

The Companies Act 1985

Private Company Limited By Shares

**ARTICLES OF ASSOCIATION**

**OF**

**PRINCESS YACHTS (HOLDINGS) LIMITED**

Incorporated on 25 October 2007

Adopted By Special Resolution  
passed on 13 February 2023

Company Number: 06409725

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THE COMPANIES ACT 1985 and 1989

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

**Princess Yachts (Holdings) Limited (the “Company”)**

Adopted by Special Resolution passed on 13 February 2023

PRELIMINARY

**1** Table A not to apply

The regulations in Table A in The Companies (Tables A to F) Regulations 1985 shall not apply to the Company.

**2** Interpretation

In these Articles (if not inconsistent with the subject or context) the words and expressions set out in the first column below shall bear the meanings set opposite to them, respectively:

“A Ordinary Shareholder”	means a Shareholder who holds A Ordinary Shares;
“A Ordinary Shares”	means the A Ordinary Shares of £0.01 nominal value each in the capital of the Company;
“Acquisition Completion Date”	means 9 July 2008;
“Act”	means the Companies Act 2006;
“Affiliate”	has the meaning given to it in the Investment Agreement;
“Asset Sale”	has the meaning given to it in the Investment Agreement;
“Auditors”	means the auditors of the Company, from time to time;
“B Ordinary Shareholder”	means a Shareholder who holds B Ordinary Shares;
“B Ordinary Shares”	means the B Ordinary Shares of £0.01 nominal value each in the capital of the Company;
“Business Day”	means a day which is not a Saturday or Sunday on which banks generally are open in London and Paris for normal business;
“C/D Share Investment Agreement”	means the investment agreement entered into between the Company, RNO Group and certain employees of the Group dated 28 June 2017, as amended or substituted from time to time;
“C/D Share Exit”	has the meaning given to the expression “Exit” in the C/D Share Investment Agreement;
“C Ordinary Shareholder”	means a Shareholder who holds C Ordinary Shares;

“C Ordinary Shares”	means the C Ordinary Shares of £0.01 nominal value each in the capital of the Company;
“Connected Person”	shall have the meaning given to that expression in Section 839 of the Income and Corporation Taxes Act 1988;
“Control”	<p>means (either alone or acting in concert and directly or indirectly) being:</p> <ul style="list-style-type: none"> <li>(a) the beneficial owner of more than 50 per cent. of the issued share capital of or of the voting rights in a body corporate, or having the right to appoint or remove a majority of the directors or otherwise control the votes at board meetings of that company by virtue of any powers conferred by the articles of association (or equivalent), shareholders' agreement or any other document regulating the affairs of that body corporate;</li> <li>(b) the beneficial owner of more than 50 per cent. of the capital of a partnership, trust or fund, or being the general partner or manager of a partnership, trust or fund, or otherwise having the right to control the composition of or the votes to the majority of the management of that partnership, trust or fund by virtue of any powers conferred by the partnership, trust or fund agreement or any other document regulating the affairs of that partnership, trust or fund;</li> <li>(c) his or its Connected Person; or</li> <li>(d) otherwise able to secure that the affairs of another are conducted directly or indirectly in accordance with the wishes of that person, body corporate, trust, partnership or fund (either alone or acting in concert), and</li> </ul> <p>“Controlled” and “Controlling” shall be construed accordingly and being under “Common Control” shall mean where persons, bodies corporate, trusts, partnerships or funds are each Controlled directly or indirectly by the same person, body corporate, trust partnership or fund (either alone or acting in concert);</p>
“Conversion Notice”	has the meaning given to it in Article 6.4;
“D Ordinary Shareholder”	means a Shareholder who holds D Ordinary Shares;
“D Ordinary Shares”	means the D Ordinary Shares of £0.01 nominal value each in the capital of the Company;
“Deferred Shareholder”	means a Shareholder who holds Deferred Shares;
“Deferred Shares”	means the Deferred Shares of £0.01 nominal value each in the capital of the Company arising out of the conversion of B Ordinary Shares pursuant to Article 6.4 and having the rights set out in Articles 6.5 and 6.6;



“Directors”	means the directors for the time being of the Company and “ <b>Director</b> ” shall mean any one of them;
“EquityCo”	has the meaning given to it in the Investment Agreement;
“Exit”	has the meaning given to it in the Investment Agreement;
“Finance Agreements”	has the meaning given to them in the Investment Agreement;
“Fund”	has the meaning given to it in the Investment Agreement;
“FSMA”	means the Financial Services and Markets Act 2000;
“Group”	has the meaning given to it in the Investment Agreement
“Investment Agreement”	means the agreement dated 30 May 2008 between certain employees of the Group, RNO Group and the Company as amended or substituted from time to time, including on 28 June 2017;
“Investor Director”	means a Director appointed by RNO Group and specified by it to be an Investor Director;
“Investor Group”	has the meaning given to it in the Investment Agreement;
“IPO”	has the meaning given to it in the Investment Agreement;
“Liquidation”	has the meaning given to it in the Investment Agreement;
“LSE”	means the London Stock Exchange plc;
“Majority”	means, as regards Shareholders of a class or classes of Shares, a majority by reference to the number of Shares of such class or classes held and not by reference to the number of Shareholders holding Shares of such class or classes;
“ <b>Managers’ Representative</b> ”	means, for as long as they are a Director, together (i) the Managers’ Representative as defined in the Investment Agreement and (ii) the Managers’ Representative as defined in the C/D Share Investment Agreement;
“Official List”	means the list maintained by the competent authority (as defined in section 74 of the Financial Services and Markets Act 2000) for the purpose of admitting securities to listing pursuant to Part VI of that Act;
“Ordinary Shares”	means the A Ordinary Shares, the B Ordinary Shares, the C Ordinary Shares and the D Ordinary Shares;
“Preference Dividend”	has the meaning given to it in Article 5.1.1;
“Preference Dividend Payment Date”	means 30 June and 31 December each year (or if such date is not a Business Day, the first Business Day following such date);
“Preference Shareholder”	means a Shareholder who holds Preference Shares;
“Preference Share Redemption Date”	has the meaning given to it in Article 5.5.1;
“Preference Shares”	means the cumulative, redeemable preference shares of £0.01 each in the capital of the Company;

“Register”	means the register of Shareholders of the Company;
“Relevant Company”	means: <ul style="list-style-type: none"> <li>(a) the Company;</li> <li>(b) a subsidiary undertaking of the Company or a parent undertaking of the Company or a subsidiary undertaking of such parent undertaking;</li> <li>(c) RNO Group and any member of its Investor Group;</li> <li>(d) any body corporate promoted by the Company or RNO Group;</li> <li>(e) any body corporate in which the Company or RNO Group is otherwise interested; and</li> <li>(f) any other body corporate in which; <ul style="list-style-type: none"> <li>(i) a member of the Company or of RNO Group holds an interest; or</li> <li>(ii) an Affiliate of a member of the Company or of RNO Group holds an interest; or</li> <li>(iii) any body corporate, trust, partnership or fund, which Controls, is Controlled by or is under Common Control with a member of the Company or with RNO Group, holds an interest.</li> </ul> </li> </ul>
“Relevant Director”	means any Director or former Director of the Company or any director or former director of a Relevant Company;
“Renwick Shares”	means 62,059,636 Ordinary Shares of 25p each being the whole of the issued share capital of The Renwick Group Limited;
“RNO Group”	means R.N.O. Group S.C.A. or, in the event that R.N.O Group S.C.A. no longer holds the Majority of the A Ordinary Shares in issue at the relevant time, the holder of the Majority of the A Ordinary Shares in issue at the relevant time;
“Shareholder”	means a holder of Shares;
“Shares”	means the Preference Shares, the Ordinary Shares, the Deferred Shares and any other shares in the capital of the Company from time to time;
“Subordination Deed”	has the meaning given to it in the Investment Agreement;
“Subscription Price”	means, in relation to any Share, the amount paid up or credited as paid up thereon (including the full amount of any premium at which such Share was issued whether or not such premium is applied for any purpose thereafter) which, in respect of:

- (a) the 100 A Ordinary Shares arising on conversion of the 1 ordinary share of £1 issued on incorporation of the Company is 1p;
- (b) the other A Ordinary Shares and the B Ordinary Shares, (including any B Ordinary Shares later converted into C Ordinary Shares or D Ordinary Shares) in each case issued on or prior to the Acquisition Completion Date, is £1 per Ordinary Share (representing £0.01 of nominal value and a premium of £0.99); and
- (c) the Preference Shares issued on or prior to the Acquisition Completion Date is £1 per Preference Share (representing £0.01 of nominal value and a premium of £0.99);

“voting rights”	means any voting or consent rights or rights to waive (in each case in person or by proxy) arising out of the holding of any Shares);
“in writing”	means written or produced by any substitute for writing (including anything in electronic form) or partly one and partly another.

The expression “**shareholders’ meeting**” shall include both a general meeting and a meeting of the holders of any class of Shares of the Company.

Words denoting the singular shall include the plural and vice versa. Words denoting the masculine shall include the feminine. Words denoting persons shall include bodies corporate and unincorporated associations.

References to any statute or statutory provision shall be construed as relating to any statutory modification or re-enactment thereof for the time being in force (whether coming into force before or after the adoption of these Articles). Subject to this any words or expressions defined in the Act shall (if not inconsistent with the subject or context) bear the same meanings in these Articles.

Where for any purpose an Ordinary Resolution of the Company is required, a Special Resolution shall also be effective.

Any reference in these Articles to any matter requiring the consent, agreement or approval of or notice being given by an Investor Director shall mean, if there is no Investor Director, the consent, agreement or approval of or notice being given by RNO Group.

The expressions “hard copy form”, “electronic form” and “electronic means” shall have the same respective meanings as in the Companies Act 2006.

The expression “**address**” shall include any number or address used for the purposes of sending or receiving notices, documents or information by electronic means and/or by means of a website.

The expression “Company Communications Provisions” shall have the same meaning as in the Companies Act 2006.

## PRIVATE COMPANY

### 3 Private company

The Company is a private company and accordingly any invitation to the public to subscribe for any Shares or debentures of the Company is prohibited.

## SHARE CAPITAL

### 4 Amount of share capital

The authorised share capital of the Company at the date of the adoption of these Articles is £661,000 divided into:

- 3,000,000 A Ordinary Shares;
- 780,000 B Ordinary Shares;
- 200,000 C Ordinary Shares;
- 20,000 D Ordinary Shares; and
- 62,100,000 Preference Shares.

## RIGHTS ATTACHING TO THE SHARES

### 5 Preference Shares

The rights attaching to the Preference Shares are set out below.

#### 5.1 Preference Dividend

- 5.1.1 Each Preference Share confers on its holder the right to a fixed cumulative preference dividend (the "Preference Dividend") at the annual rate which is equal to 5.64 per cent. of the Subscription Price.
- 5.1.2 The right to the Preference Dividend has priority over the dividend rights of the holders of any other class of Shares, save for the rights of the C Ordinary Shares and D Ordinary Shares on an Exit as set out in these Articles.
- 5.1.3 The Preference Dividend shall accrue from day to day and shall, unless the Directors otherwise resolve, be paid half-yearly on every Preference Dividend Payment Date in respect of the half-years commencing on and including the day after the previous Preference Dividend Payment Date and ending on and including those dates, out of the profits of the Company resolved to be distributed and available for distribution except that the first Preference Dividend shall be paid on 31 December 2008 and calculated in respect of the period from and including the Acquisition Completion Date up to and including that date.
- 5.1.4 Any unpaid Preference Dividend:
  - (i) shall be carried forward and paid in priority to the Preference Dividend payable on any later date; and
  - (ii) shall continue to accrue on the unpaid amount at the relevant dividend rate from day to day and shall compound on each Preference Dividend Payment

Date commencing on the Preference Dividend Payment Date next following the Preference Dividend Payment Date on which such Preference Dividend was due to be paid.

5.1.5 If the Company does not pay the Preference Dividend in full on or by any Preference Dividend Payment Date, then:

- (i) on the relevant Preference Dividend Payment Date, the Company shall, in respect of such Shares, pay to each Preference Shareholder the sum (if any) which it has resolved to pay; and
- (ii) on each succeeding Preference Dividend Payment Date for the Preference Shares, the Company shall, in respect of such Shares, pay such part of the balance of the unpaid Preference Dividend (including any amount referred to in Article 5.1.4(ii) above) for the time being remaining outstanding (and until the same shall have been paid in full) which it has resolved to pay.

## 5.2 Return of capital

On a return of assets on a Liquidation, return of capital or otherwise, the assets of the Company available for distribution among the Shareholders shall be applied in paying to the Preference Shareholders, in priority to any payment to the holders of any other class of Shares save for the rights of the C Ordinary Shares and D Ordinary Shares on an Exit as set out in these Articles:

5.2.1 the Subscription Price in respect of the Preference Share; and

5.2.2 to the extent that there are sufficient distributable reserves, any accrued and/or unpaid Preference Dividend calculated to and including the date of return of capital.

## 5.3 Further participation

The Preference Shares do not confer any further right of participation in the profits or assets of the Company.

## 5.4 Voting and General Meetings

Preference Shareholders are entitled to receive notice of and to attend and speak at general meetings of the Company. Preference Shares shall not carry any right to vote at general meetings of the Company unless:

5.4.1 the resolution is one which directly or indirectly varies, modifies, alters or abrogates any of the rights, privileges, limitations or restrictions attaching to the Preferences Shares; or

5.4.2 the resolution is for the winding-up of the Company, the reduction of share capital, or the purchase by the Company of any of its Shares.

For so long as one of the provisions in Article 5.4.1 above applies, Preference Shareholders may vote, on notice given by the holders of a Majority of the Preference Shares, at the general meetings of the Company whereupon, on a show of hands, every Preference Shareholder who (being an individual) is present in person or by proxy or (being a corporation) is present by a representative shall have one vote and, on a poll, every Preference Shareholder present in person or by proxy shall have one vote for every Preference Share of which he is the holder. A Preference Shareholder entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.

## 5.5 Redemption and purchase

- 5.5.1 The Company shall have the right, subject to the Act, to redeem at any time and from time to time during the period commencing on the Acquisition Completion Date and ending on 31 December 2024 the whole or any part of the Preference Shares for the time being issued and outstanding upon giving to the holders of the particular Preference Shares to be redeemed not less than 28 days' prior notice in writing of the date (the "Preference Share Redemption Date") when such redemption is to be effective.
- 5.5.2 In the case of partial redemption under Article 5.5.1 above, the Company shall for the purpose of ascertaining the particular Preference Shares to be redeemed cause a drawing of lots to be made at the registered office of the Company or at such place as the Directors may decide in the presence of a representative of the Auditors.
- 5.5.3 Any notice given under Article 5.5.1 above shall specify the particular Preference Shares to be redeemed, the applicable Preference Share Redemption Date and the place at which the certificates for the Preference Shares are to be presented. Upon the Preference Share Redemption Date the Company shall redeem the particular Preference Shares to be redeemed on that date and each holder of the certificated Preference Shares concerned shall be bound to deliver to the Company at such place the certificates for such of the Preference Shares concerned as are held by him (or, in default, an indemnity satisfactory to the Company). Upon such delivery the Company shall pay to such holder the amount due to him in respect of such redemption. If any certificate so delivered to the Company includes any Preference Shares not to be redeemed on the relevant Preference Share Redemption Date, a fresh certificate for such Preference Shares shall be issued free of charge to the holder delivering such certificate to the Company.
- 5.5.4 There shall be paid on each Preference Share redeemed under Article 5.5.1 above or Articles 5.5.6, 5.5.10 or 5.5.12 below the Subscription Price together with a sum equal to all arrears and accruals (if any) of the Preference Dividend thereon, less in each such case, in the case of an Exit, any sums payable to the C Ordinary Shareholders and/or D Ordinary Shareholders in accordance with these Articles, irrespective of whether or not such dividend has been declared or earned or become due and payable, to be calculated down to and including the Preference Share Redemption Date.
- 5.5.5 As from the relevant Preference Share Redemption Date, the Preference Dividend shall cease to accrue on the Preference Shares to be redeemed unless, despite presentation of the relevant share certificate or an indemnity, the Company fails to pay the due redemption money in respect of all the Preference Shares to be redeemed. In that case, the Preference Dividend shall continue to accrue or be deemed to continue to accrue on the Preference Shares in respect of which redemption money is outstanding and shall comprise redemption money under the terms of this Article 5.5.
- 5.5.6 The Company shall, subject to the Act, redeem on 31 December 2024 (or so soon thereafter as the Company shall be able to comply with the provisions of the Act affecting the redemption of redeemable shares) all of the Preference Shares (if any) in issue on that date and the amount payable on redemption thereof shall be the sum specified in Article 5.5.4 above, provided that if the Company shall be unable in

compliance with the Act to redeem all or any of the Preference Shares in accordance with this Article on that date, then the Company shall redeem such number of shares as may lawfully be redeemed at that time, and for the purpose of ascertaining the particular Preference Shares to be redeemed shall cause a drawing of lots to be made at the registered office of the Company or at such place as the Directors may decide in the presence of a representative of the Auditors. The Company shall redeem the remaining shares which otherwise would have fallen to be redeemed in accordance with this Article as soon after such date or dates as the Company shall be able to in compliance with the Act. Not less than 28 days' prior notice in writing of any such redemption shall be given to the holders of the Preference Shares.

- 5.5.7 If any holder of any of the Preference Shares to be redeemed shall fail or refuse to deliver up the certificate or certificates held by him at the time and place fixed for the redemption of such shares or shall fail or refuse to accept payment of the redemption monies payable in respect thereof, the redemption monies payable to such holder shall be set aside and paid into a separate interest-bearing account with the Company's bankers (designated for the benefit of such holder) and such setting aside shall be deemed for all purposes hereof to be a payment to such holder and all the said holder's rights as a holder of the relevant Preference Shares shall cease and determine as from the date fixed for the redemption of such shares and the Company shall thereby be discharged from all obligations in respect thereof. The Company shall not be responsible for the safe custody of the monies so placed on deposit or for interest thereon except such interest as the said monies may earn while on deposit less any expenses incurred by the Company in connection therewith.
- 5.5.8 The receipt of the registered holder for the time being of any Preference Shares or in the case of joint registered holders the receipt of any of them for the monies payable on redemption thereof shall constitute an absolute discharge to the Company in respect thereof.
- 5.5.9 Subject to the provisions of the Act and to the rights of the C Ordinary Shares and D Ordinary Shares on an Exit as set out in these Articles, the Company may at any time purchase Preference Shares (provided that the fixed dividend shall have been paid in full up to and including the last half yearly date fixed for payment) by tender (available alike to all holders of Preference Shares) at a price (exclusive of all costs of purchase and exclusive of accruals of the fixed dividend) equal to the Subscription Price plus any accrued dividend but may not otherwise purchase any Preference Shares. The Company may exercise its rights and powers of purchase as regards the Preference Shares at its sole discretion.

#### Early redemption on an Exit

- 5.5.10 The Preference Shares shall, unless the holders of a majority of the Preference Shares otherwise consent, be redeemed in full immediately before completion of an Exit; save that, for the purposes of this Article 5.5.10, the Preference Share Redemption Date on an IPO is the day immediately before the IPO and the redemption money is to be paid immediately after the IPO.
- 5.5.11 Upon the redemption of any Preference Shares the Directors may pursuant to the authority given by the passing in general meeting of the resolution to create the Preference Shares convert and subdivide the authorised unissued preference share

capital existing as a consequence of such redemption into shares of any other class of share capital into which the authorised share capital of the Company is or may at that time be divided of a like nominal amount (as nearly as may be) as the shares of such class then in issue or into unclassified shares of the same nominal amount as the Preference Shares.

#### Early redemption if event of default

5.5.12 The holders of a Majority of the Preference Shares in issue are entitled to require redemption of some or all of the Preference Shares if any of the following events occur and if, within 28 days afterwards, they serve the Company with notice (a "Preference Shareholder Early Redemption Notice") specifying their requirements and a date between 14 and 28 days later (a "Redemption Date") on which the redemption is to take place:

- (i) on the making of an order by a competent court or the passing of an effective resolution for the winding-up or dissolution of the Company or any subsidiary or subsidiary undertaking (other than for the purposes of a reconstruction, amalgamation, merger or shareholders' voluntary winding-up on terms previously approved by a Special Resolution); or
- (ii) on the taking of possession by an encumbrance of, or the appointment or application for the appointment of a trustee, administrator or administrative receiver or manager or a similar officer over, or an administration order being made or applied for in respect of, any part of the whole of the undertaking or property of the Company or any subsidiary or subsidiary undertaking; or
- (iii) if the Company or any subsidiary or subsidiary undertaking ceases or threatens to cease to carry on its business or a substantial part of its business, save where such business is transferred to another company in the Group; or
- (iv) if the security constituted by the Finance Agreements is enforced by the persons entitled thereto; or
- (v) if the Company or any subsidiary or subsidiary undertaking initiates or consents to proceedings relating to itself under any applicable bankruptcy, insolvency, composition or other similar laws or makes a conveyance or assignment for the benefit of, or enters into any composition with, its creditors generally; or
- (vi) if the whole or substantial part of the undertaking or business of the Company is disposed of other than to a wholly-owned subsidiary of the Company; or
- (vii) if those Preference Shareholders become aware that any indebtedness of the Company or subsidiary undertaking has become repayable before its specified maturity or has been the subject of a demand for repayment

The holders of a Majority of the Preference Shares are entitled to withdraw the Preference Shareholder Early Redemption Notice if they serve the Company with notice to that effect before the Redemption Date.

5.6 The rights attaching to the Preference Shares (including in respect of dividends and redemption rights) shall be subject at all times to the terms of any intercreditor arrangements



entered into between the Company, the holders of the Preference Shares and any provider of debt finance to the Company.

## 6 A Ordinary Shares and B Ordinary Shares

The A Ordinary Shares and the B Ordinary Shares shall entitle the holders thereof to the following rights (subject to the following restrictions):

### 6.1 Income

The profits of the Company available for distribution and resolved to be distributed shall, subject to the provisions of the Act and to the Preference Dividend, be distributed by way of dividend among the holders of the A Ordinary Shares and the B Ordinary Shares pro rata to the nominal amount of the A Ordinary Shares and B Ordinary Shares held by them subject to any such dividend in respect of the A Ordinary Shares (but not, for the avoidance of doubt, the B Ordinary Shares) being adjusted on an Exit as a result of the rights of the C Ordinary Shares and the D Ordinary Shares set out in these Articles.

### 6.2 Voting

The A Ordinary Shareholders and the B Ordinary Shareholders shall be entitled to receive notice of, attend and speak at and vote at general meetings of the Company. On a show of hands each A Ordinary Shareholder and B Ordinary Shareholder shall have one vote and on a poll the A Ordinary Shareholders and the B Ordinary Shareholders shall have one vote for each A Ordinary Share and B Ordinary Share respectively held by them.

### 6.3 Capital

Subject to the rights of the Preference Shares, on a return of capital on a Liquidation, reduction of capital or otherwise (other than on a redemption or purchase of Shares), the balance of any assets available for distribution among the A Ordinary Shareholders, subject to any special rights which may be attached to any other class of Shares, shall be distributed among the A Ordinary Shareholders rateably according to the number of such A Ordinary Shares held by them respectively pro rata to their nominal amount subject to any such distribution in respect of the A Ordinary Shares being adjusted on an Exit as a result of the rights of the C Ordinary Shares and the D Ordinary Shares set out in these Articles. The rights attached to the B Ordinary Shares on a return of capital on a Liquidation, a reduction of capital or otherwise (including on an Exit) shall be as set out in Part C (Sale of Shares on an Exit or the exercise of Tag rights) of Schedule 6 (Value Creation Sharing Scheme) of the Investment Agreement and the holders of B Ordinary Shares shall not be entitled to any amounts in respect of the B Ordinary Shares upon a Liquidation, a reduction of capital or otherwise (including on an Exit) unless entitled to amounts pursuant to Schedule 6 (Value Creation Sharing Scheme) of the Investment Agreement.

### 6.4 Conversion of B Ordinary Shares into Deferred Shares

On receipt by the Company of a notice in writing signed on behalf of RNO Group by any director of RNO Group given in accordance with the Investment Agreement (a "Conversion Notice") specifying:

- (a) a number of B Ordinary Shares and the B Ordinary Shareholders who hold them (the "Converting B Shares");

- (b) the number of such Converting B Shares determined in accordance with the Investment Agreement which are to convert into an equal number of A Ordinary Shares; and
- (c) the number of such Converting B Ordinary Shares determined in accordance with the Investment Agreement which are to convert into an equal number of Deferred Shares,

each Converting B Share shall immediately and automatically convert into an A Ordinary Share or a Deferred Share, as the case may be, in accordance with the Conversion Notice.

6.5 The rights attached to and imposed on the Deferred Shares are as follows:

6.5.1 Income and capital

The Deferred Shares shall not confer on the holders thereof any entitlement to any participation in the profits or the assets of the Company.

6.5.2 Voting

The Deferred Shares shall not confer on the holders thereof any entitlement to receive notice of or to attend or vote at any general meeting of the Company.

6.6 Conversion of the B Ordinary Shares into Deferred Shares in accordance with Article 6.4 shall be deemed to confer an irrevocable authority on the Company, at any time thereafter:

6.6.1 to appoint any person to execute (on behalf the Deferred Shareholders) a transfer of such Shares and/or an agreement to transfer the same for no consideration to such person or persons as the Company may determine as custodian of such Shares; and/or

6.6.2 to purchase the same (in accordance with the provisions of the Act) for not more than an aggregate sum (for all the Deferred Shares) of 1p, without any requirement to obtain the consent or sanction of the holders and, for the purposes of such purchase, to appoint a person to execute (on behalf of the Deferred Shareholders) a contract for the sale to the Company of any Deferred Shares held by any such holders; and/or

6.6.3 pending such transfer and/or purchase, to retain the certificates for such Deferred Shares.

7 C Ordinary Share Entitlement

7.1 In these Articles (if not inconsistent with the subject or context) the words and expressions set out below shall bear the following meanings:

“CPECs” means convertible preferred equity certificates;

“C/D Exit Closing Date” means the date of completion of a C/D Share Exit;

“B Leaver” has the meaning given to a “Leaver” in the Investment Agreement;

“C/D Leaver” has the meaning given to it in the C/D Share Investment Agreement;

“C/D Related Holders” has the meaning given to the expression “Related Holders” in the C/D Share Investment Agreement;

“C/D Start Date” has the meaning given to it in the C/D Share Investment Agreement;

“Excluded Matters” means any assets or liabilities of RNO Group (but not, for the avoidance of doubt, of the Group), save to the extent that they are connected with any of the following:-

- (i) any debt, CPEC, PEC, equity share or preference share financing raised by RNO Group or the Group for the acquisition of The Renwick Group Limited or for the refinancing thereof or for the financial support and/or ownership of the Group,
- (ii) without prejudice to the generality of sub-paragraph (i) above, any debt raised pursuant to the Finance Agreements and/or the Shareholder Loan Agreement,
- (iii) the assets, liabilities and/or business of the Group and/or
- (iv) fees, costs and/or expenses of RNO Group in connection with its ongoing existence as a company and/or as the holding company and/or owner of securities of the Group;

“Interim Payments” means all cash and/or non-cash assets paid at any time after 28 June 2017 by RNO Group Investors or RNO Ltd Investors (i) to the Group or, save to the extent undertaken in connection with any Excluded Matters, to RNO Group, in each case in respect of the Relevant Investments, or (ii) to any C/D Leaver or any B Leaver; except, in each such case, for any such payments to RNO Group or the Group to the extent that such payments are required to be paid (or are paid in consideration of a waiver in whole or part to any such requirement) pursuant to any of the following obligations incurred by RNO Group or any member(s) of the Group on or prior to the date of adoption of these Articles of Association;-

- (i) obligations incurred in the Finance Agreements entered into with Credit Agricole Corporate and Investment Bank (“CACIB”), to the extent such payments are required due to restrictions in any finance agreements with Lloyds Bank plc (“the Lloyds Facilities”) upon the Group being able to make cash in the Group available to the Company and/or RNO Group to satisfy such obligations;
- (ii) obligations incurred in the Finance Agreements entered into with CACIB in any circumstances other than those contemplated in paragraph (i) above, in respect of aggregate payments in such circumstances of up to £3,648,649; and/or
- (iii) obligations incurred in the Lloyds Facilities;

“Interim Receipts” means any cash or non-cash assets received by RNO Group Investors or RNO Ltd Investors from the Group or RNO Group at any time after the date of adoption of these Articles, in each case in respect of Relevant Investments, including without limitation by way of: the repayment of any of the principal on any CPECs, PECs, loan notes, loans or other advances (if any); the interest (net of tax payable, withheld or deducted in respect of any payment made to RNO Group) on any CPECs, PECs, loan notes, loans or other advances (if any); any returns of capital; any dividends (excluding any associated tax credit received by RNO Group); and any rolled up interest and arrears of dividend received (in each case net of any tax for which RNO Group will not receive any credit) but excluding, in each such case (i) any amounts received pursuant to clause 5.2.1 of the Investment Agreement and (ii) any cash or non-cash assets received by RNO Group Investors or RNO Ltd Investors in connection with any Excluded Matters;

“Lenders” has the meaning given to it in the Investment Agreement;

“Net Capital Gain” means the Net Equity Value less the Relevant Number;

“Net Equity Value” means the aggregate cash and non-cash assets received by RNO Group Investors and RNO Ltd Investors on an Exit in respect of all of their Relevant Investments and adjusted, without double counting, as follows: -

- (i) PLUS any Interim Receipts;
- (ii) PLUS any payments made by RNO Group or RNO Group Investors or RNO Ltd Investors at Exit in connection with any Excluded Matters;
- (iii) PLUS in the case of an RNO Group Exit, any liabilities of RNO Group which are Excluded Matters at an Exit and which do not fall within sub-paragraph (ii) above;
- (iv) LESS any cash or non-cash assets received by RNO Group Investors or RNO Ltd Investors in connection with any Excluded Matters;
- (v) LESS in the case of an RNO Group Exit, any cash or non-cash assets of RNO Group which are Excluded Matters at an Exit and which do not fall within sub-paragraph (iv) above
- (vi) LESS any third party fees, costs and/or expenses of RNO Group Investors and/or RNO Ltd Investors in connection with such Exit;
- (vii) PLUS any Fee (as such expression is defined in the Subordination Deed) paid by the Company or RNO Group pursuant to the Subordination Deed;

provided that:-

- a) any non-cash consideration shall, subject to proviso (b) below, be valued at the value which would be ascribed to it if it were transferred by a willing seller to a willing buyer on arm's length terms (and such value shall then be treated as if it were cash for the purpose of determining Net Equity Value, including in respect of any Interim Payments and Interim Receipts in non-cash form);
- b) any deferred or contingent consideration on an Exit shall have a value of zero until it is paid and, when it is so paid, Article 9.3 shall apply;
- c) if an Exit occurs as a result of an IPO, it shall be assumed that RNO Group realised all of its interests in Equityco by reference to the price at which the shares in Equityco are offered for sale or subscription in the IPO; and
- d) for the avoidance of doubt, to the extent any third party costs, fees and expenses are incurred by RNO Group in connection with an Exit, the aggregate cash and non-cash assets received by RNO Group Investors and RNO Ltd Investors on such Exit shall be determined after the deduction of such costs, fees and expenses.

“Net Return” means the Net Equity Value divided by the Relevant Number (Net Equity Value being determined excluding, for the avoidance of doubt, the C Ordinary Share Entitlement and D Ordinary Share Entitlement);

“PECs” means preferred equity certificates;

“Relevant Investments” means any investments in RNO Group or the Group, including for the avoidance of doubt, equity shares, preference shares, CPECs, PECs, loan notes, loans and other advances, but excluding (i) any B Ordinary Shares, A Ordinary Shares arising on conversion of B Ordinary Shares, C Ordinary Shares and D Ordinary Shares other than, in each such case, RNO Group Retained Shareholdings; (ii) any loans by the Lenders contemplated under the Finance Agreements; and (iii) any loan or advance by a person who

does not, and whose Affiliates do not, hold (and have never held) any other form of Relevant Investment other than another loan or advance;

“Relevant Number” means £54,500,000 plus any Interim Payments;

“Reserved D Shares” means any D Ordinary Shares which are at the relevant time held by RNO Group as Unallocated Shares in accordance with the C/D Investment Agreement;

“RNO Group Exit” has the meaning given to it in the C/D Share Investment Agreement;

“RNO Group Investors” means any holders of Relevant Investments in RNO Group from time to time, but only in respect of the Relevant Investments;

“RNO Group Retained Shareholdings” means any Reserved D Shares, and any other B Ordinary Shares (save to the extent that the proceeds in respect of such Shares are held for the benefit of, or on exercise of options in respect of such Shares would be payable to, optionholders or other employees/directors of the Company rather than on behalf of RNO Group or RNO Group Investors or any of their Affiliates), A Ordinary Shares arising on conversion of B Ordinary Shares, C Ordinary Shares and/or D Ordinary Shares, in each case which are held by or on behalf of RNO Group or RNO Group Investors or any of their Affiliates at the relevant time;

“RNO Ltd Investors” means any holders of Relevant Investments in the Group from time to time, in each case other than RNO Group, but only in respect of their Relevant Investments;

“Shareholder Loan” has the meaning given to it in the C/D Shares Investment Agreement;

- 7.2 On a C/D Share Exit, the aggregate proceeds due to all the C Ordinary Shareholders shall be equal to the C Ordinary Share Entitlement. Each C Ordinary Shareholder shall be entitled to his share of the C Ordinary Share Entitlement pro rata to his holding of C Ordinary Shares.
- 7.3 For these purposes, the “C Ordinary Share Entitlement” means, in respect of each part of the Net Return set out in a row of column (1) of the table below, the corresponding percentage of the Net Capital Gain attributable to that part of the Net Return set out opposite it in the same row of column (2) of the table below:

(1) Part of the Net Return	(2) C Ordinary Share Entitlement attributable to that part of the Net Return
Below 1.38x	0
1.38x to 2.25x	5.9259%
2.25x to 2.75x	6.4092%
2.75x to 3.25x	6.8909%
3.25x to 4.0x	7.3710%
Above 4.0x	7.8496%

## 8 D Ordinary Share Entitlement

On a C/D Share Exit, the aggregate proceeds due to all the D Ordinary Shareholders shall be equal to the D Ordinary Share Entitlement. Each D Ordinary Shareholder shall be entitled to his share of the D Ordinary Share Entitlement pro rata to his holding of D Ordinary Shares.

For these purposes, the "D Ordinary Share Entitlement" means, in respect of each part of the Net Return set out in a row of column (1), the corresponding percentage of the Net Capital Gain attributable to that part of the Net Return set out opposite it in the same row of column (2) of the table below:

(1) Part of the Net Return	(2) D Ordinary Share Entitlement attributable to that part of the Net Return
Below 1.38x	0
1.38x to 2.25x	4.9383%
2.25x to 2.75x	5.5875%
2.75x to 3.25x	6.2346%
3.25x to 4.0x	6.8796%
Above 4.0x	7.5225%

## 9 C Ordinary Shares and D Ordinary Shares

9.1 To the extent not inconsistent with Articles 7, 8 and/or the other specific provisions of these Articles, the C Ordinary Share Entitlement and the D Ordinary Share Entitlement shall be calculated:

- 9.1.1 on the basis that, for the avoidance of doubt, each of the C Ordinary Shares and/or D Ordinary Shares shall be deemed to be economically fully vested on a C/D Share Exit, such that the relevant C Ordinary Shareholder or D Ordinary Shareholder shall be entitled to all the C/D Share Exit proceeds in relation to 100 per cent. of such C Ordinary Shareholder's or D Ordinary Shareholder's Shares as if, in the case of C Ordinary Shareholders and/or D Ordinary Shareholders who are actual or former employees or directors of any member of the Group and their C/D Related Holders, the Exit date were the fourth anniversary of such C Ordinary Shareholder's or D Ordinary Shareholder's C/D Start Date;
- 9.1.2 to the extent not inconsistent with Articles 9.1.1, in accordance with the accounting principles, policies, procedures, practices and techniques adopted in the audited statutory accounts of Princess Yachts International PLC for the year ended 31 December 2016 applied on a consistent basis save that they shall be prepared on a consolidated basis;
- 9.1.3 to the extent not inconsistent with Articles 9.1.1 of 9.1.2, in accordance with accounting principles generally accepted in the United Kingdom as at the last day of the calendar year ending immediately prior to the date on which the Statement is required to be prepared; and
- 9.1.4 as at close of business on the C/D Exit Closing Date.

- 9.2 For the avoidance of doubt, the C Ordinary Share Entitlement and D Ordinary Share Entitlement shall be calculated by reference to Net Equity Value and Net Return actually received and achieved respectively after final determination of the C Ordinary Share Entitlement and D Ordinary Share Entitlement in accordance with these Articles; provided always that, to the extent that the C/D Share Exit is not an RNO Group Exit, the C Ordinary Share Entitlement and D Ordinary Share Entitlement shall be payable to the extent that the amount of cash or non-cash assets giving rise to the C Ordinary Share Entitlement and/or D Ordinary Share Entitlement (to avoid doubt including both proceeds from the relevant C/D Share Exit and any Interim Receipts) have been received by RNO Group even if they have not been distributed to holders of securities in RNO Group.
- 9.3 If any deferred or contingent consideration is paid following a C/D Share Exit, the C Ordinary Share Entitlement and D Ordinary Share Entitlement shall be recalculated:-
- (i) as if the date of such payment were a C/D Share Exit and with all definitions in these Articles being construed accordingly; and
  - (ii) with the amount of deferred or contingent consideration so received by RNO Group Investors and RNO Ltd Investors being added to the Net Equity Value as at the actual C/D Share Exit; and
- the proceeds to which the C Ordinary Shareholders and D Ordinary Shareholders are entitled as a result thereof, less any amounts paid to them previously on the C/D Share Exit or any previous application of this Article 9.3, shall be paid to them as if it were a C/D Share Exit. On a C/D Share Exit the Shareholders shall enter into such agreements and/or arrangements as are reasonably necessary to ensure that any deferred or contingent consideration is satisfied in such manner.
- 9.4 The C Ordinary Shareholders and D Ordinary Shareholders shall be entitled to receive notice of, attend and speak at and vote at general meetings of the Company. On a show of hands each C Ordinary Shareholder and D Ordinary Shareholder shall have one vote and on a poll the C Ordinary Shareholders and D Ordinary Shareholders shall have one vote for each C Ordinary Share and/or D Ordinary Share held by them.
- 9.5 As soon as reasonably practicable following commercial agreement of the terms of a proposed C/D Exit, RNO Group shall prepare a draft of a statement (the "Statement") setting out all amounts required to be calculated in accordance with Articles 7 and 8, including the Net Equity Value and the C Ordinary Share Entitlement and/or D Ordinary Share Entitlement, as applicable, and deliver it to the C Ordinary Shareholders and D Ordinary Shareholders. If the final terms of the proposed C/D Exit are different to those set out in a Statement prepared previously, RNO Group shall prepare a further draft of the Statement reflecting the actual terms in accordance with this Article 9.5 and deliver this to the C Ordinary Shareholders and D Ordinary Shareholders in like manner (and the provisions of Articles 9.6 to 9.10 below shall apply in respect of any such replacement Statement(s) as if it were the original Statement).
- 9.6 If any of the C Ordinary Shareholders and/or D Ordinary Shareholders do not within 14 days of presentation to them of the draft Statement give notice to RNO Group that they disagree with the draft Statement or any item thereof, such notice stating the reasons for the disagreement in reasonable detail and specifying the adjustments which, in the opinion of such C Ordinary Shareholders and/or D Ordinary Shareholders, should be made to the draft Statement (the "Disagreement Notice"), the draft Statement shall be the final Statement and the C Ordinary Share Entitlement and/or D Ordinary Share Entitlement, as applicable

shall be as set out therein and shall be final and binding on the parties for the purposes of these Articles.

9.7 If any of the C Ordinary Shareholders and/or D Ordinary Shareholders give a valid Disagreement Notice within such 14 days, RNO Group and such other Shareholders shall attempt in good faith to reach agreement in respect of the Statement and, if they are unable to do so within 7 days of the Disagreement Notice, any of such persons may by notice to the others require that the C Ordinary Share Entitlement or D Ordinary Share Entitlement, as applicable, be referred to the Independent Accountant.

9.8 The Independent Accountant shall be a firm of accountants of international repute as RNO Group and the C Ordinary Shareholders and/or D Ordinary Shareholders who gave a valid Disagreement Notice may agree or, failing such agreement within 14 days, as appointed by the President for the time being of the Institute of Chartered Accountants of England and Wales. The Independent Accountant shall act on the following basis:

9.8.1 the Independent Accountant shall act as an expert and not as an arbitrator;

9.8.2 the Independent Accountant's terms of reference shall be to determine the calculation of the matters set out in the draft Statement which are in dispute by reference to the provisions of Articles 7 and 8 and this Article 9, within 30 days of acceptance of its appointment;

9.8.3 the Independent Accountant shall determine the procedure to be followed in the determination;

9.8.4 the determination of the Independent Accountant shall (in the absence of manifest error) be final and binding on the relevant parties for the purposes of these Articles; and

9.8.5 the costs of the determination, including fees and expenses of the Independent Accountant shall be determined by the Independent Accountant (having regard to the actions of the relevant Shareholders and the merits of their arguments) or, if he does not make a determination, shall be borne by the Managers who give a valid Disagreement Notice on the one hand, and RNO Group on the other, as between all of such parties pro rata to the value of their respective proceeds on the applicable return of proceeds.

9.9 If an Independent Accountant is appointed, the Company, each C Ordinary Shareholder and/or D Ordinary Shareholder who gives a valid Disagreement Notice and RNO Group will sign an engagement letter from the Independent Accountant in a form agreed between the Independent Accountant and such parties (such agreement not to be unreasonably withheld). The engagement letter will include a waiver of claims against the Independent Accountant and similar hold harmless provisions arising out of the Independent Accountant's performance of its role.

9.10 The provisions of this Article 9 may be amended or waived with the separate consents of the holders of a majority in number of each of: (i) the A Ordinary Shares, (ii) the C Ordinary Shares; and (iii) the D Ordinary Shares.

## 10 Increase of share capital

The Company may from time to time by Ordinary Resolution (but only with the prior written consent of an Investor Director) increase its capital by such sum to be divided into Shares



of such amounts as the resolution shall prescribe and, subject to the Act, may by such resolution direct that new Shares or any of them will first be offered to all the holders for the time being of Shares of any class or classes in proportion to the number of such Shares held by them respectively or may make any other provisions as to issue of the new Shares as shall be required by RNO Group. All new Shares shall be subject to the Act and these Articles with reference to allotment, payment of calls, lien, transfer, transmission, forfeiture and otherwise.

## 11 Consolidation, subdivision and cancellation

### 11.1 The Company may by Ordinary Resolution:

11.1.1 consolidate and divide all or any of its share capital into Shares of a larger amount than its existing Shares;

11.1.2 cancel any Shares which, at the date of the passing of the resolution, have not been taken, or agreed to be taken, by any person and diminish the amount of its capital by the amount of the Shares so cancelled; and/or

11.1.3 subdivide its Shares, or any of them, into Shares of a smaller amount than is fixed by the Memorandum of Association (subject to the Act), and so that the resolution whereby any Share is subdivided may determine that, as between the holders of the Shares resulting from such subdivision, one or more of the Shares may, as compared with the others, have any such preferred, deferred or other special rights, or be subject to any such restrictions, as the Company has power to attach to unissued or new Shares.

11.2 Whenever as a result of a consolidation or subdivision of Shares any Shareholders would become entitled to fractions of a Share, the Directors may, on behalf of those Shareholders, sell the Shares representing the fractions for the best price reasonably obtainable to any person (including, subject to the Act, the Company) and distribute the net proceeds of sale in due proportion among those Shareholders, and the Directors may authorise some person to transfer the Shares to, or in accordance with the directions of, the purchaser. The transferee shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity in or invalidity of the proceedings in reference to the sale.

## 12 Purchase of own shares

Subject to the Act and the Articles, the Company may purchase any of its own Shares of any class (including any redeemable Shares) and make a payment in respect of the redemption or purchase of its own Shares whether out of its distributable profits or out of the proceeds of a fresh issue of Shares or otherwise.

## 13 Reduction of capital

Subject to the provisions of the Act and the Articles, the Company may by Special Resolution reduce its share capital or any capital redemption reserve, share premium account or other undistributable reserve in any way.

## SHARES

### 14 Issue of Shares

Subject to the provisions of the Act, all unissued Shares (including any redeemable Shares) shall be at the disposal of the Directors and, subject to the prior written approval of an Investor Director, they may offer, allot, issue, grant options over or otherwise dispose of them to such persons, at such times, and on such terms as they think proper and the Directors may, from time to time, allot equity securities as if Section 561 of the Act did not apply to the allotment.

### 15 Rights attaching to Shares on issue

Without prejudice to the special rights and restrictions conferred on the holders of any existing Shares or class of Shares for the time being issued, any Share in the Company may be issued with such preferred, deferred or other special rights, or subject to such restrictions, whether as regards dividend, return of capital, voting or otherwise, as the Company may from time to time by Ordinary Resolution determine (or, in the absence of any such determination, as the Directors may determine) and subject to the Act the Company may issue any Shares which are, or at the option of the Company or the holder are liable, to be redeemed.

### 16 Commissions on issue of Shares

The Company may exercise the powers of paying commissions conferred by the Act to the full extent thereby permitted. The Company may also on any issue of Shares pay such brokerage fees as may be lawful.

### 17 Trust etc. interests not recognised

Except as required by law, no person shall be recognised by the Company as holding any Share upon any trust, and the Company shall not be bound by or compelled in any way to recognise any equitable, contingent, future or partial interest in any Share, or any interest in any fractional part of a Share, or (except only as by these Articles or by law otherwise provided) any other right in respect of any Share, except an absolute right to the entirety thereof in the holder.

## SHARE CERTIFICATES

### 18 Issue of share certificates

Every Shareholder (except a person to whom the Company is not required by law or by the Articles to issue a certificate) whose name is entered in the Register shall upon the issue or transfer to him of such Shares be entitled without payment to a certificate therefor after allotment or after lodgement of the transfer.

### 19 Form of share certificate

Every share certificate shall be executed by the Company in such manner as the Directors may decide (which may include manual or facsimile signatures by one or more Directors) and shall specify the number and class of Shares to which it relates and the amount paid up thereon. No certificate shall be issued representing Shares of more than one class.

20 Joint holders

In the case of a Share held jointly by several persons, the Company shall not be bound to issue more than one certificate therefor and delivery of a certificate to one of the joint holders shall be sufficient delivery to all.

21 Replacement of share certificates

If a share certificate shall be damaged or defaced or alleged to have been lost, stolen or destroyed, a new certificate representing the same Shares may be issued to the holder upon request subject to delivery up of the old certificate or (if alleged to have been lost, stolen or destroyed) compliance with such conditions as to evidence and indemnity and the payment of any exceptional out-of-pocket expenses of the Company in connection with the request as the Directors may think fit.

## CALLS ON SHARES

22 Power to make calls

The Directors may from time to time make calls upon the Shareholders in respect of any moneys unpaid on their Shares (whether in respect of the nominal value or premium) subject to the terms of allotment of such Shares. A call shall be deemed to have been made at the time when the resolution of the Directors authorising the call was passed and may be made payable by instalments.

23 Liability for calls

Each Shareholder shall (subject to receiving at least 14 days' notice specifying the time and place of payment) pay to the Company at the time and place specified the amount called on his Shares. The joint holders of a Share shall be jointly and severally liable to pay all calls in respect thereof. A call may be wholly or partly revoked or postponed as the Directors may determine. A person upon whom a call is made shall remain liable for calls notwithstanding the subsequent transfer of the Shares in respect of which the call was made.

24 Interest on overdue amounts

If a sum called in respect of a Share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest on the sum from the day appointed for payment of it to the time of actual payment at such rate (not to exceed 15 per cent per annum) as the Directors determine but the Directors shall be at liberty in any case or cases to waive payment of such interest wholly or in part.

25 Other sums due on Shares

Any sum (whether in respect of the nominal value or premium) payable in respect of a Share which becomes payable upon allotment or at any fixed date shall be deemed to be a call duly made and payable on the date on which by the terms of allotment the same becomes payable. In case of non-payment, all the relevant provisions of these Articles shall apply as if such sum had become payable by virtue of a call duly made and notified.

26 Power to differentiate between holders

The Directors may on the allotment of Shares differentiate between the holders as to the amount of calls to be paid and the times of payment.

## FORFEITURE AND LIEN

27 Notice on failure to pay a call

If a Shareholder fails to pay in full any call or instalment of a call on or before the due date for its payment, the Directors may give him at least 14 days' written notice requiring payment of the unpaid amount together with any interest which may have accrued and any expenses incurred by the Company by reason of such non-payment. The notice shall state that if it is not complied with the Shares on which the call has been made will be liable to be forfeited.

28 Forfeiture for non-compliance

If the notice is not complied with, any Share in respect of which it was given may be forfeited, before payment of all calls and interest due in respect thereof has been made, by a resolution of the Directors. The forfeiture shall include all dividends declared or other moneys payable in respect of the forfeited Share and not actually paid before forfeiture.

29 Disposal of forfeited Shares

A forfeited Share shall become the property of the Company and may be sold, re-allotted or otherwise disposed of either to the person who was before such forfeiture or surrender the holder thereof or entitled thereto or to any other person upon such terms and in such manner as the Directors shall think fit and at any time before a sale, re-allotment or disposal the forfeiture or surrender may be cancelled on such terms as the Directors think fit. The Directors may, if necessary, authorise some person to transfer a forfeited or surrendered Share to any such other person as aforesaid.

30 Holder to remain liable despite forfeiture

A Shareholder whose Shares have been forfeited shall cease to be a Shareholder in respect of the Shares (and shall surrender to the Company for cancellation the certificate for such Shares) but shall remain liable to pay to the Company all moneys which at the date of forfeiture were presently payable by him to the Company in respect of the Shares with interest thereon at the appropriate rate (as defined in the Act) (or such lower rate as the Directors may determine) from the date of forfeiture until payment and the Directors may at their absolute discretion enforce payment without any allowance for the value of the Shares at the time of forfeiture or for any consideration received on their disposal or waive payment in whole or in part.

31 Lien on partly-paid Shares

The Company shall have a first and paramount lien on every Share which is not a fully-paid Share for all moneys (whether presently payable or not) called or payable at a fixed time in respect of that Share and all expenses incurred by the Company by reason of the non-payment of the call. The Directors may waive any lien which has arisen and may resolve that any Share shall for some limited period be exempt wholly or partially from the provisions of this Article.

32 Sale of Shares subject to lien

The Company may sell in such manner as the Directors think fit any Share on which the Company has a lien if some sum in respect of which the lien exists is presently payable and is not paid within 14 days after a written notice demanding payment and giving notice that the Share may be sold if the notice is not complied with has been given to the holder of the Share or the person entitled to it by reason of his death or bankruptcy or otherwise by operation of law.

33 Proceeds of sale of Shares subject to lien

The net proceeds of such sale after payment of the costs of such sale shall be applied in or towards payment or satisfaction of the amount for which the lien exists so far as the same is then payable and any residue shall be paid to the person entitled to the Shares at the time of the sale upon surrender to the Company for cancellation of the certificate for the Shares sold and subject to a like lien for sums not presently payable as existed upon the Shares prior to the sale. For the purpose of giving effect to any such sale, the Directors may authorise some person to transfer the Shares sold to, or in accordance with the directions of, the purchaser.

34 Evidence of forfeiture

A statutory declaration by a Director or the Secretary of the Company that a Share has been duly forfeited or sold to satisfy a lien of the Company on a date stated in the declaration shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share. Such declaration shall constitute (subject to the relevant Share transfer being made, if required) a good title to the Share and the person to whom the Share is sold, re-allotted or disposed of shall not be bound to see to the application of the consideration (if any) nor shall his title to the Share be affected by any irregularity or invalidity in the proceedings relating to the forfeiture, surrender, sale, re-allotment or disposal of the Share.

## VARIATION OF RIGHTS

35 Manner of variation of rights

35.1 Whenever the share capital of the Company is divided into different classes of Shares, the special rights attached to any class may, subject to the Act, be varied or abrogated either with:

35.1.1 the written consent of the holders of three-quarters in nominal value of the Shares of the class; or

35.1.2 the sanction of a Special Resolution passed at a separate meeting of the holders of the Shares of the class (but not otherwise),

and may be so varied or abrogated either whilst the Company is a going concern or during or in contemplation of a winding-up.

35.2 To every such separate meeting, all the provisions of these Articles relating to general meetings and to the proceedings thereat shall mutatis mutandis apply, except that the necessary quorum shall be two persons (or, in circumstances where there is one holder of the Shares of any class, one person) at least holding or representing by proxy at least one-third in nominal value of the issued Shares of the class (but so that at any adjourned meeting

any holder of Shares of the class present in person or by proxy shall be a quorum) and that any holder of Shares of the class present in person or by proxy may demand a poll and that every such holder shall on a poll have one vote for every Share of the class held by him.

- 35.3 The foregoing provisions of this Article shall apply to the variation or abrogation of the special rights attached to some only of the Shares of any class as if each group of Shares of the class differently treated formed a separate class the special rights whereof are to be varied.
- 35.4 The special rights attached to any class of Shares having preferential rights shall, unless otherwise expressly provided by the terms of issue thereof, be deemed to be varied by:
- 35.4.1 the reduction of the capital paid up on any of those Shares;
  - 35.4.2 the creation or issue of any further Shares ranking in priority to them for the payment of a dividend or of capital;
  - 35.4.3 any amendment to the memorandum of association or these Articles;
- but shall not be varied by:
- 35.4.4 the creation and issue of further Shares ranking *pari passu* but in no respect in priority thereto; or
  - 35.4.5 the Company purchasing or redeeming any of its own Shares.

## TRANSFER OF SHARES

### 36 General

No transfer of any Share in the capital of the Company shall be made or registered unless such transfer complies with the provisions of these Articles, the prior written consent of RNO Group has been obtained and the proposed transferee is a party to or has entered into an agreement to be bound by (i) the Investment Agreement (in the case of a Transfer of B Ordinary Shares and /or Preference Shares), (ii) the Investment Agreement and the C/D Share Investment Agreement (in the case of a Transfer of A Ordinary Shares) or (iii) the C/D Share Investment Agreement (in the case of a Transfer of C Ordinary Shares and/or D Ordinary Shares) (as applicable) in the form required by RNO Group.

### 37 Form of transfer

Provided that all transfers of Shares are made in accordance with the provisions of these Articles, such transfers may be effected by written transfer in any usual or common form or in any other form acceptable to the Directors and may be under hand only. The instrument of transfer shall be signed by or on behalf of the transferor and (except in the case of fully-paid shares) by or on behalf of the transferee. The transferor shall remain the holder of the Shares concerned until the name of the transferee is entered in the Register in respect thereof. All instruments of transfer which are registered may be retained by the Company.

### 38 Right to refuse registration

- 38.1 The Directors may decline to recognise any instrument of transfer relating to Shares unless it is in respect of only one class of Share and is lodged (duly stamped if required) at the registered office of the Company accompanied by the relevant share certificate(s) and such other evidence as the Directors may reasonably require to show the right of the transferor to

make the transfer (and, if the instrument of transfer is executed by some other person on his behalf, the authority of that person so to do).

38.2 The Directors shall not refuse to register any transfer of a Share, except that they may in their absolute discretion and without assigning any reason therefor refuse to register any transfer of Shares (not being fully-paid Shares) on which the Company has a lien.

38.3 If the Directors refuse to register an allotment or transfer of shares they shall within two months after the date on which the letter of allotment or instrument of transfer was lodged with the Company send to the allottee or transferee notice of the refusal.

38.4 Where any mortgage, charge or other security interest ("Security") has been granted to any person (a "Chargee") by any member then, despite any other provision of these Articles:

38.4.1 the Directors shall not decline to register any duly stamped transfer of shares registered in the name of that member if that duly stamped transfer:

- (i) is executed by any member in favour of any person; or
- (ii) is executed by the Chargee or any receiver or nominee appointed by the Chargee pursuant to the Security in favour of any person,

and (i) that duly stamped transfer is presented with a certificate signed by a duly appointed officer of the Chargee or such receiver or nominee stating that the Shares are to be transferred in accordance with rights granted under the Security; and (ii) that transferee complies with the provisions of Clause 8 of the Investment Agreement.

39 No fee on registration

No fee will be charged by the Company in respect of the registration of any transfer or other document relating to or affecting the title to any Shares.

40 Closure of Register

The registration of transfers may be suspended at such times and for such periods (not exceeding 30 days in any year) as the Directors may from time to time determine.

## TRANSMISSION OF SHARES

41 Persons entitled on death

If a Shareholder dies, the survivor(s) where he was a joint holder, and the executors or administrators of the deceased where he was a sole or only surviving holder, shall be the only persons recognised by the Company as having any title to his interest in the Shares, but nothing in this Article shall release the estate of a deceased Shareholder (whether sole or joint) from any liability in respect of any Share held by him.

42 Election by persons entitled by transmission

A person becoming entitled to a Share in consequence of the death or bankruptcy of a Shareholder, being an individual or in consequence of the Liquidation of a Shareholder (being a body corporate) or otherwise by operation of law may upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the

Share either be registered himself as holder of the Share upon giving to the Company written notice to that effect or have some other person nominated by him registered as the transferee and upon his or that other person's agreeing to enter into an agreement to be bound by the Investment Agreement in the form required by that Agreement. All these Articles relating to the right to transfer and the registration of transfers of Shares shall apply to the notice or transfer as if the notice or transfer were a transfer made by the Shareholder registered as the holder of any such Share.

#### 43 Rights of persons entitled by transmission

Save as otherwise provided by or in accordance with these Articles, a person becoming entitled to a Share in consequence of the death or bankruptcy of a Shareholder or otherwise by operation of law shall be entitled to the same dividends and other rights as those to which he would be entitled if he were the registered holder of the Share except that he shall not be entitled in respect of it (except with the authority of the Directors) to attend or vote at any Shareholders' meetings or separate meeting of the holders of any class of Shares until he shall have been registered as a Shareholder in respect of the Share.

#### 44 Untraced Shareholders

##### 44.1 The Company may sell the Shares of a Shareholder or the Shares to which a person is entitled by means of transmission if and provided that:

44.1.1 during a period of 12 years all warrants and cheques sent by the Company through the post in a pre-paid letter addressed to the Shareholder at his registered address or to the person so entitled at the address (if any) shown in the Register as his address have remained uncashed; and

44.1.2 the Company shall advertise both in a leading daily newspaper published in England and Wales and in a newspaper circulating in the area of the said address giving notice of its intention to sell the said Shares; and

44.1.3 during such period of 12 years and the period of three months following such advertisements the Company has had no indication that such Shareholder or person can be traced.

##### 44.2 To give effect to any such sale as is referred to in Article 43.1, the Company may appoint any person to execute as transferor an instrument of transfer of such Shares or any of them and such instrument of transfer shall be as effective as if it had been executed by the registered holder of or person entitled by transmission to such Shares. A statutory declaration in writing that the declarant is a Director or Secretary of the Company and that a Share has been duly sold by the Company in accordance with its powers under this Article 43 on the date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the Share. The Company shall account to the Shareholder or other person entitled to such Shares for the net proceeds of such sale and shall be deemed to be his debtor, and not a trustee for him in respect of the same. Any moneys not accounted for to the Shareholder or other person entitled to such Shares shall be carried to a separate account and shall be a permanent debt of the Company. Moneys carried to such separate account may either be employed in the business of the Company or invested in such investments (other than Shares of the Company or its holding company, if any) as the Directors may from time to time determine.



## GENERAL MEETINGS

### 45 Annual and Extraordinary General Meetings

45.1 The Company is not required to hold an Annual General Meeting. All other general meetings shall be called Extraordinary General Meetings.

45.2 All general meetings shall be held between the hours of 9.30 a.m. and 6.00 p.m. on a Business Day.

### 46 Convening of General Meetings

The Directors may whenever they think fit, and shall on requisition of the Shareholders in accordance with the Act, proceed with proper expedition to convene an Extraordinary General Meeting for a date not later than 14 days after receipt of the requisition. If insufficient Directors are within the United Kingdom to call a general meeting, any Director or Shareholder may call a general meeting.

## NOTICE OF GENERAL MEETINGS

### 47 Notice of General Meetings

47.1 Any general meeting at which it is proposed to pass a resolution to dismiss a Director or Auditor shall be called by at least 21 clear days' written notice and any other Extraordinary General Meeting by at least 10 Business Days' written notice. A general meeting may be called at shorter notice with the written consent of RNO Group.

47.2 Notice of every general meeting shall be given to all Shareholders other than such as, under the provisions of these Articles or the terms of issue of the Shares they hold, are not entitled to receive such notices from the Company, to all persons entitled to a Share in consequence of the death or bankruptcy of a Shareholder or Liquidation if the Shareholder is a body corporate (provided the address of any such person has been given to the Company) and to the directors.

### 48 Contents of notice of General Meetings

Every notice calling a general meeting shall be accompanied by the address of the venue for such meeting and, if any resolution is to be proposed as a Special Resolution, the notice shall contain a statement to that effect. In the case of an Annual General Meeting, the notice shall also specify the meeting as such.

### 49 Accidental omission to give notice

The accidental omission to give notice of a meeting or (in cases where instruments of proxy are sent out with the notice) to send such instrument of proxy to, or the non-receipt of such notice or such instrument of proxy by, any person entitled to receive such notice shall not invalidate the proceedings at that meeting.

## PROCEEDINGS AT GENERAL MEETINGS

### 50 Chairman

The Chairman, failing whom another Director or any other person nominated by the Directors, shall preside as chairman at a general meeting. If there is no such Chairman or other Director, or if at any meeting neither is present within five minutes after the time appointed for holding the meeting and willing to act, the Directors present shall choose one of their number (or, if no Director is present or if all the Directors present decline to take the chair, the Shareholders present and entitled to vote shall choose one of their number) to be chairman of the meeting. The chairman at any general meeting shall not be entitled to a second or casting vote.

### 51 Quorum

Subject to these Articles, the quorum at any general meeting shall be one person representing RNO Group present in person or by proxy. No business other than the appointment of a chairman shall be transacted at any general meeting unless a quorum is present.

### 52 Lack of quorum

If within two hours from the time appointed for a general meeting a quorum is not present, or if during the meeting a quorum ceases to be present for a period exceeding 10 minutes, the meeting shall be adjourned to the same day 5 Business Days later at the same time and place. If at any adjourned meeting such a quorum is not present within half an hour from the time appointed for the adjourned meeting the meeting shall be dissolved.

### 53 Adjournment

The chairman of any general meeting at which a quorum is present may with the consent of the meeting (and shall if directed by the meeting) adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place. When a meeting is adjourned for 14 days or more, at least seven days' notice of the adjourned meeting shall be given in like manner as in the case of the original meeting. In all other cases, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

## POLLS

### 54 Demand for poll

#### 54.1 At any general meeting, a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before, or on the declaration of the result of, the show of hands) demanded by:

54.1.1 the chairman of the meeting; or

54.1.2 any Shareholder present in person or by proxy and entitled to vote.

#### 54.2 A demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the chairman of the Meeting. A demand so withdrawn shall not be taken to have invalidated

the result of a show of hands declared before the demand was made and the meeting shall continue as if the demand had not been made.

55 Procedure on a poll

A poll shall be taken in such manner as RNO Group may direct, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. RNO Group may appoint scrutineers (who need not be Shareholders) and fix a place and time for the purpose of declaring the result of the poll.

56 Voting on a poll

On a poll, votes may be given either personally or by proxy and a person entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.

57 Timing of poll

A poll demanded on the choice of a chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either immediately or at such subsequent time (not being more than 30 days from the date of the meeting) and place as RNO Group may direct. No notice need be given of a poll not taken immediately and in all other cases seven days' notice specifying the time and place at which the poll is to be taken. The demand for a poll shall not prevent the continuance of the meeting for the transaction of any business other than the question on which the poll has been demanded.

58 Written resolutions

A written resolution of the Company (which means a resolution proposed and passed in accordance with the Act) shall have effect as if passed by the Company in general meeting or by a meeting of a class of shareholders of the Company, as the case may be. In the case of a corporation a written resolution may be signed on its behalf by a Director or the Secretary thereof or by its duly appointed attorney or duly authorised representative.

## VOTES OF SHAREHOLDERS

59 Votes attaching to Shares

Unless they are otherwise not entitled to vote under the provisions of these Articles or the terms of issue of the Shares they hold, on a show of hands, every Shareholder who is present in person shall have one vote, and on a poll every Shareholder who is present in person or by proxy shall have one vote for every Share of which he is the holder.

60 Votes of joint holders

In the case of joint holders of a Share, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders and for this purpose seniority shall be determined by the order in which the names stand in the Register in respect of the Share.

61 Restriction on voting in particular circumstances

No Shareholder shall (unless the Directors otherwise determine) be entitled in respect of any Share held by him to vote either personally or by proxy at a Shareholders' meeting or to exercise any other right conferred by membership in relation to Shareholders' meetings if any call or other sum presently payable by him to the Company in respect of that Share remains unpaid.

62 Voting by guardian

Where in England or elsewhere, a guardian, receiver or other person (by whatever name called) has been appointed by any court claiming jurisdiction in that behalf to exercise powers with respect to the property or affairs of any Shareholder on the ground (however formulated) of mental disorder, the Directors may in their absolute discretion, upon or subject to production of such evidence of the appointment as the Directors may require, permit such guardian, receiver or other person on behalf of such Shareholder to vote in person or by proxy at any Shareholders' meeting or to exercise any other right conferred by membership in relation to Shareholders' meetings.

63 Validity and result of vote

63.1 No objection shall be raised as to the admissibility of any vote except at the meeting or adjourned meeting at which the vote objected to is or may be given or tendered and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection shall be referred to the chairman of the meeting whose decision shall be final and conclusive.

63.2 Unless a poll is taken, a declaration by the chairman of the meeting that a resolution has been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the minute book, shall be conclusive evidence of that fact without proof of the number or proportion of the votes recorded for or against such resolution.

## PROXIES AND CORPORATE REPRESENTATIVES

64 Proxy need not be a Shareholder

A proxy need not be a Shareholder.

65 Form of proxy

The appointment of a proxy must be in writing in any usual or common form or in any other form which the Directors may approve and:

- (a) in the case of an individual must either be signed by the appointor or his attorney or authenticated in accordance with Article 113; and
- (d) in the case of a corporation must be either given under its common seal or be signed on its behalf by an attorney or agent or a duly authorised officer of the corporation or authenticated in accordance with Article 113.

Any signature or authentication of such appointment need not be witnessed. Where an appointment of a proxy is signed or authenticated in accordance with Article 110 on behalf of the appointor by an attorney, the power of attorney or a copy thereof certified notarially or in some other way approved by the Directors must (failing previous registration with the

Company) be submitted to the Company, failing which the appointment may be treated as invalid.

66 Deposit of form of proxy

66.1 The appointment of a proxy or a faxed copy thereof must be received at such address or one of such addresses (if any) as may be specified for that purpose in or by way of note to or in any document accompanying the notice convening the meeting (or, if no address is so specified, must be left at the registered office of the Company) in compliance with the time limits set out in Article 65.2, and in default shall not be treated as valid.

66.2 If a proxy notice is given in relation to:

66.2.1 a general meeting or adjourned meeting, it must be delivered to the appropriate specified address not less than 24 hours before the general meeting or adjourned meeting to which it relates;

66.2.2 a poll taken more than 24 hours after it was demanded, the notice must be delivered to the appropriate specified address not less than 24 hours before the time appointed for the taking of the poll; and

66.2.3 a poll taken not more than 24 hours after it was demanded, the notice must be delivered to the appropriate specified address before the end of the meeting at which it was demanded.

66.3 The appointment shall, unless the contrary is stated thereon, be valid as well for any adjournment of the meeting as for the meeting to which it relates. An appointment relating to more than one meeting (including any adjournment thereof) having once been so delivered for the purposes of any meeting shall not require again to be delivered for the purposes of any subsequent meeting to which it relates.

67 Rights of proxy

A proxy shall have the right to demand or join in exercise all or any of the rights of his appointor to attend and to speak and vote at a meeting of the Company.

68 Revocation of proxy

A vote cast or demand for a poll made by proxy shall not be invalidated by the previous death or insanity of the Shareholder or by the revocation of the appointment of the proxy or of the authority under which the appointment was made unless written notice of such death, insanity or revocation shall have been received by the Company at the Office at least one hour before the commencement of the meeting or adjourned meeting or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) the time appointed for the taking of the poll at which the vote is cast.

69 Corporations acting by representatives

Any corporation which is a Shareholder may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any Shareholders' meeting. The person so authorised shall be entitled to exercise the same powers on behalf of such corporation as the corporation could exercise if it were an individual Shareholder of the Company and such corporation shall for the purposes of these Articles be deemed to be present in person at any such meeting if a person so authorised is present thereat.

## DIRECTORS

### 70 Number of Directors

The number of Directors (other than alternate directors) shall not be subject to any maximum number and the minimum number of Directors shall be two.

### 71 Share qualification

A Director shall not be required to hold any Shares of the Company by way of qualification. A Director who is not a Shareholder shall nevertheless be entitled to attend and speak at Shareholders' meetings and at any separate meeting of the holders of any class of Shares in the Company.

### 72 **Directors' remuneration**

Any Director who holds any executive office, or who serves on any committee, or who otherwise performs services which in the opinion of the Directors are outside the scope of the ordinary duties of a Director, may be paid such extra remuneration by way of salary, commission or otherwise or may receive such other benefits as the Directors may determine.

### 73 **Directors' expenses**

The Directors may be paid all such reasonable expenses as they may incur in attending and returning from meetings of the Directors or of any committee of the Directors or Shareholders' meetings or otherwise in connection with the business of the Company.

### 74 **Directors' pensions and other benefits**

The Directors shall have power to pay and agree to pay benefits, gratuities, pensions or other retirement, superannuation, death or disability benefits to (or to any person in respect of) any Director or ex-Director and for the purpose of providing any such gratuities, pensions or other benefits to contribute to any scheme or fund or to pay premiums.

### 75 Appointment

Directors shall be appointed by notice in writing from RNO Group to the Company.

## APPOINTMENT AND REMOVAL OF DIRECTORS

### 76 Vacation of office

#### 76.1 The office of a Director shall be vacated in any of the following events, namely:

- 76.1.1 if he shall resign by notice to the Company;
- 76.1.2 if he shall become prohibited by law from acting as a Director;
- 76.1.3 if he becomes bankrupt or makes any arrangement or composition with his creditors generally;
- 76.1.4 if in England or elsewhere an order shall be made by any court claiming jurisdiction in that behalf on the ground (however formulated) of mental disorder for his detention

or for the appointment of a guardian or receiver or other person (by whatever name called) to exercise powers with respect to his property or affairs;

- 76.1.5 if he shall be absent from meetings of the Directors for six consecutive months without leave and the Directors shall resolve that his office be vacated;
- 76.1.6 if he is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983, or in Scotland under the Mental Health (Scotland) Act 1960; or
- 76.1.7 he is removed from office by notice in writing signed by an Investor Director (without prejudice to any claim for damages which he may have for breach of any contract between him and the Company).

76.2 The Directors shall not be subject to retirement by rotation.

## ALTERNATE DIRECTORS

### 77 Appointment of alternate Directors

- 77.1 Each Director may at any time appoint another Director to be their alternate Director and may at any time terminate such appointment. Any such appointment or termination of appointment shall be effected by notice in writing signed by the appointor and delivered to the Company or tendered at a meeting of Directors. The same person may be appointed as the alternate Director of more than one Director.
- 77.2 The appointment of an alternate Director shall determine on the happening of any event which if he were a Director would cause him to vacate such office or if the Director of whom he is the alternate ceases to be a Director.

### 78 Attendance and notice of meetings

- 78.1 An alternate Director shall be entitled to receive notices of meetings of the Directors and of all committees of Directors of which his appointor is a Shareholder and shall be entitled to attend and vote and be counted in the quorum at any such meeting at which his appointor is not personally present and generally to perform all the functions of his appointor in his absence.
- 78.2 If an alternate Director attends any such meeting in his capacity as Director and as an alternate for one or more other Directors, his right to vote at such meetings shall be cumulative but he shall count as only one for the purpose of determining whether a quorum is present.
- 78.3 Save as otherwise provided in these Articles, an alternate Director shall not have power to act as a Director and shall not be deemed to be a Director for the purposes of these Articles, and shall alone be responsible for his own acts and defaults and he shall not be deemed to be the agent of his appointor. A resolution signed by an alternate Director need not also be signed by his appointor and, if it is signed by his appointor, it need not be signed by the alternate Director in that capacity. If the Director of whom he is the alternate is for the time being temporarily unable to act through ill health or disability his signature to any written resolution of the Directors shall be as effective as the signature of the Director of whom he is the alternate.

**79 Alternate Directors' interests and remuneration**

An alternate Director shall be entitled to contract and be interested in and benefit from contracts or arrangements or transactions and to be repaid expenses and to be indemnified to the same extent mutatis mutandis as if he were a Director but he shall not be entitled to receive from the Company in respect of his appointment as alternate Director any remuneration except only such part (if any) of the remuneration otherwise payable to the Director of whom he is the alternate as such Director may by written notice to the Company from time to time direct.

**MEETINGS AND PROCEEDINGS OF DIRECTORS**

**80 Convening of meetings of Directors**

80.1 Subject to the provisions of these Articles, the Directors may meet together for the despatch of business, adjourn and otherwise regulate their proceedings as they think fit. Any Director may waive notice of any meeting and any such waiver may be retroactive.

80.2 The Chairman of the Board, or any Investor Director, may and, on the requisition of the Chairman of the Board or any Investor Director, the Company shall at any time convene a meeting of the Board.

80.3 There shall be a meeting of the Board held no less frequently than every month, unless RNO Group has agreed that such meetings may be held less frequently. Subject to Article 80 below, RNO Group may summon a Board Meeting at any time.

**81 Notice of Directors' meetings**

81.1 Unless the Chairman of the board of Directors determines (acting reasonably) that urgent business has arisen, or the prior consent of RNO Group has been received, at least 10 Business Days' written notice shall be given to each Director of every meeting of the Directors.

81.2 Each such notice shall, unless RNO Group otherwise agrees, (i) be sent to the address notified from time to time by each Director to the Secretary at his address for the service of such notices (or if no address has been so supplied, to his last known address) or by email to his email address which has been notified from time to time by each Director to the Secretary; (ii) contain an agenda specifying in reasonable detail the matters to be discussed at the relevant meeting; and (iii) be accompanied, where practicable, by any relevant papers for discussion at such meeting; and (iv) if sent to an address outside the United Kingdom, be sent by courier, email or facsimile transmission.

**82 Quorum**

The quorum at a meeting of Directors shall be the presence of one Investor Director and each of the Managers' Representatives, save that if a Managers' Representative is not present within one hour of the time appointed for the meeting he shall no longer form part of the quorum for such Board meeting and the quorum shall be one Investor Director plus, if a Managers' Representative is then present, such Managers' Representative. If within two hours of the time appointed for the holding of any meeting of the Directors a quorum shall not be present, the Director(s) present shall resolve to adjourn that meeting to a specified place and time (which shall be five Business Days after the date originally fixed for the



meeting) where the quorum shall be the presence of one Investor Director. The Company shall give notice to each Director who did not attend the first meeting requiring him either to attend the adjourned meeting of the Directors or to state in writing his views on the matters to be discussed at that meeting. An alternate Director shall be counted in the quorum in the same capacity as his appointor.

**83 Voting at Directors' meeting**

83.1 All questions arising at any meeting of the Board shall be decided by a majority of votes cast.

83.2 Each Director shall be entitled to one vote.

83.3 Notwithstanding the provisions of paragraphs 82.1 and 82.2, on any matter tabled at a meeting of a Board (or a meeting of a committee of the Board), the Investor Directors present and voting at such meetings shall, when voting, between them be deemed to exercise one vote more than the total number of votes exercised by any other Directors present and voting at the same time.

**84 Telephone Directors' meetings**

Any Board meeting may consist of a conference call between Directors some or all of whom are in different places provided that each Director who participates in the meeting is able:

84.1 to hear each of the other participating Directors addressing the meeting; and

84.2 if he so wishes, to address each of the other participating Directors simultaneously, whether directly, by conference telephone or by any other form of communication equipment or by a combination of such methods. A quorum shall be deemed to be present if those conditions are satisfied in respect of at least the number and designation of directors required to form a quorum. A meeting held in this way shall be deemed to take place at the place where the largest group of Directors is assembled or, if no such group is readily identifiable, at the place from where the Chairman of the meeting participates at the start of the meeting.

**85 Chairman**

85.1 If no Chairman shall have been appointed or if at any meeting of the Directors no Chairman shall be present within five minutes after the time appointed for holding the meeting, the Directors present may choose one of their number to be chairman of the meeting. The Chairman shall not be entitled to a second or casting vote.

85.2 The appointment of any Director to the office of Chairman shall automatically determine if he ceases to be a Director but without prejudice to any claim for damages for breach of any contract of service between him and the Company.

**86 Number of Directors below minimum**

The continuing Directors may act notwithstanding any vacancies, but if and so long as the number of Directors is reduced below the minimum number fixed by or in accordance with these Articles, the continuing Directors or Director may act for the purpose of summoning general meetings, but not for any other purpose. If there be no Directors or Director able or willing to act, then any two Shareholders may summon a general meeting for the purpose of appointing Directors.

87 Written resolutions

A resolution or other consent executed or approved in writing of all the Directors entitled to vote thereon (being not less in number than a quorum for meetings of the Directors) shall be as valid and effectual as a resolution duly passed at a meeting of the Directors and may consist of several documents in the same or similar form.

88 Validity of proceedings

All acts done by any meeting of Directors, or of any committee of the Directors, or by any person acting as a Director or as a Shareholder of any such committee, shall as regards all persons dealing in good faith with the Company, notwithstanding that there was some defect in the appointment of any of the persons acting as aforesaid, or that any such persons were disqualified or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director or shareholder of the committee or sub-committee and had been entitled to vote.

89 Minutes of meetings

The Directors shall cause minutes to be made in books kept for the purpose of:

- 89.1 all appointments of officers made by the Directors; and
- 89.2 all proceedings at general meetings, meetings of the holders of any class of Shares and meetings of Directors and of committees of Directors, including the names of the Directors present at each such meeting.

## COMMITTEES OF THE DIRECTORS

90 Appointment and constitution of committees

- 90.1 The Directors may delegate any of their powers or discretions to committees. A committee of the Directors shall include an Original Investors' Director and the quorum for a meeting of any such committee shall be as for meetings of Directors under Article 81. The Directors may delegate any of their powers or discretions (including without prejudice to the generality of the foregoing all powers and discretions whose exercise involves or may involve the payment of remuneration to or the conferring of any other benefit on all or any of the Directors) to committees consisting of one or more Directors and (if thought fit) one or more other named persons or persons to be co-opted as hereinafter provided.
- 90.2 Insofar as any such power or discretion is delegated to a committee, any reference in these Articles to the exercise by the Directors of the power or discretion so delegated shall be read and construed as if it were a reference to the exercise thereof by such committee. Any committee so formed shall in the exercise of the powers so delegated conform to any regulations which may from time to time be imposed by the Directors. Any such regulations may provide for or authorise the co-option to the committee of persons other than Directors and may provide for Shareholders who are not Directors to have voting rights as Shareholders of the committee but so that the number of Shareholders who are not Directors shall be less than one-half of the total number of Shareholders of the committee.

91 Proceedings of committee meetings

The meetings and proceedings of any such committee consisting of two or more persons shall be governed mutatis mutandis by the provisions of these Articles regulating the meetings and proceedings of the Directors, so far as the same are not superseded by any regulations made by the Directors under the last preceding Article.

## **DIRECTORS' PERMITTED INTERESTS**

92 **Authorisation of Directors' interests**

92.1 For the purposes of Section 175 of the Act, the Directors shall have the power to authorise any matter which would or might otherwise constitute or give rise to a breach of the duty of a Director to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company.

92.2 Authorisation of a matter under this Article 92 shall be effective only if:

92.2.1 the matter in question shall have been proposed for consideration at a meeting of the Directors, in accordance with the usual procedures for such meetings or in such other manner as the Directors may resolve;

92.2.2 any requirement as to the quorum at the meeting of the Directors at which the matter is considered is met without counting the Director in question and any other interested Director (together, the "Interested Directors"); and

92.2.3 the matter was agreed to without the Interested Directors voting or would have been agreed to if the votes of the Interested Directors had not been counted.

92.3 Any authorisation of a matter under this Article may:

92.3.1 extend to any actual or potential conflict of interest which may arise out of the matter so authorised;

92.3.2 be subject to such conditions or limitations as the Directors may resolve, whether at the time such authorisation is given or subsequently; and

92.3.3 be terminated by the Directors at any time, in such case the Directors shall promptly notify the Interested Director in writing of such termination,

and a Director shall comply with any obligations imposed on him by the Directors pursuant to any such authorisation.

92.4 A Director shall not, save as otherwise agreed by him, be accountable to the Company for any benefit which he (or a person connected with him) derives from any matter authorised by the Directors under this Article 92 and any contract, transaction or arrangement relating to such a matter shall not be liable to be avoided on the grounds of any such benefit.

93 Permitted interests

93.1 Subject to compliance with Article 93.2, a Director, notwithstanding his office, may have an interest of the following kind:

93.1.1 where a Director (or a person connected with him) is a director or other officer of, or employed by, or otherwise interested (including by the holding of shares whether directly or indirectly) in, any Relevant Company;

- 93.1.2 where a Director (or a person connected with him) is a party to, or otherwise interested in, any contract, transaction or arrangement with a Relevant Company, or in which the Company is otherwise interested;
- 93.1.3 where a Director has an interest which cannot reasonably be regarded as likely to give rise to a conflict of interest;
- 93.1.4 where a Director has an interest, or a transaction or arrangement gives rise to an interest, of which the Director is not aware;
- 93.1.5 where a Director may represent the interests of a direct or indirect Shareholder of the Company whose interests may conflict, from time to time, with the interests of the Company;
- 93.1.6 where a Director may hold an interest in (i) a direct or indirect Shareholder of the Company; and/or (ii) a Relevant Company; and
- 93.1.7 where a Director has any other interest authorised by ordinary resolution.

No authorisation under Article 91 shall be necessary in respect of any such interest.

- 93.2 A Director shall declare the nature and extent of any interest permitted under Article 93.1 and not falling within Article 92.3, at a meeting of the Directors or in such other manner as the Directors may resolve.
- 93.3 No declaration of an interest shall be required by a Director in relation to an interest:
  - 93.3.1 falling within Article 93.1.1, 93.1.3 or 93.1.4;
  - 93.3.2 if, or to the extent that, the other Directors are already aware of such interest (and for this purpose the other Directors are treated as aware of anything of which they ought reasonably to be aware); or
  - 93.3.3 if, or to the extent that, it concerns the terms of his service contract (as defined in Section 227 of the Act) that have been or are to be considered by a meeting of the Directors, or by a committee of Directors appointed for the purpose under the Articles.
- 93.4 A Director shall not, save as otherwise agreed by him, be accountable to the Company for any benefit which he (or a person connected with him) derives from any such contract, transaction or arrangement or from any such office or employment or from any interest in any Relevant Company or for such remuneration, each as referred to in Article 93.1, and no such contract, transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit.
- 93.5 Where a Director has an interest which can reasonably be regarded as likely to give rise to a conflict of interest, the Director may, and shall if so requested by the Directors take such additional steps as may be necessary or desirable for the purpose of managing such conflict of interest, including compliance with any procedures laid down from time to time by the Directors for the purpose of managing conflicts of interest generally and/or any specific procedures approved by the Directors for the purpose of or in connection with the situation or matter in question, including without limitation:
  - (a) absenting himself from any meetings of the Directors at which the relevant situation or matter falls to be considered; and

- (b) not reviewing documents or information made available to the Directors generally in relation to such situation or matter and/or arranging for such documents or information to be reviewed by a professional adviser to ascertain the extent to which it might be appropriate for him to have access to such documents or information.
- 93.6 Subject to Article 93.1.5, on any matter in which a Director is in any way interested he may nevertheless vote and be taken into account for the purposes of a quorum and (save as otherwise agreed), may retain for his own absolute use and benefit all profits and advantages directly or indirectly accruing to him thereunder or in consequence thereof.
- 93.7 If a question arises at any time as to the materiality of a Director's interest or as to his entitlement to vote and such question is not resolved by his voluntarily agreeing to abstain from voting, such question shall be referred to the chairman of the meeting and his ruling in relation to any Director other than himself shall be final and conclusive except in a case where the nature or extent of the interest of such Director has not been fairly disclosed.
- 94 Restrictions on voting
  - 94.1 Where proposals are under consideration concerning the appointment (including fixing or varying the terms of appointment) of two or more Directors to offices or employments with the Company or any body corporate in which the Company is interested, the proposals may be divided and considered in relation to each Director separately and in such case each of the Directors concerned shall be entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment.
  - 94.2 The Company may by Ordinary Resolution ratify any contract, transaction or arrangement, or other proposal, not properly authorised by reason of a contravention of any provisions of Articles 92 to 96.
- 95 Confidential Information
  - 95.1 Subject to Article 95.2, if a Director, otherwise than by virtue of his position as Director, receives information in respect of which he owes a duty of confidentiality to a person other than the Company, to the extent that disclosure of such confidential information would amount to a breach of confidence to that person, he shall not be required:
    - (a) to disclose such information to the Company or to the Directors, or to any Director, officer or employee of the Company; or
    - (b) otherwise use or apply such confidential information for the purpose of or in connection with the performance of his duties as a Director.
  - 95.2 Where such duty of confidentiality arises out of a situation in which the Director has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company, Article 95.1 shall apply only if the conflict arises out of a matter which has been authorised under Article 92 or falls within Article 93.
  - 95.3 This Article 94 is without prejudice to any equitable principle or rule of law which may excuse or release the Director from disclosing information, in circumstances where disclosure may otherwise be required under this Article 95.
- 96 **Directors' interests** - general
  - 96.1 For the purposes of these Articles:

- 96.1.1 a general notice given 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 contract, transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the Director has an interest in any such contract, transaction or arrangement of the nature and extent so specified;
- 96.1.2 an interest of a person who is connected (as such expression is defined in the Act) with a Director shall be treated as an interest of the Director;
- 96.1.3 Section 252 of the Companies Act 2006 shall determine whether a person is connected with a Director; and
- 96.1.4 an interest (whether of his or of such a connected person) 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.
- 96.2 Any Director shall be entitled to disclose to the Ordinary Shareholders which appointed him as Director such information concerning the business and affairs of the Company as he sees fit.

## POWERS OF DIRECTORS

### 97 General powers

The business and affairs of the Company shall be managed by the Directors, who may exercise all such powers of the Company subject to any regulations of these Articles, to the Act and to any directions given by Special Resolution of the Company, but no direction so made by the Company shall invalidate any prior act of the Directors which would have been valid if such direction had not been made. The general powers given by this Article shall not be limited or restricted by any special authority or power given to the Directors by any other Article.

### 98 Appointment of attorney

The Directors may from time to time and at any time by power of attorney or otherwise appoint any person to be the attorney of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these Articles) and for such period and subject to such conditions as they may think fit, and may also authorise any such attorney to delegate all or any of the powers, authorities and discretions vested in him.

### 99 Borrowing powers

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

## SECRETARY

### 100 Secretary

Subject to the Act, the Secretary shall be appointed by the Directors on such terms and for such period as they may think fit. Any Secretary so appointed may at any time be removed from office by the Directors, but without prejudice to any claim for damages for breach of any contract of service between him and the Company.

## DIVIDENDS

### 101 Final dividends

Subject to the Act, the Company may by Ordinary Resolution declare dividends in accordance with the respective rights of the Shareholders as provided for in these Articles, but no dividend shall exceed the amount recommended by the Directors.

### 102 Interim dividends

If and so far as in the opinion of the Directors the profits of the Company justify such payments, the Directors may pay interim dividends. If the share capital is divided into different classes the Directors may pay interim dividends on Shares which confer deferred or non-preferred rights with regard to dividend as well as on Shares which confer preferential rights with regard to dividend, but no dividend shall be paid on Shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrears. The Directors may also pay interim dividends on any class of Shares carrying a fixed dividend expressed to be payable on fixed dates on the half-yearly or other dates prescribed for the payment thereof and may also from time to time pay interim dividends on Shares of any class of such amounts and on such dates and in respect of such periods as they think fit. Provided the Directors act in good faith they shall not incur any liability to the holders of any Shares for any loss they may suffer by the lawful payment, on any other class of Shares having rights ranking after or *pari passu* with those Shares, of any such fixed or interim dividend as aforesaid.

### 103 Distribution in specie

The Company may, upon the recommendation of the Directors, by Ordinary Resolution, direct payment of a dividend in whole or in part by the distribution of specific assets (and in particular of paid-up Shares or debentures of any other company) and the Directors shall give effect to such resolution. Where any difficulty arises in regard to such distribution, the Directors may settle the same as they think expedient and in particular may issue fractional certificates, may fix the value for distribution of such specific assets or any part thereof, may determine that cash shall be paid to any Shareholder upon the footing of the value so fixed in order to adjust the rights of Shareholders and may vest any assets in trustees.

### 104 No dividend except out of profits

No dividend shall be paid otherwise than out of profits available for distribution under the Act.

105 Ranking of Shares for dividend

All dividends shall (as regards any Shares not fully paid throughout the period in respect of which the dividend is paid) be apportioned and paid pro rata according to the amounts paid on the Shares during any portion or portions of the period in respect of which the dividend is paid. For the purposes of this Article, no amount paid on a Share in advance of calls shall be treated as paid on the Share.

106 Manner of payment of dividends

Any dividend or other moneys payable on or in respect of a Share shall be paid to the Shareholder or to such other person as the Shareholder (or, in the case of joint holders of a Share, all of them) may in writing direct. Such dividend or other moneys may be paid (i) by cheque sent by post to the payee or, where there is more than one payee, to any one of them, or (ii) by inter-bank transfer to such account as the payee or payees shall in writing direct, or (iii) using the facilities of a relevant system, or (iv) by such other method of payment as the Shareholder (or in the case of joint holders of a Share, all of them) may agree to. Every such cheque shall be sent at the risk of the person or persons entitled to the money represented thereby, and payment of a cheque by the banker upon whom it is drawn, and any transfer or payment within (ii) or (iii) above, shall be a good discharge to the Company.

107 No interest on dividends

Unless otherwise provided by these Articles, no dividend or other moneys payable on or in respect of a Share shall bear interest as against the Company.

108 Retention of dividends

108.1 The Directors may retain any dividend or other moneys payable on or in respect of a Share on which the Company has a lien and may apply the same in or towards satisfaction of the moneys payable to the Company in respect of that Share.

108.2 The Directors may retain the dividends payable upon Shares in respect of which any person is, under the provisions as to the transmission of Shares hereinbefore contained, entitled to become a Shareholder, or which any person is, under those provisions, entitled to transfer, until such person shall become a Shareholder in respect of such Shares or shall transfer the same.

109 Unclaimed dividend

Any dividend which has remained unclaimed for 12 years from the date on which it was declared or became due for payment shall be forfeited and shall revert to the Company.

## CAPITALISATION OF PROFITS AND RESERVES

110 Capitalisation of profits and reserves

110.1 The Directors may, with the sanction of an Ordinary Resolution of the Company, (and with the prior written consent of RNO Group) capitalise any sum standing to the credit of any of the Company's reserve accounts (including any share premium account, capital redemption reserve or other undistributable reserve) or any sum standing to the credit of profit and loss account by appropriating such sum to the holders of Shares in the proportions in which such



sum would have been divisible amongst them had the same been a distribution of profits by way of dividend and on behalf of the Ordinary Shareholders applying that part of such sum distributable amongst them in paying up in full unissued Ordinary Shares for allotment and distribution credited as fully paid up to and amongst them.

- 110.2 The Directors may do all acts and things considered necessary or expedient to give effect to any such capitalisation, with full power to the Directors to make such provisions as they think fit for the case of Shares becoming distributable in fractions (including provisions whereby the benefit of fractional entitlements accrues to the Company rather than to the Shareholders concerned). The Directors may authorise any person to enter, on behalf of all the Shareholders interested, into an agreement with the Company providing for any such capitalisation and matters incidental thereto and any agreement made under such authority shall be effective and binding on all concerned.

## ACCOUNTS

### 111 Accounting records

Accounting records complying with the Act shall be kept at the registered office of the Company, or at such other place as the Directors think fit. No shareholder shall (as such) have any right of inspecting any accounting records or other book or document of the Company except as conferred by statute or authorised by the Directors or by ordinary resolution of the Company.

## COMMUNICATIONS WITH SHAREHOLDERS

### 112 Service of notices

- 112.1 Subject to the Articles, anything sent or supplied by or to the Company under the Articles may be sent or supplied in any way in which the Act provides for documents or information which are authorised or required by any provision of the Act to be sent or supplied by or to the Company.

- 112.2 Any notice, document or information (including a share certificate) which is sent or supplied by the Company in hard copy form, or in electronic form but to be delivered other than by electronic means, which is:

112.2.1 sent by hand and properly addressed shall be deemed to have been received by the intended recipient on the day of delivery;

112.2.2 sent by pre-paid post and properly addressed shall be deemed to have been received by the intended recipient at the expiration of 24 hours (or, where first class mail is not employed, 48 hours) after the time it was posted,

and in proving such receipt it shall be sufficient to show that such notice, document or information was properly addressed and, in the case of post, pre-paid and posted.

- 112.3 Any notice, document or information which is sent or supplied by the Company by electronic means shall be deemed to have been received by the intended recipient 24 hours after it was transmitted, and in proving such receipt it shall be sufficient to show that such notice, document or information was properly addressed.

- 112.4 The accidental failure to send, or the non-receipt by any person entitled to, any notice of or other document or information relating to any meeting or other proceeding shall not invalidate the relevant meeting or proceeding.
- 112.5 Subject to the Articles, any notice or document to be sent or supplied to a Director in connection with the taking of decisions by Directors may also be sent or supplied by the means by which that Director has asked to be sent or supplied with such notices or documents for the time being.
- 112.6 A Director may agree with the Company that notices, documents or information sent to that Director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than that provided in this Article 112.
- 112.7 The provisions of this Article shall have effect in place of the Company Communications Provisions relating to deemed delivery of notices, documents or information.

**113 Signature or authentication of documents sent by electronic means**

Where these Articles require a notice or other document to be signed or authenticated by a Shareholder or other person then any notice or other document sent or supplied in electronic form is sufficiently authenticated in any manner authorised by the Company Communications Provisions or in such other manner as may be approved by the Directors. The Directors may designate mechanisms for validating any such notice or other document, and any such notice or other document not so validated by use of such mechanisms shall be deemed not to have been received by the Company.

**114 Joint holders**

- 114.1 Anything which needs to be agreed or specified by the joint holders of a Share shall for all purposes be taken to be agreed or specified by all the joint holders where it has been agreed or specified by the joint holder whose name stands first in the Register in respect of the Share.
- 114.2 Any notice, document or information which is authorised or required to be sent or supplied to joint holders of a Share may be sent or supplied to the joint holder whose name stands first in the Register in respect of the Share, to the exclusion of the other joint holders.
- 114.3 The provisions of this Article shall have effect in place of the Company Communications Provisions regarding joint holders of Shares.

**115 Deceased and bankrupt Shareholders**

- 115.1 A person who claims to be entitled to a share in consequence of the death or bankruptcy of a Shareholder or otherwise by operation of law shall supply to the Company:

- (a) such evidence as the Directors may reasonably require to show his title to the Share,
- (b) an address at which notices may be sent or supplied to such person,

whereupon he shall be entitled to have sent or supplied to him at such address any notice, document or information to which the said shareholder would have been entitled. Any notice, document or information so sent or supplied shall for all purposes be deemed to be duly sent

or supplied to all persons interested (whether jointly with or as claiming through or under him) in the share.

115.2 Save as provided by Article 112, any notice, document or information sent or supplied to the address of any Shareholder in pursuance of these Articles shall, notwithstanding that such Shareholder be then dead or bankrupt or in liquidation, and whether or not the Company has notice of his death or bankruptcy or liquidation, be deemed to have been duly sent or supplied in respect of any Share registered in the name of such Shareholder as sole or first-named joint holder.

115.3 The provisions of this Article shall have effect in place of the Company Communications Provisions regarding the death or bankruptcy of a holder of Shares in the Company.

116 Statutory provisions as to notices

Nothing in any of the preceding five Articles shall affect any provision of the Act that requires or permits any particular notice, document or information to be sent or supplied in any particular manner.

## WINDING-UP

117 Distribution of assets in specie

If the Company shall be wound-up (whether the Liquidation is voluntary, under supervision, or by the court) the liquidator may divide among the Shareholders in specie or kind the whole or any part of the assets of the Company and whether or not the assets shall consist of property of one kind or shall consist of properties of different kinds, and may for such purpose set such value as he deems fair upon any one or more class or classes of property and may determine how such division shall be carried out as between the Shareholders or different classes of Shareholders. The liquidator may, with the like authority, vest any part of the assets in trustees upon such trusts for the benefit of Shareholders as the liquidator with the like authority shall think fit, and the Liquidation of the Company may be closed and the Company dissolved, but so that no contributory shall be compelled to accept any Shares or other property in respect of which there is a liability.

## INDEMNITY

118 Indemnity

118.1 Subject to Article 118.2, a Relevant Director may be indemnified out of the Company's assets against:

118.1.1 any liability incurred by or attaching to that Director in connection with any negligence, default, breach of duty or breach of trust in relation to the Company or an associated company;

118.1.2 any liability incurred by or attaching to that Director in connection with the activities of the Company or an associated company in its capacity as a trustee of an occupational pension scheme (as defined in Section 235(6) of the Act);

118.1.3 any other liability incurred by or attaching to that Director as an officer of the Company or an Associated Company.

118.2 This Article 118 does not authorise any indemnity which would be prohibited or rendered void by any provision of the Act or by any other provision of law.

118.3 Where a Relevant Director is indemnified against any liability in accordance with this Article, such indemnity may extend to all costs, charges, losses, expenses and liabilities incurred by him in relation thereto.

## 119 Insurance

119.1 The Directors shall have the power to purchase and maintain insurance, at the expense of the Company, for the benefit of any Relevant Director in respect of any relevant loss.

119.2 In this Article 119, a “relevant loss” means any loss or liability which has been or may be incurred by a Relevant Director in connection with that Director’s duties or powers in relation to the Company, any Relevant Company or any pension fund or employees’ share scheme of the Company or Relevant Company.

## 120 Defence expenditure

120.1 So far as may be permitted by the Act, the Company may:

120.1.1 provide a Relevant Director with funds to meet expenditure incurred or to be incurred by him in:

- (i) defending any criminal or civil proceedings in connection with any negligence, default, breach of duty or breach of trust by him in relation to the Company or a Relevant Company; or
- (ii) in connection with any application for relief under the provisions mentioned in Section 205(5) of the Act; and

120.1.2 do anything to enable any such Relevant Director to avoid incurring such expenditure.

120.2 The terms set out in Section 205(2) of the Act shall apply to any provision of funds or other things done under Article 120.1.

120.3 So far as may be permitted by the Act, the Company:

120.3.1 may provide a Relevant Director with funds to meet expenditure incurred or to be incurred by him in defending himself in an investigation by a regulatory authority or against action proposed to be taken by a regulatory authority in connection with any alleged negligence, default, breach of duty or breach of trust by him in relation to the Company or any Relevant Company; and

120.3.2 may do anything to enable any such Relevant Director to avoid incurring such expenditure.