existing shareholders' right of pre-emption) did not apply to such allotment and the directors can make an offer or agreement which will or might require equity securities to be allotted after the expiry of the authority given by this resolution.
- 3 That on the passing of this resolution the articles of association contained in the document signed by the Chairman for the purposes of identification are adopted as the new articles of association of the Company to the exclusion of, and in substitution for, the existing articles of association of the Company.

Agreement to the resolutions

Please read the notes at the end of this document before signifying your agreement to any of the resolutions

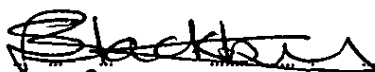
The undersigned, a person entitled to vote on the above resolutions on the date of circulation of them by the Company, irrevocably votes in favour of them as indicated

Keith Anderson


Signature

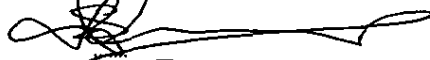
31.10.11
Date

Simon Blackburn


Signature

31.10.11
Date

Stephen Giltrap


Signature

31.10.11
Date

NOTES

- 1 The date of circulation of the attached resolution is 31.10.2011. Unless the resolutions are passed before the end of the period 28 days beginning with that date, they will lapse.
- 2 Please indicate your agreement to the resolutions by signing and dating this document where indicated above and returning it to the Company using one of the following methods:

- a. **by hand** - by returning the signed copy by hand delivery to Keith Anderson at House, 42 High Pavement, Nottingham NG1 1HN; or
 - b. **by post** - by posting the signed copy to Keith Anderson at House, 42 High Pavement, Nottingham NG1 1HN; or
 - c. **by e mail** - by scanning a copy of the signed document and e mailing it to Keith Anderson at Keith.Anderson@cleggggroup.co.uk.
- 3 If you do not support any of the resolutions you do not need to do anything. You will not be deemed to agree if you fail to reply. If you wish to agree to some of the resolutions but not others, please delete clearly those resolutions you do not support before signing, dating and returning the document.
- 4 Once you have indicated your agreement to the resolutions, you may not withdraw your agreement.

Company No: 06299941

ARTICLES OF ASSOCIATION
OF
CLEGG HOLDINGS LIMITED

(Adopted by special resolution
passed 31 October 2011)

brownejacobson

Company No: 6299941

Companies Acts 1985, 1989 and 2006

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

CLEGG HOLDINGS LIMITED

(Adopted by
special resolution passed 31 October 2011)

1 **Preliminary**

The provisions of the model articles for private companies limited by shares contained in Schedule 1 of the Companies (Model Articles) Regulations 2008 (SI 2008/3229) the "Model Articles" as amended prior to the date of adoption of these articles shall apply to the Company save in so far as they are excluded or varied by or are inconsistent with these Articles and such regulations (save as so excluded, varied or inconsistent) and these Articles shall be the regulations of the Company. The following provisions of the Model Articles shall not apply to this Company: 8, 9(1), 9(3), 11(2), 11(3), 13, 14(1) - (4), 17(2), 21, 44(2), 52 and 53.

2 **Interpretation**

2.1 In these Articles and in Table A the following expressions have the following meanings unless inconsistent with the context:

"A Ordinary Shares"

'A' ordinary shares of £1 each in the capital of the Company;

“Act”	the Companies Act 2006 including any statutory modification or re-enactment of the Act for the time being in force;
“Auditors”	the auditors for the time being of the Company,
“these Articles”	these articles of association, whether as originally adopted or as from time to time altered by special resolution;
“Bad Leaver”	<p>an Employee Shareholder who ceases to be an Employee Shareholder (and who is not a Good Leaver or an Intermediate Leaver) as a result of :</p> <ul style="list-style-type: none"> (i) resignation in circumstances amounting to, or dismissal by reason of a material breach of the terms of his service agreement justifying summary dismissal or dishonesty, or (ii) resignation as a director, employee or consultant within 5 years of the original acquisition of Shares in the Company by the Employee Shareholder in question,
“Business Days”	a day (except Saturday or Sunday) when banks are open for the transaction of all normal sterling banking business in the City of London,
“Connected Persons”	has the meaning set out in section 839 ICTA;
“Controlling Interest”	an interest (within the meaning of schedule 1 and sections 254 and 255 of the 2006 Act) in shares conferring in aggregate 50.01% or more of the total voting rights conferred by

	all the shares in the equity share capital of the Company for the time being in issue and including shares held by Connected Persons;
“clear days”	in relation to the period of a notice means that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect;
“Directors”	the directors for the time being of the Company or (as the context shall require) any of them acting as the board of directors of the Company,
“Due Proportion”	in the same proportion, as nearly as may be, as the nominal amount of a Shareholder's existing holding of Equity Shares bears to the total nominal amount of Equity Shares in issue;
“Employee Shareholder”	a Shareholder who is an employee or director or consultant of the Company or any of its subsidiaries;
“Equity Shares”	the Ordinary Shares and the A Ordinary Shares,
“executed”	includes any mode of execution;
“Family Member”	the spouse of a Shareholder;
“Good Leaver”	an Employee Shareholder who ceases to be an Employee Shareholder (and who is not a Bad Leaver or an Intermediate Leaver) as a result of <ul style="list-style-type: none"> (1) death, or retirement at age 60 or above,

- (ii) suffering a physical or mental deterioration, which, is sufficiently serious to prevent the relevant person from following his normal employment or engagement with the Company or any subsidiary which seriously precludes his earning capacity, or
- (iii) dismissal from his employment or engagement with the Company following which the employee has obtained a binding order for wrongful dismissal from a tribunal or court of competent jurisdiction; or
- (iv) resignation as a director, employee or consultant more than 10 years after the original acquisition of Shares in the Company by the Employee Shareholder in question,

“Group”

the Company and every company which is from time to time a subsidiary or holding company of the Company or subsidiary of any such holding company and “Group Company” means any one of them;

“holder”

in relation to shares means the member whose name is entered in the register of members as the holder of the shares;

“ICTA”

the Income and Corporation Taxes Act 1988,

“Independent Expert”

the person(s) agreed or elected in accordance with the provisions of Article 10.3.2 ,

“Intermediate Leaver”	<p>an Employee Shareholder who ceases to be an Employee Shareholder (and who is not a Bad Leaver) as a result of:-</p> <ul style="list-style-type: none"> (a) being dismissed for material breach of the terms of his service agreement which does not justify summary dismissal; or (b) being dismissed under the terms of his service agreement which is not subsequently determined to be wrongful dismissal by a tribunal or court of competent jurisdiction; or (c) resignation as a director, employee or consultant more than 5 but less than 10 years after the original acquisition of Shares in the Company by the Employee Shareholder in question; or (d) bankruptcy; or (e) any other circumstances not amounting to Good Leaver or Bad Leaver.
“office”	the registered office of the Company;
“Ordinary Shares”	ordinary shares of £1 each in the capital of the Company;
“Permitted Transferees”	those persons who acquire shares pursuant to Article 9;
“Relevant Shares”	those shares held by an Employee Shareholder and any of their Permitted Transferees;
“seal”	the common seal of the Company (if any);

“secretary”	the secretary of the Company or any other person appointed to perform the duties of the secretary of the Company, including a joint, assistant or deputy secretary;
“Shareholder”	a holder for the time being of shares in the capital of the Company;
“Shareholders Agreement”	the shareholders’ agreement between the Managers (as defined in that agreement) (1) and the Company (2) executed upon the date of adoption of these Articles,
“Shares”	the issued shares in the capital of the Company from time to time and shall include any interest in a share;
“Supplemental Deed”	a deed supplemental to the Shareholders Agreement in the form prescribed by the Board adhering to the Shareholders Investment Agreement,
“Transfer Notice”	as defined in Article 10 1;
“Transfer Price”	the price for the Sale Shares the subject of a Transfer Notice as determined in accordance with Article 10;
“United Kingdom”	Great Britain and Northern Ireland.

2.2 Unless the context otherwise requires, words or expressions contained in these Articles and in the Model Articles shall bear the same meaning as in the Shareholders’ Agreement and the Act (but excluding any statutory modification of the Act not in force when these Articles become binding on the Company).

3 Share capital

The issued share capital of the Company at the date of adoption of these Articles is £4,996 divided into 4,996 Ordinary Shares

4 Rights attaching to Shares

- 4.1 The holders of the Equity Shares shall have the right to receive notice of and attend and vote at any general meeting of the Company.
- 4.2 Each such holder present in person or by proxy or by representative shall be entitled on a show of hands to one vote and on a poll to one vote for each Equity Share held by him which is fully paid up or credited as fully paid. Provided always that for so long as Keith Anderson remains a shareholder, he shall be entitled to exercise a simple majority of the votes on any resolution.
- 4.3 The profits available for distribution shall be distributed to the holders of the Ordinary Shares or the holders of the A Ordinary Shares as the Directors may resolve so that a dividend may be declared on the Ordinary Shares as a class or on the A Ordinary Shares as a class or on the Equity Shares (treated as one class) and shall be paid pro-rata according to the number of shares in issue.
- 4.4 Save as expressly provided in these Articles, the Equity Shares shall rank as one class for all purposes.

5 Lien

The Company shall have a first and paramount lien on all shares, whether fully paid or not, standing registered in the name of any person indebted or under liability to the Company, whether he shall be the sole registered holder of such shares or shall be one of two or more joint holders, for all moneys presently payable by him or his estate to the Company whether or not in respect of the shares in question.

6 Lien

The Company has a lien over every Share, which is registered in the name of a person indebted or under any liability to the Company, whether he is the sole registered holder of the Share or one of several joint holders, for all monies payable by him (either alone or jointly with any other person) to the Company, whether payable immediately or at some time in the future.

7 Issue of shares

- 7.1 Subject to any contrary direction given by the Company in general meeting by special resolution, all unissued shares in the capital of the Company which the Directors propose to issue shall first be offered to the members who are at that time holders of Equity Shares upon such terms and conditions as the Directors may determine. The shares on offer shall be offered to such holders in the Due Proportion and the Directors' decision as to the number of shares which constitute the Due Proportion shall be conclusive final and binding.
- 7.2 Any offer made pursuant to Article 7.1 shall be made by notice in writing which shall state:
- 7.2.1 the total number of shares being offered,
 - 7.2.2 the proportionate entitlement of the member to whom the offer is made;
 - 7.2.3 the price per share; and
 - 7.2.4 that each member is required to state in writing within a specified period (not being less than 21 days) how many of his proportionate entitlement of shares, if any, he is willing to take
- 7.3 If a member does not accept such an offer within the specified period, he will be deemed to have declined the offer as regards those shares.
- 7.4 After the period specified in the notice has expired, any shares which have been declined or are deemed to have been declined shall be offered by the Directors (the "further offer") to the persons who have accepted all the shares offered to them within the specified period. The further offer will be made to those persons in proportion to the number Shares held at that time by them respectively, and shall be made in similar terms, in the same manner and limited by a similar period as the original offer.
- 7.5 Any shares not accepted pursuant to the original offer or further offer or not capable of being offered except by way of fractions or any shares released from the provisions of this Article by a special resolution shall be under the control of the Directors, who may allot, grant options over or

otherwise dispose of them to such persons, on such terms, and in such manner as they think fit. No share shall be issued at a discount or otherwise in breach of the provisions of these Articles or of the Acts.

- 7.6 Any share in the Company may be issued with or have attached to it such preferred, deferred or other special rights or such restrictions, whether in regard to dividend, voting, return of capital or otherwise as the Company may by special resolution determine.
- 7.7 Subject to the Acts, any preference shares may be issued on terms that they are, or at the option of the Company are to be liable, to be redeemed on such terms and in such manner as the Company may by special resolution determine.
- 7.8 In accordance with section 567(1) of the Act, sections 561 and 562 shall not apply to an allotment of equity securities (as defined in section 560(1) of the Act).
- 7.9 Any Share issued shall be classified in the same class as the Shares in respect of which such right to acquire derives.

8 Share transfers

- 8.1 No transfer of shares shall be made and the Directors shall not register any transfer of shares in the Company by a member except where:

8.1.1 the transfer is permitted by Article 9 (a “permitted transfer”) or is compulsory by reason of any of Articles 10, 11 and 12 (a “compulsory transfer”); and

8.1.2 in all cases a Supplemental Deed duly executed by all relevant parties is laid before the meeting at which the transfer is to be approved

and for the purpose of these Articles, the following shall be deemed (but without limitation) to be a transfer of shares in the Company by a member:

- (a) any direction (by way of renunciation or otherwise) by a member entitled to any allotment or transfer of shares that a share be allotted or issued or transferred to some person other than himself, and

- (b) any sale or any other disposition of any legal or equitable interest in a share (including any voting right attached to such share) and whether or not by the registered holder of such share and whether or not for consideration or otherwise and whether or not effected by an instrument in writing.
- 8.2 The Directors may in their absolute discretion, and without assigning any reason for it, decline to register:
 - 8.2.1 any transfer of any share over which the Company has a lien;
 - 8.2.2 any transfer to more than four transferees; and/or
 - 8.2.3 any transfer comprising shares of more than one class.
- 8.3 For the purpose of ensuring that a transfer of shares is duly authorised under these Articles or that no circumstances have arisen whereby a Transfer Notice is required to be given under these Articles the Directors may from time to time require any member or the legal personal representatives of any deceased member or any person named as transferee in any transfer lodged for registration to furnish to the Company such information and evidence as the Directors think fit regarding any matter which they deem relevant to such purpose including (but not limited to) the names and addresses and interests of all persons respectively having interests in the shares from time to time registered in the members name. Failing such information or evidence being furnished to the satisfaction of the Directors within 28 days after request, the Directors shall refuse to register the transfer in question or (in case no transfer is in question) to require by notice in writing that a Transfer Notice be given in respect of the shares concerned.
- 8.4 Subject to Article 8.1, Article 8.2 and Article 8.3, the Directors shall be obliged to register both a permitted transfer and a compulsory transfer.
- 8.5 If in any case where under the provisions of these Articles the Directors require a Transfer Notice to be given in respect of any shares or a person has become bound to give a Transfer Notice in respect of any shares, and such a Transfer Notice is not duly given within a period of two weeks of demand being made or where appropriate within the period allowed

respectively a Transfer Notice shall be deemed to have been given at the expiration of the specified period and the provisions of Article 10 shall apply mutatis mutandis provided that the Transfer Price shall be the price certified by the Independent Expert in accordance with Article 10.3.

9 Permitted transfers

- 9.1 A transfer of shares may be made to any person with the prior written consent of Shareholders holding in aggregate a simple majority of the voting rights attaching to the issued share capital of the Company at the time when such consent is given or may be made to a nominee to be held absolutely for a member provided the terms of the nominee arrangement are approved by the board and for the purposes of Articles 10 and 12 and references to an Employee Shareholder in these Articles, any shares held by a nominee shall be deemed to be held by the member concerned.
- 9.2 Where any shares are transferred under Article 9.1 by a Shareholder to a Family Member, the shares shall automatically convert into A Ordinary Shares without the need for a resolution of the Company.
- 9.3 Where shares have been transferred to a Family Member, if the required relationship ceases to exist then, unless the Shares (and any other shares held by the Permitted Transferee) are transferred back to the original transferor within 14 days of a written request by the board, the board may serve a notice (a "Cessation Notice") on the Permitted Transferee to the effect that a Transfer Notice has been deemed to be served in respect of all such Shares

10 Pre-emption rights

10.1 Service of Transfer Notice

Any member who wishes or is required under the provisions of these Articles to sell or transfer shares or any beneficial interest in any shares (a "Retiring Shareholder") other than pursuant to Article 9, shall give to the Company notice in writing (a "Transfer Notice") specifying:

- 10.1.1 the number of shares which he wishes or is required to sell or transfer (the "Sale Shares")

10.1.2 the name of the third party to whom he proposes to sell or transfer the shares (if any)

10 1.3 the price at which he wishes to sell or transfer the shares, and if no price is specified, the price shall be deemed to be the Transfer Price determined in accordance with this Article 10.

Where a Transfer Notice is deemed to have been given pursuant to Article Article 12 (*Compulsory transfers*) it is referred to in these Articles as a Deemed Transfer Notice. Transfer Notices and Deemed Transfer Notices shall constitute the Company the Retiring Shareholder's agent for the sale of the Sale Shares at the Transfer Price.

10.2 Total Transfer Condition

A Transfer Notice may contain a provision that unless all the Sale Shares are sold by the Company, none shall be and the Transfer Notice shall be withdrawn (a "Total Transfer Condition").

10.3 Calculation of the Transfer Price

10 3 1 Transfer Price

Subject to Article 10.4 (*Transfer Price on compulsory sales*), the Transfer Price shall be the price agreed between the Retiring Shareholder and the Directors, provided that in default of agreement being reached within 28 days of the Transfer Notice being given, the Transfer Price shall be the price which the Independent Expert certifies to be in his opinion a fair value ("Fair Value") for the Sale Shares at the date the Transfer Notice or Deemed Transfer Notice as the case may be is given or deemed to have been given

10.3.2 Independent Expert

The Independent Expert shall be the Auditors unless written notice objecting to their appointment is received by the Company from the Retiring Shareholder within 7 days of the date of the Transfer Notice or Deemed Transfer Notice. In the event of objection, the Independent Expert shall be a firm of independent accountants agreed between the Retiring Shareholder and the Directors (or in

default of agreement within 14 days of objection to the Auditors) elected by the President of the Institute of Chartered Accountants in England and Wales at the request of either the Retiring Shareholder or the Directors.

10.3.3 Basis of valuation

Subject to Article 10.4, in arriving at his opinion, the Independent Expert will value the Sale Shares on a going concern basis as between a willing buyer and a willing seller ignoring any discount which may otherwise be appropriate because the Sale Shares constitute a minority interest in the Company and on the assumption that the Sale Shares are capable of transfer without restriction

10.4 Transfer Price on compulsory sales

10.4.1 Bad Leaver

Whenever any Employee Shareholder ceases to be an Employee Shareholder in circumstances where he is a Bad Leaver the Transfer Price shall be the acquisition price of the Relevant Shares (being the price at which the Relevant Shares were transferred or issued to that Employee Shareholder) ignoring any subsequent valuation when their shares were exchanged for new shares in other group companies.

10.4.2 Intermediate Leaver

Whenever any Employee Shareholder ceases to be an Employee Shareholder in circumstances where he is an Intermediate Leaver, the Transfer Price shall be the Transfer Price as certified by the Independent Expert applying a discount as appropriate to reflect the Sale Shares constituting a minority interest (if relevant) but for this purpose, all the Relevant Shares shall be treated as one holding.

10.4.3 Good Leaver

Whenever any Employee Shareholder ceases to be an Employee Shareholder in circumstances where he is a Good Leaver, the Transfer Price shall be the Transfer Price agreed or certified by the Independent Expert as the case may be in accordance with Article

10.3.

10.5 Certification of the Transfer Price

Where the Independent Expert is asked to certify the Transfer Price, the certificate shall be delivered to the Company. As soon as possible after receipt the Company shall deliver a copy of the certificate to the Retiring Shareholder. Except in the case of a Deemed Transfer Notice, the Retiring Shareholder shall be entitled to revoke the Transfer Notice by giving notice in writing to the Directors within seven days of the receipt by him of the accountants' certificate (the "Withdrawal Period"). If he fails to give notice of revocation within the Withdrawal Period, the Retiring Shareholder shall be deemed to have accepted the Transfer Price and the Transfer Notice may not subsequently be withdrawn without the prior written consent of the Directors. If a Retiring Shareholder revokes a Transfer Notice he may not subsequently transfer the Sale Shares (or any interest in them) otherwise than in accordance with these Articles. The costs of obtaining the certificate shall be borne by the Company unless the Retiring Shareholder shall revoke the Transfer Notice in which case the Retiring Shareholder shall bear the cost.

10.6 Pre-emptive offers

Once the Transfer Price has been agreed or certified (as the case may be) then unless the Retiring Shareholder validly revokes the Transfer Notice, the Sale Shares shall be offered for sale as set out below:

10 6 1 Preliminary offer

Within seven days of the expiry of the Withdrawal Period, if the board direct, in the case of Ordinary Shares the Sale Shares shall be offered to the Company, a replacement employee or an employee benefit trust.

10 6.2 Offer to members

- (a) Within fourteen days of the date of expiry of the Withdrawal Period, (if no direction is made under Article 10 6.1(a)) or if the Sale Shares have not been acquired within two months

after any direction under Article 10.6.1(a), the Sale Shares shall be offered by the Directors to members (other than the Retiring Shareholder, his Permitted Transferees and any other member who has served or who is deemed to have served a Transfer Notice which is still outstanding (but subject to Article 12.1 in respect of A Ordinary Shares)) and shall be offered to such holders in proportion to the number of Equity Shares held at that time by them respectively (save that in the case of A Ordinary Shares, the original transferee of the A Ordinary Shares shall be entitled to priority in the allocation of all the A Ordinary Shares (and any Shares deriving therefrom))

- (b) Any offer made pursuant to this Article 10.6.2 shall be made by notice in writing which shall state
 - (i) the total number of shares being offered;
 - (ii) the proportionate entitlement of the member to whom the offer is made,
 - (iii) the Transfer Price,
 - (iv) that each member is required to state in writing within a specified period (not being less than 21 days and not more than 42 days) how many of his proportionate entitlement of shares, if any, he is willing to take; and
 - (v) that if a member does not accept such an offer within the period specified in accordance with Article 10.6.2 (b)(iv), he will be deemed to have declined the offer as regards those shares.
- (c) After the period specified in the notice has expired, any shares which have been declined or are deemed to have been declined shall be offered by the Directors (the "further offer") to the persons who have accepted all the shares offered to them within the specified period. The further

offer will be made to those persons in proportion to the number of shares held at that time by them respectively, and shall be made in similar terms, in the same manner and limited by a similar period as the original offer.

- (d) The further offer shall be repeated until such time as all the shares the subject of the further offer have been accepted or until the persons to whom shares are offered shall have declined to accept any more of them.
- (e) The Directors' decision as to the number of shares which shall be in proportion to or as nearly as maybe in proportion to their existing holdings of shares of that class shall be conclusive final and binding.

10.6.3 Offer to Company

If after making offers in accordance with the provisions of Article 10.6.1 there are any Sale Shares which have not been accepted the Directors shall immediately offer them to the Company who shall (subject to due compliance with the Acts) be entitled to purchase them at the Transfer Price at any time within 30 days from the date of such offer.

10.6.4 No Offers

If, in the case of a Deemed Transfer Notice, the Directors do not make any of the offers referred to in Articles 10.6.1 to 10.6.3 the Directors shall remain entitled to make such offers (in the manner and order set out in those Articles) unless and until the Retiring Shareholder or any other Shareholder has given the Directors written notice requesting such offers to be made (the "Offer Request") and no such offer has been made by the Directors within 30 days of such notice. If such offer is made within such 30 days, Articles 10.6.1 to 10.6.3 shall apply mutatis mutandis.

10.7 Sale of Sale Shares to third parties

For the avoidance of doubt, this Article 10.7 shall apply to Sale Shares

which are the subject of a Transfer Notice or a Deemed Transfer Notice but shall only apply in the case of a Deemed Transfer Notice if an Offer Request has been made pursuant to Article 10.6.4 and only then if thereafter the Directors made an offer pursuant to Articles 10.6.1 to 10.6.3 or made no such offer within the 30 day period specified therein. If the Sale Shares are subject to a Total Transfer Condition and the Company, selected persons and the Shareholders together do not offer to purchase all the Sale Shares or where there is no such condition but all the Sale Shares are not acquired in accordance with this Article 10, the Directors shall immediately so inform the Retiring Shareholder by notice in writing. The Retiring Shareholder may retain the Sale Shares (or such of them as have not been acquired in accordance with this Article 10) or (except where a Retiring Shareholder has revoked a Transfer Notice) at any time within six (6) months following receipt of this notice, transfer the Sale Shares (or such as have not been so acquired) to any person on a bona fide sale, at a price not being less than the price agreed or certified under this Article 10 and on terms not materially more favourable as to timing of payment or otherwise than would apply to the existing Shareholders accepting Sale Shares in accordance with this Article 10 provided that.

10.7.1 the Directors may require to be satisfied that such Sale Shares are being transferred in pursuance of a bona fide sale for the consideration stated in the Transfer Notice without any deduction, rebate or allowance whatsoever to the purchaser and if not so satisfied may refuse to register the instrument of transfer; and

10.7.2 if the Transfer Notice contained a Total Transfer Condition the Retiring Shareholder shall not be entitled under this Article 10.7 to transfer any Sale Shares unless the whole of such Shares are transferred by him; and

10.7.3 the Directors (acting reasonably) are satisfied that the person purchasing the shares is not a competitor of the Company or its Subsidiaries.

10.8 Transfer of Sale Shares

The Directors shall in writing notify the Shareholders (including the Retiring

Shareholder) of the names of the purchasers of the Sale Shares and of the number of Sale Shares they have agreed to purchase. The Retiring Shareholder shall be bound to transfer the Sale Shares (or such of them for which the Company shall have found a purchaser) to such persons within 14 days of notification. If a Retiring Shareholder defaults or is unable to transfer any Sale Shares to a transferee after having become bound to do so, the Directors shall authorise some person to execute any necessary transfers in favour of the transferee upon receipt of the purchase money, enter the name of the transferee in the register of members of the Company as the holder of the shares in question and hold the purchase money in trust for the Retiring Shareholder. The receipt of the Company for the purchase money shall be a good discharge to the transferee and the transferee shall not be bound to see to the application of it. After the name of the transferee has been entered in the register in purported exercise of the aforesaid powers the validity of the proceedings shall not be questioned by any person.

11 Limitation on transfer of control

11 1 For the purpose of this Article:

11.1.1 the expressions “transferor” and “transferee” shall, without limitation, include respectively the renunciation of a renounceable letter of allotment, the original allottee and the renouncee under any such letter of allotment, and

11 1.2 the expression the “Specified Price” shall mean 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 (as defined in Article 11.2 below) to the holder or holders of those Specified Shares plus an amount equal (in the relevant proportion) to 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 an addition to the price paid or payable for the Specified Shares provided that:

(a) if any part of the price per Specified Share is payable

otherwise than in cash any Shareholder holding Offer Shares may at his option elect to take a price per share of such cash sum as may be reasonably agreed by him having regard to the substance of the transaction as a whole; and

- (b) if any such sale of Specified Shares shall be made or proposed to be made to a person or persons connected (within the meaning of section 839 of ICTA) with the Shareholder or Shareholders transferring such Shares or which is not made on arm's length terms, the price shall be such price as would be equal to the Transfer Price for such Shares in the same way as if they were the subject of a Transfer Notice but so that no account shall be taken, in determining the Specified Price, of the size of the shareholding representing a minority shareholding in the Company.

11 1.3 All other regulations of the Company relating to the transfer of Shares or other interests and the right to registration of transfers shall be read subject to the provision of this Article 11 but, for the avoidance of doubt, Articles 9 and 10 shall apply to any transfer referred to in Article 11.2 which, if registered, would result in someone obtaining a Controlling Interest and to any transfer under Article 11.2 but Article 12.4 shall override Article 11.

- 11.2 No sale or transfer of Equity Shares (for the purposes of this Article 11.2 the "Specified Shares") shall be made which would result, if made and registered, in a person or persons (whether or not a body corporate) and his or their Connected Persons who was not or were not a Shareholder or Shareholders on the date of adoption of these Articles obtaining a Controlling Interest in the Company unless before the transfer is lodged for registration the proposed transferee or transferees or his or their nominees has or have made an offer (stipulated to be open for twenty eight (28) days) to purchase all of the Equity Shares held by all the Shareholders (the "Offer Shares") at the Specified Price and on the same terms as the Specified Shares. The Shareholder to whom the offer was originally made to acquire the Specified Shares shall procure that such offer remains open for acceptance by the holders of the Offer Shares for a period of twenty eight

(28) days from the date of the said offer.

12 Compulsory Transfers

12.1 Cessation of employment or relationship

Whenever (i) any Employee Shareholder ceases to be an employee or consultant or director of the Company or its subsidiaries and does not continue in that capacity in relation to any of them (other than in the capacity as a director as a representative of a shareholder pursuant to clause 2.1 of the Shareholders Agreement) or (ii) the board issue a Cessation Notice then (a) a Transfer Notice shall be deemed to have been served immediately upon such cessation or Cessation Notice; and (b) the directors shall have the right at any time after cessation or such Cessation Notice to serve notice (a "Call Notice") on such person to the effect that a Transfer Notice shall be deemed to have been served. Such Transfer Notice(s) shall be in respect of all shares then held by the Employee Shareholder and/or Permitted Transferees and shall apply to all Relevant Shares, at the time of such deemed notice, and the provisions of Article 10 (*Pre-emption rights*) shall apply mutatis mutandis. Where a Cessation Notice is outstanding in respect of a Permitted Transferee and a Transfer Notice is deemed to be served in respect of the original transferor of the A Ordinary Shares which are the subject of the Cessation Notice, then the original transferor may acquire the A Ordinary Shares but such shares will be subject to the deemed Transfer Notice. Any Transfer Notice deemed to be given under this Article 12.1 shall be deemed also:

12.1.1 to incorporate a term that the price for the Relevant Shares shall be in the case of a Cessation Notice, the sum of £1 per share and otherwise, the Transfer Price as calculated in accordance with Article 10.4 (provided that in the case of a Call Notice (which does not arise after a Cessation Notice), the Transfer Price shall not be less than the Transfer Price which would have applied at the time of cessation of the employment or engagement of the Employee Shareholder, and

12.1.2 to incorporate a Total Transfer Condition; and

12.1.3 (notwithstanding Article 10.5) to be irrevocable; and

12.1.4 (in the case of death or bankruptcy) be deemed to have been given immediately prior to such death or bankruptcy.

12.2 Disenfranchisement

As from the date a Transfer Notice is deemed to have been given pursuant to Article 12.1 and until such time as the provisions of Article 10 have been complied with, the board may serve a disenfranchisement notice on the relevant member and the Relevant Shares shall cease to entitle the holder thereof or any proxy to any voting rights (whether on a show of hands or on a poll) otherwise attaching to such shares or to a dividend or to any further shares by issue or transfer.

12.3 Purported transfer of Shares

A Shareholder who transfers or purports to transfer any Share in breach of the foregoing provisions of these Articles shall be bound to give a Transfer Notice in respect of all the Shares registered in the name of such Shareholder unless and to the extent that a valid transfer in respect of such Shares in favour of a person or persons to whom they may be transferred pursuant to Article 10 shall have been lodged for registration. If such Shareholder fails to serve a Transfer Notice within thirty (30) days of the date of the call notice such Shareholder shall be deemed to have given a Transfer Notice at the expiration of such period of thirty (30) days and the provisions of Article 10 shall apply mutatis mutandis save that the price for the shares shall be the Transfer Price certified in accordance with Article 10.3.

12.4 Drag-along

12.4.1 If the holders of at least seventy per cent (70%) (calculated on the basis of attributing, pursuant to Article 4.2, 50.1% of such voting rights to the Equity Shares held by Keith Anderson) of the voting rights attaching to the Equity Shares (for the purposes of this Article 12.3 the "Sellers") intend to sell all of the Shares held by them (the shares to be sold by the Sellers being referred to as the "Selling Shares") to a bona fide purchaser on arms length terms the Sellers shall be obliged to give to the Company not less than fourteen (14) days' notice in advance before selling the Selling Shares. That

notice (the **"Selling Notice"**) shall include details of the Selling Shares and the proposed price for each Selling Share to be paid by the proposed purchaser and the place, date and time of completion (**"Completion"**) of the proposed purchase being a date not less than fourteen (14) days from the date of the Selling Notice (the **"Sale Terms"**).

12.4.2 Immediately upon receipt of the Selling Notice, the Company shall give notice in writing (a **"Compulsory Sale Notice"**) to each of the Shareholders (other than the Sellers), giving the details contained in the Selling Notice, requiring them each to sell to the proposed purchaser at Completion all of their holdings of Shares upon the Sale Terms.

12.4.3 Each Shareholder who is given a Compulsory Sale Notice shall sell all of his shares referred to in the Compulsory Sale Notice to the proposed purchaser upon the Sale Terms on Completion, subject only to the Sellers completing the sale to the proposed purchaser.

12.4.4 If any Shareholder(s) (the **"Defaulting Shareholder(s)"**) fails to comply with the terms of a Compulsory Sale Notice given to him within 14 days, the Directors shall be entitled to authorise some person to execute any necessary transfers in favour of the transferee upon receipt of the purchase money, enter the name of the transferee in the register of members of the Company as the holder of the shares in question and hold the purchase money in trust for the Defaulting Shareholder. The receipt of the Company for the purchase money shall be a good discharge to the transferee and the transferee shall not be bound to see to the application of it. After the name of the transferee has been entered in the register in purported exercise of the aforesaid powers the validity of the proceedings shall not be questioned by any person.

12.4.5 Any transfer pursuant to this Article 12.4 (including, for this purpose, the shares to be transferred by the Selling Shareholders referred to in Article 12.4.1) shall not be subject to the pre-emption provisions of Article 10 but shall override Article 11.2.

13 **General meetings**

In accordance with section 302 of the 2006 Act, the Directors may call general meetings of the Company.

14 **Notice of general meetings**

Every notice convening a general meeting shall comply with the provisions of section 325 of the 2006 Act as to giving information to members in regard to their right to appoint proxies, and notices of and other communications relating to any general meeting which any member is entitled to receive shall be sent to the Directors and to the Auditors.

15 **Proceedings at general meetings**

15.1 No business shall be transacted at any general meeting unless a quorum of Shareholders is present at the time when the meeting proceeds to business and at all times throughout the meeting thereafter, save as otherwise provided in these Articles two Shareholders present in person or by proxy (or, being a corporation, by representative) shall be a quorum.

15.2 If a quorum is not present within half an hour from the time appointed for a general meeting, or ceases to be present, the general meeting shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such other time and place as the Directors may determine

16 **Votes of members**

16.1 Subject to any rights or restrictions for the time being attached to any class or classes of shares, on a show of hands every member entitled to vote who (being an individual) is present in person or by proxy (not being himself a member entitled to vote) or (being a corporate body) is present by a representative or proxy (not being himself a member entitled to vote) shall have one vote and, on a poll, every member shall have one vote for each share of which he is the holder.

16.2 The words "be entitled to" shall be inserted between the words "shall" and "vote" in regulation 57 of Table A

17 Alternate Directors

- 17.1 An alternate Director shall be entitled to receive notice of all meetings of the Directors and of all meetings of committees of the Directors of which his appointor is a member (subject to his giving to the Company an address within the United Kingdom at which notices may be served on him), to attend and vote at any such meeting at which the Director appointing him is not personally present and generally to perform all the functions of his appointor at such meeting as a Director in his absence. An alternate Director shall not be entitled as such to receive any remuneration from the Company, save that he may be paid by the Company 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.
- 17.2 A Director, or any such other person as is mentioned in regulation 65 of Table A, may act as an alternate Director to represent more than one Director, and an alternate Director shall be entitled at any meeting of the Directors or of 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.
- 17.3 Save as otherwise provided in the regulations of the Company, an alternate Director shall be deemed for the purposes specified in Article 17 1 to be a Director and shall alone be responsible for his own acts and defaults and he shall not be deemed to be the agent of the Director appointing him

18 Appointment and retirement of Directors

- 18.1 The Directors shall not be required to retire by rotation
- 18.2 The Company may by ordinary resolution appoint any person who is willing to act to be a Director, either to fill a vacancy or as an additional Director and with the written consent of the Investor, dismiss any director.
- 18.3 The Directors may appoint a person who is willing to act to be a Director, either to fill a vacancy or as an additional Director, provided that the appointment does not cause the number of Directors to exceed any number determined in accordance with Article 21.1.

19 Disqualification and removal of Directors

The office of a Director shall be vacated if:-

- 19.1 he ceases to be a director by virtue of any provision of the Acts or these Articles or he becomes prohibited by law from being a director; or
- 19.2 he becomes bankrupt or makes any arrangement or composition with his creditors generally, or
- 19.3 he is, or may be, suffering from mental disorder and either:
 - 19.3.1 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
 - 19 3 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
- 19 4 he resigns his office by notice to the Company, or
- 19.5 he shall for more than six consecutive months have been absent without permission of the Directors from meetings of Directors held during that period and the Directors resolve that his office be vacated,

and regulation 81 of Table A shall not apply to the Company

20 Gratuities and pensions

The Directors may exercise any powers of the Company conferred by its memorandum of association to give and provide pensions, annuities, gratuities or any other benefits whatsoever to or for past or present directors or employees (or their dependants) of the Company or any subsidiary or associated undertaking (as defined in section 1159 of the 2006 Act) of the Company and the Directors shall be entitled to retain any benefits received by them or any of them by reason of the exercise of any such powers

21 **Proceedings of the Directors**

- 21.1 Unless and until the Company by special resolution shall otherwise determine, the number of Directors shall not be less than two or more than six.
- 21.2 The quorum necessary for the transaction of business of the Directors shall be two.
- 21.3 At any meeting of the Directors each Director (or his alternate Director) present at the meeting shall be entitled to one vote.
- 21.4 At any meeting of the Directors, any Director (or his alternate Director) shall have the right to refer any matter to the Shareholders for determination.
- 21.5 In the case of an equality of votes at any meeting of the Directors the chairman of such meeting shall not be entitled to a second or casting vote
- 21.6 Subject to the provisions of the Acts, and provided that he has disclosed to the Directors the nature and extent of any interest of his, a Director notwithstanding his office
- 21.6.1 may be a party to or otherwise interested in any transaction or arrangement with the Company or in which the Company is in any way interested;
- 21.6.2 may be a director or other officer of or employed by or be a party to any transaction or arrangement with or otherwise interested in any body corporate promoted by the Company or in which the Company is in any way interested,
- 21.6.3 may, or any firm or company of which he is a member or director may, act in a professional capacity for the Company or any body corporate in which the Company is in any way interested,
- 21.6.4 shall not by reason of his office be accountable to the Company for any benefit which he derives from such office, service or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or

arrangement shall be liable to be avoided on the ground of any such interest or benefit; and

21.6.5 shall be entitled to vote on any resolution and (whether or not he shall vote) be counted in the quorum on any matter referred to in any of Articles 21.6.1 to 21.6.4 (inclusive) or on any resolution which in any way concerns or relates to a matter in which he has, directly or indirectly, any kind of interest whatsoever and if he shall vote on any resolution as aforesaid his vote shall be counted.

21.7 For the purposes of Article 21.6

21.7.1 a general notice to the Directors that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall not be deemed to be a disclosure that the Director has an interest in any such transaction of the nature and extent so specified;

21.7.2 an interest of which a Director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his; and

21.7.3 an interest of a person who is for any purpose of the Acts (excluding any statutory modification not in force when these Articles were adopted) connected with a Director shall be treated as an interest of the Director and in relation to an alternate Director an interest of his appointor shall be treated as an interest of the alternate Director (but not vice versa) without prejudice to any interest which the alternate Director has otherwise.

21.8 Any Director including an alternate Director may participate in a meeting of the Directors or a committee of the Directors of which he is a member by means of a conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other and participation in a meeting in this manner shall be deemed to constitute presence in person at such meeting and, subject to these Articles and the Acts, he shall be entitled to vote and be counted in a quorum accordingly. Such a meeting shall be deemed to take place where the largest group of

those participating is assembled or, if there is no such group, where the chairman of the meeting then is.

22 Directors' borrowing powers

Subject as hereinafter provided the Directors may exercise all the powers of the Company (whether express or implied)-

- 22.1 of borrowing or securing the payment of money;
- 22.2 of guaranteeing the payment of money and the fulfilment of obligations and the performance of contracts, and
- 22.3 of mortgaging or charging the property assets and uncalled capital of the Company and (subject to section 80 of the 1985 Act) of issuing debentures.

23 The seal

If the Company has a seal it shall be used only with the authority of the Directors or of a committee of the Directors. The Directors may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined, every instrument to which the seal is affixed shall be signed by one Director and by the secretary or another Director.

24 Notices

- 24.1 Where a notice is sent by first class post, proof of the notice having been posted in a properly addressed prepaid envelope shall be conclusive evidence that the notice was given and shall be deemed to have been given at the expiration of forty-eight (48) hours after the envelope containing the same is posted. Where a notice is sent by facsimile or other electronic communication, an electronic receipt shall be conclusive evidence that the notice was given and the notice shall be deemed to have been given two hours after transmission following receipt of an electronic receipt during normal business hours (and otherwise at the opening of business on the next business day).
- 24.2 If at any time by reason of the suspension or curtailment of postal services

within the United Kingdom the Company is unable effectively to convene a general meeting by notices sent through the post, a general meeting may be convened by a notice advertised in at least one national daily newspaper and such notice shall be deemed to have been duly served on all members entitled to such notice at noon on the day when the advertisement appears. In any such case the Company shall send confirmatory copies of the notice by post if at least seven days prior to the meeting the posting of notices to addresses throughout the United Kingdom again becomes practicable

25 **Director's Conflicts**

25.1 The Directors may, in accordance with the requirements set out in this Article 25.1, authorise any matter or situation proposed to them by any Director which would, if not authorised, involve a Director (an "Interested Director") breaching his duty under section 175 of the Act to avoid conflicts of interest ("Conflict").

25.2 Any authorisation under this Article 25 will be effective only if:

25.2.1 to the extent permitted by the Act, the matter in question shall have been proposed by any Director for consideration in the same way that any other matter may be proposed to the Directors under the provisions of these Articles or in such other manner as the Directors may determine,

25.2.2 any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director; and

25.2.3 the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's vote had not been counted.

25.3 Any authorisation of a Conflict under this Article 25 may (whether at the time of giving the authorisation or subsequently):

25.3.1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;

25.3.2 provide that the Interested Director be excluded from the receipt of

documents and information and the participation in discussions (whether at meetings of the Directors or otherwise) related to the Conflict,

25.3.3 provide that the Interested Director shall or shall not be an Eligible Director in respect of any future decision of the Directors in relation to any resolution related to the Conflict;

25.3.4 impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the Directors think fit;

25.3.5 provide that, where the Interested Director obtains, or has obtained (through his involvement in the Conflict and otherwise than through his position as a Director of the Company) information that is confidential to a third party, he will not be obliged to disclose that information to the Company, or to use it in relation to the Company's affairs where to do so would amount to a breach of that confidence; and

25.3.6 permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any meeting of the Directors and be excused from reviewing papers prepared by, or for, the Directors to the extent they relate to such matters.

25.4 Where the Directors authorise a Conflict, the Interested Director will be obliged to conduct himself in accordance with any terms and conditions imposed by the Directors in relation to the Conflict.

25.5 The Directors may revoke or vary such authorisation at any time, but this will not affect anything done by the Interested Director, prior to such revocation or variation, in accordance with the terms of such authorisation.

25.6 A Director, notwithstanding his office, may be a Director or other officer of, employed by, or otherwise interested (including by the holding of shares) in his appointor(s) (or any Permitted Transferee of such appointor(s)) and no authorisation under Article 25.1 shall be necessary in respect of any such interest.

25.7 A Director is not required, by reason of being a Director (or because of the

fiduciary relationship established by reason of being a Director), to account to the Company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the Directors in accordance with these Articles or by the Company in general meeting (subject in each case to any terms and conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds

26 Directors' indemnity and insurance

26.1 Subject to Article 26 2, but without prejudice to any indemnity to which a Relevant Officer is otherwise entitled:

26.1.1 each Relevant Officer shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a Relevant Officer;

- (a) in the actual or purported execution and/or discharge of his duties, or in relation thereto; and
- (b) in relation to the Company's (or other group company's) activities as trustee of an occupational pension scheme (as defined in section 235(6) of the Act)

including (in each case) any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted, or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part, or in connection with any application in which the court grants him, in his capacity as a Relevant Officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company's (or other group company's) affairs; and

26.1.2 the Company may provide any Relevant Officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in Article 26 1 and otherwise may take any action to enable such Relevant Officer to avoid incurring such expenditure.

- 26.2 This Article 26 does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law.
- 26.3 The Directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any Relevant Officer in respect of any Relevant Loss
- 26.4 In this Article 26:
- 26.4.1 “Relevant Loss” means any loss or liability which has been or may be incurred by a Relevant Officer in connection with that Relevant Officer’s duties or powers in relation to the Company (or other group company) or any pension fund or employees’ share scheme of the Company (or other group company); and
- 26.4.2 “Relevant Officer” means any director or other officer or former director or other officer of any group company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act), but excluding in each case any person engaged by a group company as auditor.