

Company No. 06515712

OCEAN OUTDOOR (GB) LIMITED
(the "Company")

Resolution of the Members of the Company

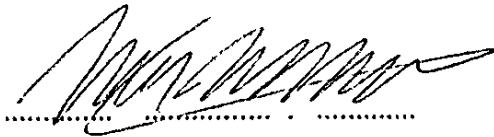
Pursuant to Chapter 2 of Part 13 of the Companies Act 2006, the directors of the Company propose that the following resolution (the "**Resolution**") is passed. The Resolution is proposed as a special resolution.

SPECIAL RESOLUTION

THAT the regulations contained in the printed document attached to this Resolution as Appendix A be and are hereby adopted as the Articles of Association of the Company in substitution for and to the exclusion of the existing Articles of Association of the Company with immediate effect.



Signed by Ocean BidCo Limited



TIM BLEAKLEY

Date

16 May 2012

NOTES

1. If you agree with the Resolution, please indicate your agreement by signing and dating this document where indicated above and returning the signed version either by hand or by post to _____ at _____.

You may not return the Resolution to the Company by any other method.

If you do not agree to the Resolution, you do not need to do anything: you will not be deemed to agree if you fail to reply.

2. Once you have indicated your agreement to the Resolution, you may not revoke your agreement.

3. Unless, within 28 days of the Circulation Date, sufficient agreement has been received for the Resolution to pass, it will lapse. If you agree to the Resolution, please ensure that your agreement reaches us before or during this date.

Company No: 6515712

THE COMPANIES ACT 2006

A PRIVATE COMPANY LIMITED BY SHARES

NEW ARTICLES OF ASSOCIATION

OF

OCEAN OUTDOOR (GB) LIMITED ("Company")

(adopted by a Special Resolution of the Company passed on 23 August 2010)

1. PRELIMINARY

These Articles, together with the Regulations contained in Table A in the Schedule to the Companies (Table A to F) Regulations 1985 as amended by the Companies (Tables A to F) (Amendment) Regulations 2007 and the Companies (Tables A to F) (Amendment) (No 2) Regulations 2007 (such table being referred to below as "Table A"), pursuant to the provisions of the Companies Act 1985, the Companies Act 1989 and the Companies Act 2006, shall be the Regulations of Ocean Outdoor (GB) Limited (the "Company") except to the extent that the Regulations in Table A are excluded or varied below. The following Regulations in Table A shall not apply to the Company Regulation 8 (lien), 24 (directors' refusal of share transfers), 33 (fractional entitlements), 38 (notice of general meetings), 54 (votes of members), 64 (number of directors), 65 to 69 inclusive (alternate directors), 73 to 80 inclusive (appointment and retirement of directors), 88 (proceedings of directors), 93 (written resolution of directors), 94 (conflict of interest), 95 (quorum disentitlement), 99 (secretary), 112 (notices) and 118 (indemnity)

2. DEFINITIONS

In these Articles the following words and expressions shall have the following meanings unless the context otherwise requires

"Act" means the Companies Act 2006,

"A Growth Amount" shall bear the meaning given to such term in Article 3 2.3,

"A Growth Shares" means the convertible shares of £0.01 each in the capital of the Company having the rights and privileges and subject to the restrictions as set out in these Articles,

"A Preference Shares" means the convertible preference shares of £0.01 each in the capital of the Company having the rights and privileges and subject to the restrictions as set out in these Articles,

"A Threshold" shall bear the meaning given to such term in Article 3.2.3,

"Articles" means the articles of association of the Company,

"Associate" means in relation to any person

- (i) the spouse or child or remoter issue (including any step or adopted child) of the relevant person,
- (ii) the trustees of any trust (whether arising under a settlement, declaration of trust, will or on intestacy) established by or on behalf of the relevant person under which the relevant person and/or his spouse or children or remoter issue (including any step or adopted child) are the only persons capable of being a beneficiary or beneficiaries thereof,

"Associate Transferee" means in relation to any Shareholder, any Associate to whom that Shareholder or any Associate of that Shareholder has transferred Shares,

"Auditors" means the auditors to the Company from time to time,

"Authorised Bank" means an authorised person (within the meaning of section 31(2) of the FSMA) with a Part IV permission (within the meaning of section 40(4) of the FSMA) which includes accepting deposits, or otherwise authorised in respect of that activity under section 31(1) of the FSMA,

"Available Profits" means the profits available for distribution with the meaning of section 830 of the Act,

"Board" means the board of directors of the Company from time to time,

"B Growth Amount" shall bear the meaning given to such term in Article 3.2.3,

"B Growth Shares" means the convertible shares of £0.01 each in the capital of the Company having the rights and privileges and subject to the restrictions as set out in these Articles,

"B Preference Shares" means the non-voting convertible preference shares of £0.01 each in the capital of the Company having the rights and privileges and subject to the restrictions as set out in these Articles,

"B Threshold" shall bear the meaning given to such term in Article 3.2 3,

"Business" means the Company's outdoor advertising business and such other business as the Company or any member of the Group conducts from time to time,

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

"Cash Equivalent" means

- (i) where the consideration, proceeds or assets comprise listed securities, the average of the middle market prices at which transactions in listed securities of the same class took place over the five dealing days prior to the SPA Date or the Primary Liquidity Event Date (as the case may be),
- (ii) where the consideration, proceeds or assets comprise loan notes, loan stock or other debt instruments guaranteed unconditionally by an Authorised Bank, the face value thereof, provided that the rate of interest applicable to such loan notes, loan stock or other debt instruments is at least equivalent to the three month London Interbank Bid Rate and, if less, such face value shall be discounted by reference to the discount rate implied in the flow of money from a gilt of equivalent maturity,
- (iii) where the consideration, proceeds or assets comprise unlisted securities or other instruments not guaranteed as aforesaid, such amount as the Auditors shall certify to be the fair value thereof,
- (iv) where the consideration, proceeds or assets comprise future, fixed or contingent cash payments, such amount as the Auditors shall certify to be the fair value thereof,
- (v) where the consideration, proceeds or assets comprise cash payments which do not fall into any of the categories (i) - (iv) above, the amount of such cash payments,

- (vi) where the consideration, proceeds or assets do not fall into any of the categories (i) - (v) above, such amount as the Auditors shall certify to be the fair value thereof,

"Change of Control" means the occurrence of any event, including a sale or a merger or other combination, whereby the Founder Investor, Owner Manager and the Investor together cease to be the beneficial owners of Shares conferring in aggregate 50 per cent or more of all voting rights conferred by all Shares from time to time in issue (taking into account calculating the number of such Shares all rights of conversion attaching to the A Preference Shares on conversion but disregarding any voting rights in respect of B Preference Shares upon their conversion to Ordinary Shares),

"Completion" means the carrying out by the Parties of their obligations under clause 3 of the Investment Agreement,

"Connected Person" means connected persons as defined in Sections 993 and 994 of the Income Taxes Act 2007,

"Conversion Date" shall bear the meaning given to such term in Article 3.4 2,

"Conversion Notice" shall bear the meaning given to such term in Article 3.4.2,

"Conversion Rate" shall bear the meaning given to such term in Article 3.4.1,

"Deed of Adherence" means a deed of adherence in the form attached as schedule 5 to the Investment Agreement,

"Deferred Shares" means the deferred shares of £0.01 each in the capital of the Company having the rights and privileges and subject to the restrictions as set out in these Articles,

"Dilutive Issue" shall bear the meaning given to such term in Article 3.4 12,

"Director" means a director of the Company,

"Encumbrance" means any mortgage, charge, pledge, lien, option, restriction, third party right or interest, other interest or security interest of any kind,

"Financial Year" and **"Financial Period"** means an accounting reference period (as defined by the Act) of the Company,

"Founder Investor" means John Edward Story,

"Founder Investor Director" shall bear the meaning given to such term in Article 13.3.4,

"FSMA" means the Financial Services and Markets Act 2000,

"Fund" means any bank, investment trust or investment company, unit trust, building society, industrial provident or friendly society, any other collective investment scheme, any business investor, partnership, limited partnership, pension fund or insurance company, any portfolio of assets managed pursuant to a discretionary investment management agreement or any person who is an authorised person under Financial Services and Markets Act 2000 (as amended), and the term will include any subsidiary undertaking of any of the foregoing and any co-investment scheme in relation to any of the foregoing,

"Fund Participant" means any partner, unit holder, shareholder or other participant in or operator, manager or custodian of any Fund,

"Group" means the Company and any company which is a subsidiary of the Company, a holding company of the Company or a subsidiary of such holding company and **"Group Member"** shall be construed accordingly,

"Growth Share Conversion Notice" means a notice substantially in the form contained in appendix 1 to these Articles, whereby a Growth Shareholder requires that a specified number of Growth Shares be converted into Deferred Shares,

"Growth Shares" means the A Growth Shares and the B Growth Shares,

"Growth Shareholder" means the holder of any Growth Shares and **"Growth Shareholders"** shall be construed accordingly,

"Hurdle" means 250 per cent,

"Insolvency Event" means in relation to any person that

- (i) it stops or suspends payment of its debts generally,
- (ii) it is, for the purpose of section 123 of the Insolvency Act 1986 or any other applicable law, deemed to be insolvent or unable to pay its debts as they fall due or becomes insolvent or a moratorium is declared in relation to any of its indebtedness,
- (iii) a receiver, administrative receiver or administrator or similar officer is appointed over or in relation to all or any material part of its assets,

- (iv) a meeting is convened, an application is made or any other material step taken, or any notice is given of the intention to convene a meeting or take any other step, for the purpose of appointing a receiver, administrative receiver or other similar officer or in relation to it unless the meeting is cancelled or the application withdrawn within seven days of being convened or made respectively,
- (v) an application is made or any other such document is issued, a meeting is convened, or any notice is given of the intention to convene a meeting or take any other step, for the purpose of appointing an administrator or other similar officer of, or for the making of an administration order in relation to it unless the meeting is cancelled or the document or the application is withdrawn within seven days of being convened or made respectively,
- (vi) it convenes a meeting of its creditors generally or takes any material step with a view to a moratorium or proposes or makes any arrangement or composition with, or any assignment for the benefit of, its creditors generally,
- (vii) it proposes or enters into any negotiations for or in connection with the rescheduling, restructuring or re-adjustment of any indebtedness generally by reason of, or with a view to avoiding, financial difficulties,
- (viii) (other than in connection with a solvent reorganisation) any meeting is convened for the purpose of considering any resolution for (or to petition for) its winding up or any such resolution is passed,
- (ix) a petition or any other such document is presented or an order is made for its winding up (other than a frivolous or vexatious petition, or any other such document, dismissed, withdrawn or discharged within 14 days of being presented or any other petition which is contested on bona fide grounds and dismissed, withdrawn or discharged prior to the winding-up order being made),
- (x) any order is made, any resolution is passed or any other action is taken for the suspension of more than one payment by it, or protection from its creditors or its bankruptcy,

"Investor" means The Peder Smedvig Capital Fund IX, a limited partnership registered in England and Wales with registered number LP11234 whose place of business is situated at 20 St James's Street, London SW1A 1BS acting by its general partner Smedvig Capital Limited a

company registered in England and Wales with registered number 3121131 whose registered office is situated at 20 St James's Street, London SW1A 1ES,

"Investor Affiliate" means

- (a) any body corporate which is from time to time a holding company or a subsidiary of any Investor Fund or a subsidiary of such holding company, and
- (b) Smedvig Capital Limited and any other body corporate which is from time to time a holding company, or subsidiary or subsidiary of such holding company of Smedvig Capital Limited,

"Investor Funds" means the funds in which Smedvig Capital AS directly or indirectly invests and/or holds an interest in from time to time,

"Investor Director" means a director nominated by the Investor and appointed to the Board in accordance with clause 9.2 of the Investment Agreement and these Articles,

"Investor's Group" means

- (a) Smedvig Capital AS,
- (b) the Investor Funds,
- (c) any Investor Affiliate,
- (d) any Fund established, operated or advised by any Investor Fund or any Investor Affiliate or in relation to which such Investor Fund or Investor Affiliate is a Fund Participant, and
- (e) in the event that any Investor Fund or any other Fund or scheme falling within any of paragraphs (b) to (d) above is dissolved and its assets distributed *in specie*, the current holders, shareholders, partners, or participants of such Fund or scheme,

and **"member of the Investor's Group" or "Investor Group member"** shall be construed accordingly,

"Investment Agreement" means the agreement entered into on 14 May 2008 between the Investor, the Founder Investor, the Owner Manager and the Company,

"Liquidity Event" means any of (i) any liquidation, dissolution or winding up of the Company or any subsidiary of the Company (including an Insolvency Event), (ii) any return

by the Company to any holders of Shares in respect of any buy back of Shares (excluding any buy back of any Deferred Shares), (iii) a Change of Control, (iv) the sale of all or substantially all of the assets of the Company or the Business or all or substantially all of the share capital of the Company, or (v) a Listing,

"Listing" means the admission to listing or trading (as the case may be) of all or any of the Shares (or depository instruments in respect thereof) to the Official List or the Alternative Investment Market of the London Stock Exchange or any other exchange (or market of any such exchange) recognised by the Financial Services Authority under the Financial Services and Markets Act 2000 (as amended) from time to time, or any equivalent or similar market approved for the purposes hereof by the holder(s) of the Preference Shares and the Preferred Ordinary Shares,

"London Stock Exchange" means the London Stock Exchange plc,

"Member" or **"Shareholder"** means a member of the Company,

"Minimum Return" shall bear the meaning given to such term in Article 3.4.4,

"Ordinary Share Entitlement" of any Shareholder as at any date means the aggregate of (a) the number of Ordinary Shares held by such Shareholder and (b) the number of Ordinary Shares which such Shareholder would be entitled to on conversion of any Preference Shares then held by such Shareholder at the then prevailing Conversion Rate,

"Ordinary Shares" means ordinary shares of £0.01 each in the capital of the Company having the rights and privileges and subject to the restrictions as set out in these Articles,

"Owner Manager" means Damian Cox,

"Party" or **"Parties"** means a party or parties to the Investment Agreement,

"Preference Shares" means the A Preference Shares and the B Preference Shares,

"Preference Sum" means £1175456,

"Present Value" shall bear the meaning given to such term in Article 3.2.3,

"Primary Liquidity Event" means any liquidation, dissolution or winding up of the Company (including an Insolvency Event),

"Primary Liquidity Event Date" means the date of occurrence of a Primary Liquidity Event,

"Relevant Shares" shall bear the meaning given to such term in Article 3.4.5,

"Shares" means any shares in the capital of the Company (of whatever class),

"Shareholders" means collectively all (or, where the context requires, some) of the persons registered in the books of the Company as holders of Shares from time to time and

"Shareholder" shall be construed accordingly,

"SPA" shall bear the meaning given to such term in Article 3.2.4,

"SPA Date" means the date of execution of the SPA,

"Third-Party Purchaser" means a prospective bona fide purchaser of Shares who is not a Party to the Investment Agreement nor an Associate or a member of the Investor's Group or otherwise connected to the Investor (as defined in the Act), and

"Transfer" means any direct or indirect transfer, sale, assignment, pledge, encumbrance, hypothecation or other disposition, whether with or without consideration and whether made voluntarily or by operation of law

3. SHARE CAPITAL

The A Preference Shares, B Preference Shares, Ordinary Shares, A Growth Shares, B Growth Shares and Deferred Shares shall have the rights and privileges and be subject to the restrictions set out in these Articles. The A Preference Shares and B Preference Shares shall, save as provided in Article 3.5 (*Pre-emption*), Article 3.6 (*Consent of A Preference Shareholders required*) and Article 3.7 (*Voting and Attendance at General Meetings*) rank *pari passu* in all respects and constitute a single class

3.1 Dividends

The Available Profits which may in the discretion of the Directors be determined to be distributed in respect of any Financial Year or other Financial Period shall be applied amongst the holders of the Ordinary Shares, the Preference Shares (as if converted pursuant to Article 3.4), the A Growth Shares and the B Growth Shares according to the amounts (excluding any premium) paid up or credited as paid up on the said Shares held by them. The Deferred Shares shall not entitle their holders to receive any dividend or other distribution save as specifically provided in articles 3.2 and 3.3.2

3.2 Capital

3.2.1 On a Primary Liquidity Event

3.2.1.1 if any assets of the Company or proceeds of the Primary Liquidity Event available for distribution among Members, after deducting an amount equal to any amount due to the holders of any A Growth Shares or B Growth Shares pursuant to articles 3.2.1.1 (a) and (b), were to be distributed *pari passu* between the holders of Preference Shares and Ordinary Shares and as a result thereof the amount so paid per Preference Share and Ordinary Share (taking into account the aggregate amount of dividends previously paid in respect of such Shares and any cash amounts paid by way of capital distributions in respect of such Shares but excluding for the avoidance of doubt the proceeds of any buy back of Shares) would be equal to or more than the aggregate of the Preference Sum multiplied by the Hurdle, the assets of the Company or proceeds of the Primary Liquidity Event available for distribution among Members shall be applied in the following order of priority

- (a)** first, each holder of an A Growth Share shall be entitled to receive an amount equal to the A Growth Amount per each A Growth Share,
- (b)** second, each holder of a B Growth Share shall be entitled to receive an amount equal to the B Growth Amount per each B Growth Share,
- (c)** third, each holder of a Deferred Share shall be entitled to receive an amount equal to £0 0001 per each Deferred Share,
- (d)** fourth, the balance of such assets or proceeds (if any) shall be distributed *pari passu* between the holders of Preference Shares and Ordinary Shares, and

3.2.1 2 if any assets of the Company or proceeds of the Primary Liquidity Event available for distribution among Members, after deducting an amount equal to any amount due to the holders of any A Growth

Shares or B Growth Shares pursuant to Articles 3.2.1 2 (b) and (c), were to be distributed *pari passu* between the holders of Preference Shares and Ordinary Shares and as a result thereof the amount so paid per Preference Share and Ordinary Share (taking into account the aggregate amount of dividends previously paid in respect of such Shares and any cash amounts paid by way of capital distributions in respect of such Shares but excluding for the avoidance of doubt the proceeds of any buy back of Shares) would be less than the aggregate of the Preference Sum multiplied by the Hurdle, the assets of the Company or proceeds of the Primary Liquidity Event available for distribution among the Members shall be applied in the following order of priority

- (a) first, in paying to the holders of the Preference Shares, *pari passu* the aggregate of the Preference Sum multiplied by the Hurdle and the number of Preference Shares held by the relevant Shareholder (provided that if there are insufficient assets or proceeds to pay the amount set out above in this Article 3.2.1.2, the remaining assets or proceeds shall be distributed to the holders of the Preference Shares pro rata to their respective holdings of Preference Shares),
- (b) second, each holder of an A Growth Share shall be entitled to receive an amount equal to the A Growth Amount per each A Growth Share,
- (c) third, each holder of a B Growth Share shall be entitled to receive an amount equal to the B Growth Amount per each B Growth Share,
- (d) fourth, each holder of a Deferred Share shall be entitled to receive an amount equal to £0.0001 per each Deferred Share,
- (e) fifth, the balance of such assets or proceeds (if any) shall be distributed amongst the holders of the Ordinary Shares pro rata to their respective holdings of Ordinary Shares

3 2.2 On a Liquidity Event, other than a Primary Liquidity Event

3.2.2.1 if any assets of the Company or proceeds of the Liquidity Event available for distribution among Members were to be distributed *pari passu* between the holders of Preference Shares and Ordinary Shares and as a result thereof the amount so paid per Share (taking into account the aggregate amount of dividends previously paid in respect of such Shares and any cash amounts paid by way of capital distributions in respect of such Shares but excluding for the avoidance of doubt the proceeds of any buy back of Shares) would be equal to or more than the aggregate of the Preference Sum multiplied by the Hurdle, the assets of the Company or proceeds of the Liquidity Event available for distribution among Members shall be allocated *pari passu* between the holders of Preference Shares and Ordinary Shares, and

3.2.2 2 if any assets of the Company or proceeds of the Liquidity Event available for distribution among Members were to be distributed *pari passu* between the holders of Preference Shares and Ordinary Shares and as a result thereof the amount so paid per Share (taking into account the aggregate amount of dividends previously paid in respect of such Shares and any cash amounts paid by way of capital distributions in respect of such Shares but excluding for the avoidance of doubt the proceeds of any buy back of Shares) would be less than the aggregate of the Preference Sum multiplied by the Hurdle, the assets of the Company or proceeds of the Liquidity Event available for distribution among the Members shall be applied in the following order of priority

- (a) first, in paying to the holders of the Preference Shares, *pari passu* the aggregate of the Preference Sum multiplied by the Hurdle and the number of Preference Shares held by the relevant Shareholder (provided that if there are insufficient assets or proceeds to pay the amount set out above in this Article 3.2.2.2, the remaining assets or proceeds shall be distributed to the holders of the Preference Shares pro rata to their respective holdings of Preference Shares),

- (b) second, the balance of such assets or proceeds (if any) shall be distributed amongst the holders of the Ordinary Shares pro rata to their respective holdings of Ordinary Shares.

3.2.3 For the purposes of these Articles, including without limitation this Article 3.2

3.2.3.1 the A Growth Amount shall be calculated as follows

"A Growth Amount" means the sterling cash amount of the growth in value of the Company above a certain threshold, to which each A Growth Share is entitled, which shall be calculated using the following formula (negative results shall be deemed to equal NIL)

$$AGrowthAmount = (PresentValue - Athreshold) \times 0.00001$$

Where,

"Present Value" = the sterling cash value of the Company at the date of applying the relevant formula or formulas contained in this article 3, calculated in accordance with article 3.2.4,

"A Threshold" = £13,750,000

3.2.3.2 the B Growth Amount shall be calculated as follows

"B Growth Amount" means the sterling cash amount of the growth in value of the Company above a certain threshold, to which each B Growth Share is entitled, which shall be calculated using the following formula (negative results shall be deemed to equal NIL)

$$BGrowthAmount = (Present Value - BThreshold) \times 0.00001$$

Where,

"Present Value" = the sterling cash value of the Company at the date of applying the relevant formula or formulas contained in this article 3, calculated in accordance with article 3.2.4,

"B Threshold" = £20,000,000

3.2.4 For the purposes of article 3.2, Present Value shall be calculated as follows

3.2.4.1 in the event that at the date of applying the relevant formula or formulas contained in this article 3 a sale and purchase agreement has been executed for the sale of the entire issued share capital of the Company ("SPA"), the Present Value shall be an amount equal to the amount of the Cash Equivalent consideration payable or issued by the purchaser or purchasers for the entire issued share capital of the Company pursuant to the SPA,

3.2.4.2 in the event that at the date of applying the relevant formula or formulas contained in this article 3 a Primary Liquidity Event has occurred, the Present Value shall be an amount equal to the amount of the Cash Equivalent of the assets of the Company or proceeds of the Primary Liquidity Event available for distribution among Members in connection with the Primary Liquidity Event,

3.2.4.2 in the event that at the date of applying the relevant formula or formulas contained in this article 3 a Listing is due to occur, the Present Value shall be an amount equal to the valuation placed on all of the Shares on the date the Listing occurs, as shown in the prospectus or listing particulars published in connection with the Listing, less the gross amount of any new money raised by the Company in connection with the Listing from a subscription for new shares

3.2.5 In the event that an SPA has been or is to be executed, each of the Company, the directors of the Company and the Shareholders shall (so far as lawful and possible) procure that upon completion of the SPA the consideration payable or issued by the purchaser or purchasers for the entire issued share capital of the Company pursuant to the SPA ("Exit Proceeds") shall become due to the holders of the Shares in such proportions as the holders of the Shares would have been entitled pursuant to article 3.2.1 and on the basis that

3.2.5.1 the Primary Liquidity Event was the completion of the SPA, and

3.2.5.2 the assets of the Company or proceeds of the Primary Liquidity Event available for distribution among Members were the Exit Proceeds

3.2.6 All calculations pursuant to this Article 3 shall be performed by the Auditors (or if the Auditors are unwilling to act by such independent professional adviser as appointed by the Company) based on instructions provided by the Company

3.2.7 If there is any dispute over the interpretation of any of the provisions contained in this article 3, the decision of the Auditors (or if the Auditors are unwilling to act, such independent professional adviser as appointed by the Company) (acting as experts and not arbitrators) in relation to such dispute shall be final and binding

3.3 Conversion Into Deferred Shares

3.3.1 Such number of Growth Shares held by a Growth Shareholder as specified in a Growth Share Conversion Notice served on the Company by the Growth Shareholder shall, on such date specified in the Growth Share Conversion Notice, automatically and without resolution of the directors or the members of the Company convert and be redesignated into Deferred Shares on a one for one basis. If the total number of Growth Shares to be converted and redesignated pursuant to this article includes any fraction of a Growth Share, the number of Growth Shares to be converted and redesignated will be rounded down to the nearest whole number.

3.3.2 The Deferred Shares acquired pursuant to the conversion and redesignation in Article 3.3.1 shall be automatically purchased (without the consent of the holder of the Deferred Shares being required) by the Company for an aggregate price of £0.01 for all the Deferred Shares held by the holder of the Deferred Shares and cancelled as soon as it is lawful for the Company to purchase them.

3.3.3 Any director of the Company may, as agent or attorney for such member, execute the necessary transfer(s) or buy-back agreement or such other documentation as is required on that member's behalf in respect of the purchase of any of the Deferred Shares by the Company and deliver such transfer(s) or buy-back agreement or other documentation as is required to the Company. The Board will authorise registration of the transfer(s) and of the Company as registered holder of the shares so transferred. After such registration, (the title of the Company as registered holder of such shares will

not be affected by any irregularity in, or invalidity of such proceedings, which will not be questioned by any person.

3.3.4 Notwithstanding any other provisions of these articles, and unless specifically required by the provisions of the Act, the Company shall not be required to issue any certificates in respect of the Deferred Shares.

3.3.5 Neither the passing by the Company of any special resolution or the cancellation of the Deferred Shares by means of a reduction of capital requiring the confirmation of the court nor the obtaining by the Company, nor the making by the court of any order confirming any such reduction of capital nor the becoming effective of any such court order shall constitute a variation, modification or abrogation of the rights attaching to the Deferred Shares and accordingly the Deferred Shares may at any time be cancelled for no consideration by means of a reduction of capital effected in accordance with the Act without sanction on the part of the holders of the Deferred Shares.

3.4 Conversion into Ordinary Shares

3.4.1 Subject as provided in this Article 3.4, (i) the Preference Shares shall automatically convert into fully paid Ordinary Shares on a Listing and (ii) at any time prior to a Listing any holder of Preference Shares may, in the manner set out in this Article 3.4, convert all or any part (not involving a fraction of one Share) of his holding of Preference Shares into fully paid Ordinary Shares. Other than on a Listing the Company shall not be entitled to demand conversion of any Preference Shares. Subject to the other provisions of this Article 3.4 any conversion of Preference Shares into Ordinary Shares as aforesaid shall be made at the rate of one Ordinary Share for each Preference Share (the "Conversion Rate").

3.4.2 If, in accordance with Article 3.4.1, any holder of Preference Shares wishes to exercise the right of conversion attaching to its Preference Shares prior to a Listing, such right of conversion shall be exercisable (other than in the event of a Listing where such conversion shall be effected automatically) at any time by the delivery of a notice in writing to the Company specifying the date on which such conversion is to take effect (hereinafter referred to as a "Conversion Date"), accompanied by the certificate (or an indemnity in

respect thereof in a form reasonably satisfactory to the Company) for such Preference Shares together with such other evidence (if any) as the Directors may reasonably require to prove the title of the person exercising such right to the Company at its registered office for the time being with the conversion notice on the reverse of such certificate (or notice in such other form as may from time to time be prescribed by the Directors in lieu thereof) (a "Conversion Notice") duly completed

3.4.3 The Growth Shares shall automatically convert into fully paid Ordinary Shares on a Listing on the following basis

- (a) the number of Ordinary Shares (rounded down to the nearest whole number of Ordinary Shares) that each Growth Shareholder shall be entitled to receive in respect of the conversion of his A Growth Shares into Ordinary Shares shall be calculated as follows

$$\text{Number of Ordinary Shares} = \frac{(\text{A Growth Amount} \times \text{Number of A Growth Shares})}{\text{Listing Price}}$$

Where

"Number of A Growth Shares" = the number of A Growth Shares held by the Growth Shareholder immediately prior to the occurrence of the Listing

"Listing Price" = the offering price in the Listing of Ordinary Shares

- (b) the number of Ordinary Shares (rounded down to the nearest whole number of Ordinary Shares) that each Growth Shareholder shall be entitled to receive in respect of the conversion of his B Growth Shares into Ordinary Shares shall be calculated as follows

$$\text{Number of Ordinary Shares} = \frac{(\text{B Growth Amount} \times \text{Number of B Growth Shares})}{\text{Listing Price}}$$

Where

"Number of B Growth Shares" = the number of B Growth Shares held by the Growth Shareholder immediately prior to the occurrence of the Listing

"Listing Price" = the offering price in the Listing of Ordinary Shares

3.4.4 In accordance with and subject to Article 3.4.1, all Preference Shares shall automatically convert into fully paid Ordinary Shares in the event of a Listing. Within five Business Days prior to a Listing the holders of Preference Shares and Growth Shares shall, if requested in writing by the Company on 10 Business Days prior notice, deliver the certificate (or an indemnity in respect thereof in a form reasonably satisfactory to the Company) for all such holder's Preference Shares and Growth Shares together with such other evidence (if any) as the Directors may reasonably require to prove the title of the person exercising such right to the Company at its registered office for the time being. If as a result of such conversion of Preference Shares into fully paid Ordinary Shares on a Listing in accordance with Article 3.4.1 and the other provisions of this Article 3.4, the offering price in such Listing of Ordinary Shares would value the aggregate number of Ordinary Shares into which the Preference Shares would convert on a Listing at less than the aggregate of the Preference Sum multiplied by the Hurdle and the number of Preference Shares (the **"Minimum Return"**), the Conversion Rate of each Preference Share shall be increased so that the aggregate value of the Ordinary Shares into which the Preference Shares convert on a Listing is equal to the Minimum Return. The date upon which such Listing becomes effective is hereinafter referred to as a **"Conversion Date"**

3.4.5 Conversion of such Preference Shares and Growth Shares as are due to be converted into Ordinary Shares as aforesaid (such Shares being called in this Article 3.2.2, the **"Relevant Shares"**) shall be effected by redesignating the relevant Preference Shares and Growth Shares as Ordinary Shares or in such other manner as the Directors may determine and as the law may allow and in particular but without prejudice to the generality of the foregoing, may be effected in accordance with any of the provisions of Article 3.4.6. Any fractions of Ordinary Shares arising on conversion shall not be allotted to the holders of the Relevant Shares otherwise entitled thereto

- 3.4.6 The Directors may determine (with the Investor's consent) to effect conversion by redeeming the Relevant Shares on the relevant Conversion Date at a price per share equal to the Preference Sum (in case of the Preference Shares), the A Growth Amount (in case of the A Growth Shares) and the B Growth Amount (in case of the B Growth Shares) either out of the profits of the Company which would otherwise be available for distribution or out of the proceeds of a fresh issue of Shares provided the Directors shall first have obtained all requisite authorities for the purpose of enabling them to allot the Ordinary Shares which fall to be allotted pursuant to this Article 3.4.6 and/or grant rights to subscribe therefor. A holding of Relevant Shares (if the Directors elect to redeem such Shares out of the profits of the Company which would otherwise be available for distribution) shall confer on the holder thereof the right to subscribe for the relevant number of Ordinary Shares calculated in accordance with the provisions of this Article 3.4 at such premium (if any) as shall represent the amount (if any) by which the redemption moneys exceed the nominal amount of the Ordinary Shares to which the holder is so entitled by virtue of the conversion of the Relevant Shares and the Directors are irrevocably authorised to apply the redemption moneys payable to him in subscribing for such Ordinary Shares at such premium (if any) as aforesaid. A holding of Relevant Shares (if the Directors elect to redeem such Shares out of a fresh issue) shall confer on the holder thereof the right to subscribe, and shall authorise the Secretary of the Company (or any other person appointed for the purpose by the Directors) to subscribe as agent on the holder's behalf, for the relevant number of Ordinary Shares calculated in accordance with the provisions of this Article 3.4 (which authority shall include the right to borrow money) at such premium (if any) as shall represent the amount (if any) by which the redemption moneys exceed the nominal amount of the Ordinary Shares to which the holder is so entitled by virtue of the conversion of the Relevant Shares, in any such case, the Directors are irrevocably authorised to apply the redemption moneys payable to him in payment to him or his said agent
- 3.4.7 The Ordinary Shares resulting from the conversion shall carry the right to receive all dividends and other distributions declared, made or paid on the ordinary share capital of the Company by reference to a record date falling on or after the applicable Conversion Date in respect of the Financial Period of

the Company in which the relevant Conversion Date falls or any subsequent Financial Period (but not any prior Financial Period), and shall otherwise rank *pari passu* in all respects with the Ordinary Shares then in issue and fully paid

- 3.4.8 Allotments of Ordinary Shares arising from conversion (whatever the manner of conversion (otherwise than through redesignation)) shall be effected within 10 Business Days of the Conversion Date. Within 20 Business Days after the Conversion Date the Company shall forward to each holder of the Relevant Shares by registered post to his address shown in the register of members, at his own risk, free of charge, a definitive certificate for the appropriate number of fully paid Ordinary Shares and a new certificate for any unconverted Preference Shares comprised in the certificate(s) surrendered by him. In the meantime transfers of Ordinary Shares shall be certified against the register of members for the Company
- 3.4.9 While any Preference Shares remain capable of being converted into Ordinary Shares, any issue of Ordinary Shares by way of capitalisation of profits or reserves (including any share premium account and capital redemption reserve) to the holders of Ordinary Shares by the Company shall only be made in the form of fully paid Ordinary Shares and in such a case, the relevant Conversion Rate shall be adjusted by increasing the number of Ordinary Shares to result from any subsequent conversion of Preference Shares as the case may be pro rata and if any doubt shall arise as to the adjustment of the relevant Conversion Rate the certificate of the Auditors (acting as experts and not arbitrators) shall be conclusive and binding on all concerned in the absence of fraud or manifest error. No adjustment shall be made in the event of an issue of Shares by way of capitalisation of profits or reserves in lieu of cash dividends.
- 3.4.10 If, while any Preference Shares remain capable of being converted into Ordinary Shares, the Ordinary Shares shall be consolidated or subdivided, then the relevant Conversion Rate shall be adjusted by increasing or reducing (as appropriate) the number of Ordinary Shares to result from any subsequent conversion of the Preference Shares pro rata accordingly and any such reduction or increase shall become effective immediately after the relevant consolidation or subdivision takes place. If any doubt shall arise as to the number thereof the certificate of the Auditors (acting as experts and not as

arbitrators) shall be conclusive and binding on all concerned in the absence of fraud or manifest error

3.4.11 If, while any Preference Shares remain capable of being converted into Ordinary Shares, the Company shall make any capital distribution to the holders of Ordinary Shares, then the relevant Conversion Rate shall be adjusted by increasing the number of Ordinary Shares to result from any subsequent conversion of the Preference Shares by such amount determined to be appropriate by the Auditors (acting as experts and not as arbitrators) whose certificate shall be conclusive and binding on all concerned in the absence of fraud or manifest error For the purposes of this Article 3.4 10 "**capital distribution**" means

- (a) any dividend or other distribution of capital profits (whether realised or not) or capital reserves or any dividend or other distribution of profits or reserves arising after the date of the passing of the resolution creating the Preference Shares (as the case may be) from a distribution of capital profits (whether realised or not) or capital reserves by a subsidiary, except, in either case, by means of a capitalisation issue made in the form of fully paid Ordinary Shares in relation to which an adjustment pursuant to Article 3 4.8 is made), or
- (b) a repayment of capital or purchase of the Company's own Ordinary Shares (other than a redemption or purchase of redeemable shares in accordance with the terms of issue thereof)

For the purpose of this Article 3.4 10, insofar as the relevant audited accounts do not distinguish between capital and revenue profits or reserves, the Company shall be entitled to rely upon a written estimate by the Auditors as to the extent to which any part of any profit or reserve should be regarded as of a capital nature

3.4.12 If at any time after the adoption of this Article (i) any Shares are issued at a price per share of less than "A", (ii) any options are granted or issued or rights are granted in each case to subscribe for Shares at a price per share of less than "A", or (iii) any loan capital or other securities are issued which are convertible or exchangeable into Shares, at a price per Share of less than "A"

(a "Dilutive Issue"), then the Conversion Rate shall be adjusted so that the number of Ordinary Shares to be issued in respect of each Preference Share subsequently converted shall be increased by a factor equal to.

$$\frac{A}{B}$$

where

A = the Preference Sum adjusted to reflect any previous adjustment made to the Conversion Rate pursuant to Article 3.2.2, and

B = the lowest price per share comprised in the Dilutive Issue

Fractional entitlements of any holder of Preference Shares arising from the above calculation shall be rounded down to the nearest whole number of Ordinary Shares

In the event of any doubt or dispute arising in respect of the adjustment to be made pursuant to this Article the matter will be referred to the Auditors who, acting as experts and not as arbitrators, will within 28 days of such referral certify the appropriate adjustment and the certificate of the Auditors shall be conclusive and binding on all concerned in the absence of fraud or manifest error

The issue of any Ordinary Shares pursuant to the grant of options granted under any share option scheme adopted by the Company or the issue of any Growth Shares (in each case) with the approval of the Investor shall not result in any such adjustment provided that, only in the case of issue of any Ordinary Shares pursuant to the grant of options, the aggregate number of Ordinary Shares so issued shall not exceed 7,053 Ordinary Shares or such equivalent number of Ordinary Shares as results from the consolidation or subdivision of said number of Ordinary Shares

3.4.13 If while any Preference Shares remain capable of being converted into Ordinary Shares, clause 7.4 of the Investment Agreement applies, then the relevant Conversion Rate will be adjusted by increasing the number of Ordinary Shares to be issued in respect of each Preference Share subsequently converted by such amount as is calculated in accordance with clause 7.4 of the

Investment Agreement If any doubt shall arise as to the number thereof the certificate of the Auditors (acting as experts and not as arbitrators) shall be conclusive and binding on all concerned in the absence of fraud or manifest error

3.4.14 If an order is made or resolution is passed for the winding up of the Company, the Company shall give written notice to all holders of Preference Shares and the holders of Preference Shares shall be entitled, upon giving written notice to the Company within 20 Business Days after service of such notice, to elect to be treated as if immediately before the granting of such an order or the passing of such a resolution they had served a Conversion Notice in respect of all or part only of their Preference Shares. In such event, any holders of Preference Shares who have so elected shall in lieu of the payments which would otherwise be due to them in respect of their Preference Shares be entitled to participate in the assets available in the winding up as if they were the holders of the Ordinary Shares to which they would have become entitled by virtue of such conversion at the then prevailing Conversion Rate and as if the date of the granting of such order or the date of the passing of such resolution was the Conversion Date

3.4.15 Within five Business Days after the happening of any of the events mentioned in Articles 3.4.8, 3.4.9, 3.4.10 and 3.4.12 above, the Company shall notify the holders of the Preference Shares then in issue, setting forth brief particulars of the event or events giving rise to such adjustment, the adjusted Conversion Rates and the effective date thereof and shall make available for their inspection (at such place as shall be specified in such notice) a copy of any report of the Auditors. In the absence of fraud or manifest error, the adjustment to the applicable Conversion Rate as specified in such notice shall be conclusive and binding on all concerned

3.5 Pre-emption

3.5.1 Except with the prior written consent of each of the holders of a majority of the A Preference Shares (which consent may be given subject to conditions), the Company shall not issue any Ordinary Shares (except under an employee share option scheme (as contemplated in the Investment Agreement)), other than those to be issued on the conversion of any or all of the Preference Shares

or Growth Shares, unless there shall have been offered first to each holder of Preference Shares, a proportion of the aggregate number of Ordinary Shares proposed to be issued which is equal to the proportion which the number of Ordinary Shares into which his Preference Shares would be entitled under the provisions of Article 3 4 to convert into Ordinary Shares at the Conversion Rate (as defined in Article 3 4) then prevailing bears to the total number of Ordinary Shares in issue or falling to be issued pursuant to their existing conversion rights and such holder has been afforded a period of not less than 15 Business Days within which to subscribe for such proportionate share

3.5.2 Subject to (i) the provisions of Article 3.5.1, (ii) to the provisions of the Act relating to pre-emption rights and the authority to issue Shares, and (iii) any resolution of the Company in a general meeting passed pursuant thereto, all unissued Shares for the time being in the capital of the Company shall be at the disposal of the Directors who may (subject as aforesaid) offer, allot grant options over, or otherwise dispose of them to such persons, on such terms and conditions, and at such times as they think fit

3.5.3 The Directors are generally and unconditionally authorised in accordance with Section 551 of the Act to exercise all the powers of the Company to allot relevant securities (as defined in that section) up to an aggregate nominal amount of £99,546 28 for a period of five years from the date of the adoption of these Articles (save that the Company may at any time prior to the expiry of such authority make an offer or agreement which would or might require relevant securities to be allotted after the expiry of such authority and the Directors may allot relevant securities in pursuance of such offer or agreement as if such authority had not expired)

3.5.4 Sections 561 and 562 of the Act shall not apply to allotments of equity securities by the Company

3.6 Consent of A Preference Shareholders required

3.6.1 Notwithstanding any other provisions of these Articles, without the consent of the holder(s) of the majority of the then issued A Preference Shares

- (a) the Company will not purchase its own Ordinary Shares or Growth Shares

- (b) the Company shall not reduce nor pass any resolution to reduce its share capital or any uncalled liability in respect thereof, or any share premium account (in circumstances where the provisions of the Act relating to the reduction of a company's share capital apply pursuant to Section 610 of the Act) or capital redemption reserve, or purchase any of its own Shares other than Preference Shares in accordance with the terms of issue thereof,
- (c) the Company will keep available and authorised for issue sufficient unissued Ordinary Share capital to satisfy in full all rights for the time being outstanding on conversion into Ordinary Shares in the capital of the Company attaching to the Preference Shares and Growth Shares;
- (d) neither the Company nor any of its subsidiaries will merge with any other company (unless the surviving company will also be a subsidiary of the Company) or transfer (whether through a single transaction or a series of transactions) all or substantially all of the consolidated assets of the Company and its subsidiaries to any person,
- (e) no change will be made to the Company's accounting reference date or its accounting policies or base,
- (f) no resolution shall be passed whereby the rights attaching to the Ordinary Shares shall be modified, varied or altered but, for the avoidance of doubt, it is hereby declared that any resolution for the disapplication of Sections 561 and 562 of the Act (or any provisions replacing the same) or any equivalent provision in these Articles shall be deemed not to vary such rights,
- (g) no Share shall be issued which carries rights as to dividend, or repayment of capital in priority to or *pari passu* with the Preference Shares, or rights as to voting in priority to the A Preference Shares, and
- (h) no amendment shall be made to the Memorandum or Articles of Association of the Company which would adversely affect the rights of the Preference Shares and no resolution shall be passed to wind up the Company

3 6 2 The Company shall send to the holders of any Preference Shares a copy of every document sent to the holders of the Ordinary Shares at the same time as it is sent to the holders of the Ordinary Shares

- 3.6.3 No act or thing will be done by the Company if, as a result, the exercise of conversion rights would involve the issue of Ordinary Shares at a discount

3.7 Share transfers

- 3.7.1 Shares may be transferred by means of an instrument of transfer executed by or on behalf of the transferor. Such instrument of transfer must be in hard copy form but may otherwise be in any usual form or any other form approved by the Directors
- 3.7.2 No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any share
- 3.7.3 The Company may retain any instrument of transfer which is registered
- 3.7.4 The transferor remains the holder of the shares concerned until the transferee's name is entered in the register of members in respect of those shares
- 3.7.5 Subject to Article 3.7.6, the Directors may refuse to register the transfer of a share to any person and, if they do so, the instrument of transfer must be returned to the transferee with the notice of the refusal setting out their reasons for the refusal as soon as practicable and, in any event, within two months after the date on which the transfer was lodged with the Company, unless they suspect that the proposed transfer may be fraudulent
- 3.7.6 Notwithstanding anything contained in these Articles:
- (a) the Directors (or Director, if there is only one) of the Company may not decline to register any transfer of shares in the Company nor suspend registration of any such shares; and
 - (b) a holder of shares in the Company is not required to comply with any provision of the Articles which restricts the transfer of shares or which requires any such shares to be first offered to all or any current shareholders of the Company before any transfer may take place, where in any such case the transfer is or is to be:
 - (i) executed by a bank or institution to which such shares have been mortgaged, charged or pledged by way of security (or by any nominees of such bank or institution) pursuant to a power of sale under such security,
 - (ii) executed by a receiver or manager appointed by or on behalf

of any such bank or institution under any such security; or

- (iii) to any such bank or institution (or to its nominee) pursuant to any such security

A certificate by any officer of such bank or institution that the shares were so charged and the transfer was so executed shall be conclusive evidence of such facts

- 3.7.7 Notwithstanding anything contained in these Articles, the Directors (or Director, if there is only one) of the Company may not exercise its rights of lien over shares that have been mortgaged, charged or pledged by way of security to a bank or institution

3.8 Voting and Attendance at General Meetings

- 3.8.1 The holders of Ordinary Shares shall (in that capacity) be entitled at all times to receive notice of and to attend, speak (in the manner provided below) and vote at all general meetings of the Company
- 3.8.2 On a show of hands every holder (or deemed holder) of Ordinary Shares who (being an individual) is present in person or (being a corporation) is present by a duly authorised representative shall have one vote and on a poll every holder thereof who is present in person or by proxy or (being a corporation) by a duly authorised representative shall (in his capacity as a holder of Ordinary Shares) have one vote in respect of each fully paid Ordinary Share held by him
- 3.8.3 The holders of the A Preference Shares shall (in that capacity) be entitled at all times to receive notice of and to attend, speak and (in the manner provided below) vote at all general meetings of the Company
- 3.8.4 The holders of the A Preference Shares shall be entitled to receive notice, attend speak and vote as though their A Preference Shares had been converted to Ordinary Shares in accordance with Article 3.2.2 and as though they were the holders of such Ordinary Shares once converted
- 3 8 5 Unless otherwise agreed by the holders of the majority of the A Preference Shares all votes at any general meeting of the Company will be taken on a poll
- 3.8.6 The holders of the B Preference Shares shall (in that capacity) be entitled to receive notice of and attend all general meetings of the Company but shall not be entitled to vote thereat

3.8.7 The holders of the Growth Shares and Deferred Shares shall not (in that capacity) be entitled to receive notice of nor attend any general meetings of the Company nor be entitled to vote thereat.

4. ASSOCIATE TRANSFERS

- 4.1 Save as expressly provided for in the Investment Agreement or these Articles, no Shareholder (other than the Investor) may Transfer his Shares without the prior written consent of the Investor
- 4.2 Notwithstanding Article 4.1 or any other provision of the Investment Agreement, the Investor acknowledges that the Founder Investor and the Owner Manager have the right to Transfer Shares to an Associate (an "Associate Transfer") without the consent of the Investor
- 4.3 The Owner Manager has the right to Transfer Shares without the Investor's prior written consent provided that he is neither a Director nor an employee of the Company but subject always to the provisions of Articles 6, 7 and 8 and the Investment Agreement
- 4.4 Subject to Article 4.5 the Investor, the Founder Investor or the Owner Manager (as the case maybe) agree not to unreasonably withhold their consent, and to grant whatever consents are reasonably necessary, to permit an Associate Transfer. Notwithstanding any other provision of the Investment Agreement or these Articles, those Parties agree to waive any rights of pre-emption or other rights or restrictions on the Transfer of such Shares that they may have, provided, in each case, that prior to such Associate Transfer the relevant transferee (the "Associate Transferee") executes a Deed of Adherence and, in the case of an Associate Transfer by the Founder Investor or the Owner Manager, the Founder Investor or the Owner Manager (as the case may be) shall remain liable for any breach of the Investment Agreement by such transferee (or any subsequent transferee of such Shares made pursuant to this Article 4)
- 4.5 Any Associate Transferee that has been transferred shares pursuant to this Article 4 shall undertake that immediately upon ceasing to be an Associate of the transferring Shareholder it shall (and such Shareholder shall procure that it shall) notify the Directors of the same and retransfer all the interest in the Shares in the Company which the Associate holds at the time in question back to the Shareholder or to another Associate of that Shareholder

5. PRE-EMPTION RIGHTS

5.1 Save as set out in Article 4 and except in the case of an Associate Transfer or a transfer of any Growth Shares with the prior written consent of the Investor, a Shareholder's (other than the Investor) rights to Transfer Shares shall be subject to the following restrictions and provisions

5.2 Pre-Emption

Before a Shareholder (other than the Investor) (the "**Selling Shareholder**") Transfers any Shares the Selling Shareholder shall give notice in writing (the "**Transfer Notice**") to the Company of its desire to do so and it will not Transfer such Shares unless the following procedures of this Article 5.2 and Articles 6 and 7 (if applicable) have been observed

5.2.1 The Transfer Notice

5.2.1.1 shall specify the number and class of Shares proposed to be transferred ("**Offered Shares**"),

5.2.1.2 shall specify the price per Share at which the Selling Shareholder proposes to Transfer the Offered Shares (the "**Prescribed Price**"),

5.2.1.3 shall specify the name of the proposed transferor and proposed transferee (if any) (the "**Proposed Transferee**") and its business and any other material terms pertaining to a Transfer to the Proposed Transferee,

5.2.1.4 shall constitute the Company by the Directors as the Selling Shareholder's agent to offer to sell to the other Shareholders (other than the Growth Shareholders) (the "**Offerees**") the Offered Shares in accordance with Article 5.2.2, and

5.2.1.5 shall not be withdrawn except as provided in Article 5.2.4

5.2.2 Within five Business Days following receipt of the Transfer Notice, the Company shall offer the Offered Shares to the other Shareholders (other than the Growth Shareholders) on the following basis

5.2.2.1 the Offered Shares shall be offered at the Prescribed Price per Share specified in the Transfer Notice,

- 5.2.2.2** the offer shall limit the time, not being less than 10 Business Days, within which the offer may be accepted by the other Shareholders (other than the Growth Shareholders) (the "Acceptance Period"),
- 5.2.2.3** the Offered Shares shall be offered to all other Shareholders (other than the Growth Shareholders) in proportion, as near as is possible, to the proportion which their respective Ordinary Share Entitlements bear to the aggregate Ordinary Share Entitlement of all Shareholders (other than the Growth Shareholders) (excluding for these purposes all Shares held by the Selling Shareholder),
- 5.2.2.4** any Shareholder (other than the Growth Shareholders) to whom Offered Shares are offered may accept all (but not part only) of the Offered Shares offered to it,
- 5.2.2.5** each Shareholder (other than the Growth Shareholders) to whom the offer is made shall be invited to indicate whether, if it accepts the number of Offered Shares offered to it pursuant to Article 5.2.2 3, it wishes to purchase any Offered Shares offered to other Shareholders (other than the Growth Shareholders) which they decline to accept (such Offered Shares being referred to as "Excess Shares") and if so the maximum number which it would wish to purchase,
- 5.2.2.6** if there are any Excess Shares they shall be allocated between the Shareholders (other than the Growth Shareholders) who have indicated that they wished to purchase Excess Shares in proportion, as near as is possible, to the proportion which their respective Ordinary Share Entitlements bear to the aggregate Ordinary Share Entitlement of all Shareholders (other than the Growth Shareholders) (excluding for these purposes all Shares held by the Offeror), and
- 5.2.2.7** any remaining balance of Excess Shares after such pro rata allocation shall be allocated to any Shareholders (other than the Growth Shareholders) who have sought to purchase more than its proportionate entitlement of Excess Shares in proportion, as near as is possible, to the proportion which their respective Ordinary Share Entitlements bear to the aggregate Ordinary Share Entitlement of those Shareholders (other than the Growth Shareholders) who have applied

for more than their proportionate entitlement of Excess Shares.

5.2.3 Not later than five Business Days following the end of the Acceptance Period the Company shall give written notice (the "Allocation Notice") to the Selling Shareholder stating one of the following

5.2.3.1 that no Shareholder has sought to purchase any of the Offered Shares ("nil take-up") and that the provisions of Article 5.2.4 will apply,

5.2.3.2 the number of Offered Shares which Shareholders (other than the Growth Shareholders) have sought to purchase, giving the name and address of each Shareholder and the number of Shares to be purchased by each of them, and if such number of Offered Shares does not comprise all of the Offered Shares (a "partial take-up"), that the provisions of Article 5.2.4 will apply to the number of Offered Shares that the Shareholders (other than the Growth Shareholders) have not sought to take up, or

5.2.3.3 the number of Offered Shares which Shareholders (other than the Growth Shareholders) have sought to purchase, giving the name and address of each Shareholder and the number of Offered Shares to be purchased by each of them, and if such number of Offered Shares comprise all of the Offered Shares ("a full take-up"), that the provisions of Article 5.2.5 will apply

5.2.4 If the Selling Shareholder is given notice of a nil take-up or a partial take-up the Selling Shareholder may, within five Business Days of service on it of the relevant Allocation Notice proceed with the Transfer to the Proposed Transferee referred to in the Transfer Notice in relation to Shares not taken up, in which case the Selling Shareholder shall comply with the provisions of Article 6.1 and following the completion of the procedures in Article 6.1 (if applicable) may Transfer the Offered Shares (or in the case of a partial take-up the remaining balance thereof) by no later than the later to occur of 50 Business Days after the completion of the procedures referred to in this Article 5.2 or Article 6.1 (if applicable) to the Proposed Transferee at a price not lower than the Prescribed Price (provided that if the Proposed Transferee is in the opinion of the Board a competitor of the Company then prior to any such Transfer the prior written approval of the Board (including the Investor Directors) shall be required) and further subject to the condition that any Proposed Transferee must enter into a Deed of Adherence prior to the transfer of such Shares to the

Proposed Transferee

- 5.2.5 If the Selling Shareholder is given notice of a full take-up the Selling Shareholder shall be bound on payment of the Prescribed Price to transfer the Shares in question to the accepting Shareholders (other than the Growth Shareholders), each sale and purchase to be completed at the registered office of the Company during normal business hours on the first Business Day after the expiry of five Business Days from the date of service of the Allocation Notice
- 5.2.6 If after having become bound to transfer any of the Offered Shares pursuant to Articles 5.2.4 and 5.2.5 (the "**Relevant Offered Shares**") the Selling Shareholder defaults in transferring the Relevant Offered Shares, the following provisions shall apply
- 5.2.6.1 the Company may receive the purchase money for such Relevant Offered Shares and the defaulting Selling Shareholder shall be deemed to have appointed any Director or the secretary of the Company as the Selling Shareholder's agent and attorney, in accordance with Article 5.2.14, to execute a transfer of the Relevant Offered Shares in favour of the relevant Offeree(s) and to receive the purchase moneys in trust for the Selling Shareholder,
- 5.2.6.2 the receipt of the Company for the purchase money shall be a good discharge to the relevant Offeree(s) and after entry in the register of members of the name of the transferee(s) the validity of the transfer to the transferees shall not be questioned by any person, and
- 5.2.6.3 the Selling Shareholder shall be bound to deliver up any share certificate to the relevant Offeree(s) in respect of the Relevant Offered Shares and upon such delivery shall be entitled to receive the purchase price without interest. If such share certificate comprises any Shares which the Selling Shareholder has not become bound to transfer the Company shall issue to the Selling Shareholder a share certificate for the balance of those Shares
- 5.2.7 If one or more Offerees fail to complete the purchase of the Offered Shares which are to be transferred to it under Article 5.2.4 and 5.2.5 (the "**Defaulted Offered Shares**") in accordance with the terms of an Allocation Notice, then the following provisions shall apply

5.2.7.1 the Company shall notify that fact to the Selling Shareholder, and

5.2.7.2 the Selling Shareholder may

- (a) cancel the Company's authority to sell the Defaulted Offered Shares to such Offeree(s) by delivering to the Company a written notice of withdrawal, and
- (b) may, subject to compliance with Article 6.1 (if applicable), before the expiration of forty Business Days after the end of the Acceptance Period, select by notice in writing to the Company to transfer the Defaulted Offered Shares to any person at a price not lower than the Prescribed Price and on terms not more favourable than those offered to the Offerees (provided that if such person is in the opinion of the Board a competitor of the Company then prior to any such Transfer to any such person the prior written approval of the Board (including the Investor Directors) shall be required) and further subject to the condition that any proposed purchaser of the Offered Shares enter into a Deed of Adherence prior to the transfer of such Shares

6. INVESTOR TAG ALONG RIGHTS

6.1 If following the completion of the procedures referred to in Articles 6.2.1 and 6.2.3 (inclusive) the Selling Shareholder wishes to Transfer the Offered Shares which have not been taken up by the other Shareholders to the Proposed Transferee or other third party, the Selling Shareholders shall give notice in writing to the Company and the Investor (a "Sale Notice") not less than 15 Business Days prior to the proposed Transfer, and will not Transfer such Shares unless the following procedures have been observed

6.1.1 the Sale Notice shall confirm

6.1.1.1 the number of Shares which the Selling Shareholder proposes to Transfer (which shall not exceed the number of Offered Shares referred to in the relevant Transfer Notice),

6.1.1.2 the Prescribed Price,

6.1.1.3 the identity of the Proposed Transferee,

6.1.1.4 any other terms relating to the sale, and

6.1.1.5 the percentage (the "**Relevant Percentage**") which such Shares represent of the then current shareholding of the Selling Shareholder,

- 6.1.2 the Investor shall be entitled, within 10 Business Days after receipt of the Sale Notice, to notify the Selling Shareholder that it wishes to sell to the Proposed Transferee, Preference Shares at a price equivalent to the Prescribed Price specified in the Sale Notice that would be payable in respect of the Ordinary Share Entitlement of the Investor in relation to those Preference Shares, and such notice issued by the Investor shall specify the maximum number of Shares which the Investor wishes to sell (up to a maximum of the Relevant Percentage of the Investor's Ordinary Share Entitlement in relation to those Shares as at the date of the Sale Notice),
- 6.1.3 if the Investor gives notice pursuant to Article 6.1.1 and provided the Company has effected the conversion of the relevant number of Preference Shares into Ordinary Shares, the Selling Shareholder shall be entitled to sell to the Proposed Transferee on the terms specified in the Sale Notice a number of Ordinary Shares not exceeding the maximum number of Ordinary Shares specified in the Sale Notice provided that at the same time the Proposed Transferee purchases the number of Ordinary Shares specified in the notice issued by the Investor(s) pursuant to Article 6.1.2 on terms no less favourable than those obtained by the Selling Shareholder from the Proposed Transferee,
- 6.1.4 if the Proposed Transferee is not willing to purchase all of the Shares which the Selling Shareholder and Investor wish to sell in accordance with Articles 6.1.2 and 6.1.3, the number of Shares sold by the Selling Shareholder and the Investor shall be proportionately reduced,
- 6.1.5 if the Investor does not give any notice pursuant to Article 6.1.2 within the 10 Business Days referred to therein, or if it notifies the Selling Shareholder that it does not wish to sell any Shares at the Prescribed Price, then the Selling Shareholder shall be free to sell the number of Ordinary Shares specified in the Sale Notice in accordance with the terms of the Sale Notice,
- 6.1.6 no Transfer by the Selling Shareholder shall be made pursuant to any Sale Notice later than 60 Business Days after service of the relevant Sale Notice

issued pursuant to Article 6.1.1, and

6.1.7 if the Investor determines to exercise its rights under this Article 6.1 it shall exercise the conversion rights attaching to the Preference Shares held by it to the extent necessary to enable it to deliver the number of Ordinary Shares to be sold by it and the Company, the Founder Investor and Owner Manager shall do all such other acts and things as may reasonably be required by the Investor in order to give effect to and complete the proposed transaction

6.2 An obligation to transfer a Share pursuant to Articles 5.1 and 6.1 shall be deemed to be an obligation to transfer the entire legal and beneficial interest in the Share with full title guarantee free from all Encumbrances and other third party rights of whatever nature

7. DRAG ALONG RIGHTS

7.1 If (i) the Investor and shareholders who together hold Shares representing no less than 65 per cent of the voting rights of the Company (the "**Dragging Shareholders**") or (ii) provided that a Liquidity Event has not occurred on or prior to the fifth anniversary of the date of the Investment Agreement and after that date the Investor wishes to Transfer its entire interest in the share capital of the Company to a Third Party Purchaser, the Dragging Shareholders or the Investor (as the case may be) shall have the right (the "**Drag Along Right**") to require all the Shareholders to Transfer all of their Shares to the Third-Party Purchaser or as they/it shall direct in accordance with this Article 7 (a "**Drag Along Sale**")

7.2 The Dragging Shareholders or the Investor (as the case may be) may exercise the Drag Along Right by giving notice to that effect (a "**Drag Along Notice**") to all other Shareholders (the "**Called Shareholders**") at least 10 Business Days before the Transfer of Shares. A Drag Along Notice shall specify that the Called Shareholders are required to transfer all their Shares (the "**Called Shares**") pursuant to Article 7.1, the price at which the Called Shares are to be transferred and the proposed date of Transfer

7.3 The Drag Along Sale shall, subject always to the provisions of these Articles and in particular Article 7.6 and the rights attaching to the Shares in the capital of the Company, be on substantially the same terms and conditions as the sale of the Shares by the Dragging Shareholders or the Investor (as the case may be), provided that, for

the avoidance of doubt, the Drag Along Sale in respect of any Growth Shares shall be for a consideration no less than the fair market value of the Growth Shares (taking into account the rights attaching to the Growth Shares pursuant to article 3), such consideration and fair market value to be determined by the Auditors (or if the Auditors are unwilling to act by such independent professional adviser as appointed by the Company) based on instructions provided by the Company. The decision of the Auditors (or if the Auditors are unwilling to act, such independent professional adviser as appointed by the Company) (acting as experts and not arbitrators) in relation to the fair market value of the Growth Shares and the consideration due in respect those Growth Shares for the purposes of this article 7.3 shall be final and binding on the Shareholders and the Company

7.4 Completion of the sale of the Called Shares shall take place on the same date as the date proposed for completion of the sale of the Dragging Shareholder's/Investor's shares unless

7.4.1 all of the Called Shareholders and the Dragging Shareholders/Investor (as the case may be) agree otherwise, or

7.4.2 that date is less than seven days after the Drag Along Notice, in which case the date for completion of the sale of the Called Shares shall be the seventh day after the Drag Along Notice

7.5 If after having become bound to transfer any of his Shares pursuant to this Article 7 (the "Drag Along Transfer") the Called Shareholder defaults in transferring the Called Shares, the following provisions shall apply

7.5.1 the Company may receive the purchase money for such Called Shares and the defaulting Called Shareholder shall be deemed to have appointed any Director or the secretary of the Company as the Called Shareholder's agent and attorney to execute a transfer of the Called Shares in favour of the relevant transferee(s) and to receive the purchase moneys in trust for the Called Shareholder,

7.5.2 the receipt of the Company for the purchase money shall be a good discharge to the relevant transferee(s) and after entry in the register of members of the name of the transferee(s) the validity of the transfer to the transferee(s) shall not be questioned by any person, and

7.5.3 the Called Shareholder shall be bound to deliver up any share certificate to the relevant transferee(s) in respect of the Called Shares and upon such delivery shall be entitled to receive the purchase price without interest. If such share certificate comprises any Shares which the Called Shareholder has not become bound to transfer the Company shall issue to the Called Shareholder a share certificate for the balance of those Shares

7.6 For the avoidance of doubt, in the event that the aggregate consideration offered by the Third Party Purchaser for the Shares in the Company pursuant to a Drag Along Sale means that the Investor would receive an amount that is either less than or equal to the Preference Sum multiplied by the number of Preference Shares held by the Investor, such consideration payable by the Third Party Purchaser in respect of the Shares held by the Investor and the Called Shareholders shall be payable to the Investor on the completion of the Sale up to the preferred amount stated above

8. FOUNDER INVESTOR AND OWNER MANAGER TAG ALONG RIGHTS

8.1 If the Investor wishes to Transfer any Shares to a Third-Party Purchaser, the Investor shall give notice in writing to the Company, the Founder Investor and the Owner Manager (an "Investor Sale Notice") not less than 15 Business Days prior to the proposed Transfer, and will not Transfer such Shares unless the following procedures have been observed

8.1.1 the Investor Sale Notice shall confirm

8.1.1.1 the number of Shares which the Investor proposes to Transfer,

8.1.1.2 the price per share at which the Investor proposes to Transfer the specified Shares (the "Prescribed Price"),

8.1.1.3 the identity of the Proposed Transferee,

8.1.1.3 any other terms relating to the sale, and

8.1.1.4 the percentage (the "Relevant Percentage") which such Shares represent of the then current shareholding of the Investor,

8.1.2 the Founder Investor and the Owner Manager shall each be entitled, within 10 Business Days after receipt of the Investor Sale Notice, to notify the Investor

that he wishes to sell to the Proposed Transferee, Ordinary Shares at a price equivalent to the Prescribed Price specified in the Investor Sale Notice, and such notice issued by such Founder Investor shall specify the maximum number of Shares which the Founder Investor and/or Owner Manager (as the case may be) wishes to sell (up to a maximum of the Relevant Percentage of the Founder Investors' or Owner Manager's (as the case may be) Ordinary Share Entitlement in relation to those Shares as at the date of the Sale Notice),

8.1.3 if the Founder Investor or Owner Manager gives notice pursuant to Article 8.1.2 the Investor shall be entitled to sell to the Proposed Transferee on the terms specified in the Investor Sale Notice its specified Shareholding **provided that** at the same time the Proposed Transferee purchases the Shares specified in the notice given pursuant to Article 8.1.2 on terms substantially no less favourable than those obtained by the Investor from the Proposed Transferee,

8.1.4 if the Proposed Transferee is not willing to purchase all the Shares which the Investor, Founder Investor and/or the Owner Manager wish to sell in accordance with Article 8.1.2 and 8.1.3, the number of Shares to be sold by the Investor, the Founder Investor and/or the Owner Manager shall be proportionately reduced,

8.1.5 if the Founder Investor or Owner Manager does not give notice pursuant to Article 8.1.2 within the 10 Business Days referred to therein, or if they notify the Investor that they do not wish to sell any Shares at the Prescribed Price, then the Investor shall be free to sell its Shares in accordance with the terms of the Investor Sale Notice, and

8.1.6 no Transfer by the Investor shall be made pursuant to any Investor Sale Notice later than 60 Business Days after service of the relevant Investor Sale Notice issued pursuant to Article 8.1.1

8.2 An obligation to transfer a Share pursuant to this Article 8 shall be deemed to be an obligation to transfer the entire legal and beneficial interest in the Share with full title guarantee free from all Encumbrances and other third party rights of whatever nature

8.3 For the avoidance of doubt, the provisions of this Article 8 shall not apply in respect of any Transfer of Shares by the Investor to any member of the Investor's Group

9 COMPULSORY TRANSFER

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10. LIENS AND CALLS

The Company shall have a first and paramount lien on every Share for all monies (whether presently payable or not) payable at a fixed time or called in respect of that Share and the Company shall also have a first and paramount lien on all shares standing registered in the name of any Member whether solely or one of two or more joint holders for all monies presently payable by him or his estate to the Company. The Directors may at any time, either generally or in a particular case, declare any Share to be wholly or in part exempt from the provisions of this Article. The Company's lien (if any) on a Share shall extend to all distributions and other moneys or property attributable to that Share.

10.1 The liability of any Member in default in respect of a call shall include expenses. The following words shall be added at the end of the first sentence of Regulation 18 of Table A, *"and all expenses that may have been incurred by the Company by reason of such non-payments"*

10.2

10.3 The Directors may, if they think fit, receive from any Member all or any part of the amounts payable for the time being uncalled and unpaid on any of his Shares.

10.4 The Directors may decline to register the transfer of a Share on which the Company has a lien.

11. NOTICE OF GENERAL MEETINGS

A general meeting called for the passing of any special resolution shall be called by at least 14 days' clear notice but may be called by shorter notice if it is so agreed by the requisite majority being a majority in number of the Members having a right to attend and vote and together holding not less than 90 per cent in nominal value of the shares giving such right.

11.1 A notice of a general meeting shall specify

11.1.1 the time and place of the meeting,

11.1.2 the general nature of the business to be transacted at the meeting, and

11.1 3 in the case of special business, the general nature of that special business to be transacted at the meeting

11.2 Subject to the provisions of these Articles and to any restrictions imposed on any Shares, the notice of any general meeting shall be given to all the Members and to the Directors and Auditors

12. PROCEEDINGS AT GENERAL MEETINGS

12.1 Subject to Article 12.2, no business shall be transacted at any general meeting unless a quorum is present throughout the meeting. A quorum shall be two members entitled to attend and vote at the meeting

12.2 If within one hour of the time appointed for a meeting the quorum is not present, the meeting shall be adjourned to the same day in the next week (or if such date is not a Business Day to the next Business Day thereafter) at the same place and time and no notice of adjournment need be given

13. DIRECTORS

13.1 The maximum number of Directors shall be seven, or such other number as the Board shall agree from time to time

13.2 No person shall be appointed a Director at any general meeting unless, in addition to the other approvals, either

13.2.1 he is recommended by a majority of the Directors including the Investor Directors (as defined in Article 13.3.1 below), or

13.2.2 not less than 14 nor more than 35 clear days before the date appointed for the general meeting, notice executed by a Member qualified to vote at the general meeting has been given to the Company of the intention to propose that person for appointment, together with notice executed by that person of his willingness to be appointed

13.3 It is agreed between the Company and the Investor that

13.3.1 for so long as the Investor or any member of the Investor's Group holds Shares representing five per cent or greater than five per cent of the voting rights

attached to the issued share capital of the Company, the Investor shall be entitled to appoint up to two persons to the Board (the "**Investor Directors**"), to remove any such person for any reason whatsoever and to appoint another person in his place. The Investor shall procure the resignation of the Investor Directors immediately upon it or any member of the Investor's Group ceasing to hold at least five per cent of the voting rights attached to the issued share capital of the Company,

13.3.2 so long as the Investor or any member of the Investor's Group holds Shares representing five per cent or greater than five per cent of the voting rights attached to the issued share capital of the Company, the Investor may from time to time appoint or remove on written notice to the Company a person (an "**Observer**") to attend meetings of the Board (and its committees) and meetings of the boards of directors of subsidiaries of the Company (and their committees). The Observer must be given (at the same time as the relevant directors) notice of all meetings of the directors and all agendas, minutes and other papers relating to those meetings. The Observer may speak at meetings and require business to be added to the agenda but may not in any circumstances vote on any matter. The Observer shall cease to be entitled to attend, and cease to attend, board meetings and to receive information in respect of such meetings if the Investor or any member of the Investor's Group ceases to hold shares representing five per cent or greater than five per cent of the voting rights attached to the share capital of the Company,

13.3.3 so long as the Owner Manager is the holder of 15 per cent or greater than 15 per cent of the voting rights attaching to the issued share capital of the Company, the Owner Manager shall be a Director but the Owner Manager shall resign as a Director immediately upon ceasing to hold at least 15 per cent of the voting rights attaching to the issued share capital of the Company unless the Investor otherwise consents in writing, and

13.3.4 so long as the Founder Investor is the holder of 15 per cent or greater than 15 per cent of the voting rights attaching to the issued share capital of the Company, the Founder Investor will be represented on the Board by one Director (the "**Founder Investor Director**") The Founder Investor shall resign as a Director or procure the resignation of his nominated director immediately upon ceasing to hold at least 15 per cent of the voting rights

attaching to the issued share capital of the Company unless the Investor otherwise consents in writing In the first instance the Founder Investor Director shall be the Founder Investor

- 13.4 The chairman of the Board shall be an Investor Director and shall be nominated by the Investor until such time as the Board sees fit to appoint up to two non-executive directors, at which time, the chairman of the Board shall be either an Investor Director or a non-executive director, as directed the Board The chairman of the Board shall not have a casting vote
- 13.5 Subject to Article 13.3 above, the Company may by Ordinary Resolution in general meeting appoint any person who is willing to act to be a Director, either to fill a vacancy or as an additional Director
- 13.6 The Directors may appoint a person who is willing to act to be a Director, either to fill a vacancy or as an additional Director, provided that the appointment does not cause the number of Directors to exceed any number determined by the Company in general meeting as the maximum number of Directors for the time being in force
- 13.7 Every Director so appointed pursuant to this Article shall hold office until he is either removed in manner provided by this Article or dies or vacates office pursuant to Regulation 81 of Table A
- 13.8 No person shall be disqualified from becoming a Director by reason of his attaining or having attained the age of 70 or any other age, nor shall any special notice be required in connection with the appointment or the approval of the appointment of such person, and no Director shall vacate his office at any time by reason of the fact that he has attained the age of 70 or any other age
- 13.9 Subject to the Act, the terms of these Articles and the Investment Agreement, the Directors may exercise all and any of the powers of the Company to borrow money and/or to mortgage or charge its undertaking, property and/or uncalled capital (or any part of such undertaking, property and/or uncalled capital) and/or to issue debentures, debenture stock and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party
- 13.10 Subject to compliance with the Act, a Director may be a party to or otherwise (directly or indirectly) interested in, any transaction or arrangement with the Company

13.11 Provided that a Director has declared the nature and extent of his interest (other than a non disclosable interest) to the other Directors, he shall be authorised for the purposes of section 175 of the Act

13.11.1 to hold office as a director or other officer of, be employed or engaged by, hold shares or other securities in, or otherwise be interested in, whether directly or indirectly, any group undertaking of the Company or any other undertaking in which the Company is otherwise (directly or indirectly) interested,

13.11.2 to participate in any scheme, transaction or arrangement for the benefit of employees or former employees of the Company or any group undertaking of the Company (including any pension fund or retirement, death or disability scheme or other bonus or employee benefit scheme),

13.11.3 to act as a trustee of any scheme for the benefit of employees or former employees of the Company or any group undertaking of the Company (including any pension, retirement, death or disability scheme or other bonus or employee benefit scheme),

13.11.4 to enter into, or otherwise be interested in, any transaction or arrangement in which the Company is (directly or indirectly) interested (other than a transaction or arrangement with the Company), and

13.11.5 to be a party to any transaction or arrangement with any group undertaking of the Company or any other undertaking in which the Company is otherwise (directly or indirectly) interested

A "non disclosable interest" is an interest which cannot reasonably be regarded as likely to give rise to a conflict of interest or one that the other Directors are already aware of or ought reasonably to be aware of

13.12 For the purposes of section 175 of the Act, an Investor Director shall be authorised to hold office as a director or other officer of, be employed or engaged by, hold shares or other securities in, or otherwise be interested in, whether directly or indirectly

13.12.1 an Investor,

13.12.2 an Investor Affiliate, or

13.12.3 any other company in which an Investor or an Investor Affiliate also holds shares or other securities or is otherwise interested

13.13 For the purposes of section 175 of the Act, where an office, employment, engagement or interest held by an Investor Director in another entity has been authorised pursuant to Article 13.12 and his relationship with that entity gives rise to an actual or potential conflict of interest (or any actual or potential conflict of interest may reasonably be expected to arise out of the matter so authorised), an *Investor Director* shall be authorised to

13.13.1 attend and vote at meetings of the Directors (or any committee thereof) at which any matter relating to the actual or potential conflict of interest will or may be discussed and receive board papers or other documents relating thereto,

13.13.2 receive confidential information and other documents and information relating to the Group, use and apply such information pending his duties as a Director, officer or employee of, or consultant to an Investor or an Investor Affiliate of an Investor and disclose that information to third parties in accordance with these articles and/or the Investment Agreement, and

13.13.3 give or withhold consent or give any direction or approval or exercise any other rights under these Articles or the Investment Agreement on behalf of an Investor

13.14 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 under that section to avoid a situation in which he has, or can have, an actual or potential conflict of interest, provided that authorisation of such a matter shall be effective only if

13.14.1 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

13.14.2 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

13.15 The following provisions of this Article apply to any authorisation of a matter by the Directors for the purposes of section 175 of the Act

13.15.1 an authorisation may extend to any actual or potential conflict of interest (including a conflict of interest and duty and a conflict of duties) which may reasonably be expected to arise out of the matter so authorised,

13.15.2 an authorisation shall be subject to such conditions or limitations as the Directors may determine, whether at the time such authorisation is given or subsequently, and may be terminated by the Directors at any time, and

13.15.3 a Director must comply with any obligations imposed on him by the Directors pursuant to any authorisation

13.16 If a matter, office, employment, position, transaction or arrangement or interest has been authorised either pursuant to Articles 13.10 to 13.15 or by the Directors in accordance with section 175 of the Act, then the Director in question shall not be required to disclose to the Company any confidential information relating to such matter, office, employment, position, transaction or arrangement or interest, or to use such information in relation to the Company's affairs, if to do so would result in a breach of a duty or obligation of confidence owed by him in relation to or in connection with that matter, office, employment, position, transaction or arrangement or interest

13.17 Subject always to the obligation of the Director to disclose his interest in accordance with Article 13.11 and the Act and to the terms on which any authorisation for the purposes of section 175 of the Act has been given

13.17.1 a Director shall not be accountable to the Company for any profit, remuneration or other benefit which he (or a person connected with him as defined in section 252 of the Act) derives from or in connection with anything authorised pursuant to Article 13.11 or by the Directors for the purposes of section 175 of the Act,

13.17.2 no such thing authorised shall be liable to be avoided on the grounds of any such interest, profit, remuneration or benefit, and

13.17.3 the receipt of any such profit, remuneration or other benefit shall not constitute a breach of his duty under section 176 of the Act

13.18 A resolution in writing signed by all the Directors entitled to receive notice of a meeting of Directors or of a committee of Directors shall be as effective for all purposes as a resolution passed at a meeting of the Directors or a committee of Directors (as the case may be) duly convened and held and may consist of several documents in the like form each signed by one or more of the Directors. The Directors shall be entitled to accept that a resolution has been signed by a Director if

13.18.1 the Directors receive a copy of the resolution bearing a facsimile of the relevant Director's signature, or

13.18.2 it has been signed by a duly authorised representative for and on behalf of the relevant Director, or

13.18.3 it has been signed by an alternate Director validly appointed by the relevant Director. If such a resolution is signed by an alternate Director validly appointed by a Director, it shall not be necessary for that Director also to sign the resolution. If such a resolution is signed by a Director who has appointed an alternate Director, it shall not be necessary for his alternate Director also to sign that resolution in that capacity,

and, if the Directors do so accept, the resolution shall be effective for all purposes as having been signed by the relevant Director

13.19 A Director (other than an alternate Director) may at any time appoint any person to be his alternate Director and may at any time remove any such alternate Director. Any appointment or removal of an alternate Director shall be in writing signed by or on behalf of the appointor and shall be addressed to the secretary of the Company and shall take effect upon receipt (including by facsimile) at the registered office of the Company

13.20 An alternate Director shall cease to be an alternate Director if his appointor ceases for any reason to be a Director

13.21 An alternate Director shall be entitled to receive notices of all meetings of the Directors (subject to his giving to the Company a forwarding address at which such notices may be served on him) and to attend speak and vote at any such meeting at which his appointor is not present and generally to perform all the functions of his appointor in his capacity as a Director in the absence of such Director. An alternate

Director shall not be entitled as such either to receive any remuneration from the Company or to appoint an alternate Director

- 13.22 Every person acting as an alternate Director shall be an officer of the Company and shall alone be responsible to the Company for his acts and defaults and he shall not be deemed to be the agent of or for his appointor
- 13.23 Subject to the provisions of these Articles, the Directors may regulate their proceedings as they think fit
- 13.24 The quorum for meetings of the Board shall be two Directors
- 13.25 A Director may, and the secretary at the request of any Director shall, call a meeting of Directors
- 13.26 Subject to the terms of the Investment Agreement, questions arising at a meeting shall be decided by a majority of votes
- 13.27 A Director who is also an alternate Director shall be entitled in the absence of his appointor to a separate vote on behalf of his appointor in addition to his own vote
- 13.28 It shall be necessary to give notice of meetings to Directors who are absent from the United Kingdom (provided that such Directors have given to the Company a forwarding address) and despatch of notices pursuant to these Articles to such addresses shall be deemed good and effective notice
- 13.29 Directors or, if appropriate, their alternates may participate in or hold a meeting of Directors or a committee of Directors by means of conference telephone or similar communications equipment provided that all persons participating in the meeting can hear each other throughout Participation by such means shall be deemed to constitute presence in person and business so transacted shall be as effective for all purposes as that of a meeting of the directors or a committee of the directors (as the case may be) duly convened and held with such Directors physically present
- 13.30 In the case of an equality of votes, the chairman shall not have a second or casting vote
- 13.31 In Regulation 82 of Table A

13.31.1 the words "*for their services as such*" shall be inserted after the words "*such remuneration*", and

13.31.2 the sentence "*A director who has ceased to hold office as such when the resolution is passed shall, unless it otherwise provides, be entitled to be paid the appropriate proportion of any remuneration voted to the directors for a period during all or any part of which he held office*" shall be inserted at the end of that Regulation

13.32 In the third sentence of Regulation 84 of Table A, the parenthesis "*(unless the terms of his appointment otherwise provide)*" shall be inserted after the words "*shall terminate*"

13.33 In the first line of Regulation 87 of Table A, the words "*The directors on behalf of the Company*" shall be substituted for the words "*The directors*"

14. SECRETARY

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15. NOTICES

The Company shall give notice to each Member of the Company by sending it by post in a prepaid envelope addressed to the Member at his registered address. In the case of joint holders of a Share, all notices shall be given to the joint holder whose name stands first in the register of members of the Company in respect of the joint holding and each and every notice so given shall be sufficient notice to such joint holders

16. WINDING UP

In the first sentence of Regulation 117 of Table A

16.1 the words "*, with like sanction,*" shall be inserted between the words "*and*" and "*determine*"

17. INDEMNITY

17.1 Subject to the provisions of the Act. but without prejudice to any indemnity to which he may otherwise be entitled, every Director or other officer of the Company shall be indemnified

out of the assets of the Company against any liability incurred by him either

17.1.1 in defending any proceedings, whether civil or criminal, in which judgement is given in his favour or in which he is acquitted, or

17.1.2 in connection with any application under Section 661(3) or 661(4) or Section 1157 of the Act in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company

17.2 Subject to the provisions of the Act, the Directors shall have power to purchase and maintain insurance for the benefit of any person who is or was a Director or other officer of the Company (other than any Auditor) or of any other company which is its holding company or in which the Company or such holding company has any interest whether direct or indirect or which is in any way allied to or associated with the Company or of any subsidiary undertaking of the Company or of any such other company including (but without prejudice to the generality of the preceding words) insurance indemnifying such persons against liability for negligence, default, breach of duty or breach of trust or any other liabilities which may lawfully be insured against. In this Article 17 2, the expressions "**holding company**" and "**subsidiary undertaking**" shall have the meanings respectively ascribed to them by the Act

18. COMMUNICATIONS

18.1 Subject to the Act and these Articles, the Company may give any notice or send or supply any other document or information that is required or authorised to be sent

18.1.1 by the Act or these Articles, or

18.1.2 by any other rule or regulation to which the Company may be subject (and if so permitted by such rule or regulation),

in hard copy form, in electronic form or by making it available on a website (and the provisions of the Act and these Articles which apply to sending or supplying documents or information required or authorised to be sent or supplied in accordance with Article 18 11 shall also apply, with any necessary changes, to any document or information sent or supplied by the Company pursuant to Article 18 1.2

18.2 Subject to the Act and these Articles, the Company may give any notice or send or supply any other document or information to a member either

18.2.1 hard copy form by (i) handing it to him, or (ii) sending or supplying it by hand, or sending it by post in a prepaid envelope, in each case to the member at his registered address or other address to which any provision of the Act authorises it to be sent or supplied,

18.2.2 in electronic form (i) by electronic means, to an address specified for the purpose by the member (generally or specifically) or deemed by the Act to have been so specified, or (ii) by hand or by post, in accordance with Article 18.2.1(i) or Article 18.2.1(ii), or

18.2.3 by making it available on a website,

or partly by one such means and partly by another

The Company may only give any notice or send or supply any other document or information to a member in electronic form or by making it available on a website if that member has agreed (generally or specifically) that the notice or other document or information may be sent or supplied to him in that form or manner or is taken to have so agreed under the provisions of the Act (and has not, to the extent permitted by the Act, revoked that agreement)

18.3 Save as otherwise provided in these Articles, in the case of joint holders of a share, service or delivery of any notice or other document or information on or to any one of the joint holders shall for all purposes be deemed as sufficient service on or delivery to all the joint holders and where for the purposes of the company communications provisions of the Act or these Articles anything is to be agreed or specified by a holder, the agreement or deemed agreement of or specification by any one of the joint holders shall be deemed to be sufficient agreement of or specification by all of the joint holders

18.4 Subject to the Act, the Company shall be entitled not to give any notice or send or supply any other document or information to a member whose registered address is not within the United Kingdom unless the member gives the Company a postal address within the United Kingdom at which notices, documents and information may be sent or supplied to him

18.5 Notices given or other documents and information sent or supplied by the Company are deemed to be delivered as follows

- 18.5.1** where the notice or other document or information is sent by post (whether in hard copy or electronic form) to an address in the United Kingdom and the Company is able to show that it was properly addressed, prepaid and posted it is deemed to have been received by the intended recipient 48 hours after it was posted,
- 18.5.2** where the notice or other document or information is sent or supplied by electronic means and the Company is able to show that it was properly addressed, it is deemed to have been received by the intended recipient at 9am on the day following that on which it was sent or supplied,
- 18.5.3** where notice or other the document or information is sent or supplied by means of a website, it is deemed to have been received by the intended recipient when the material was first made available on the website or, if later, when the recipient received (or is deemed to have received) notice of the fact that the material was available on the website

APPENDIX 1

Growth Share Conversion Notice

To Ocean Outdoor (GB) Limited

[Address]

Date

This notice is served pursuant to article 3 3 of the Articles of Association of Ocean Outdoor (GB) Limited

Conversion Number of A Growth Shares

Conversion Number of B Growth Shares

Growth Share Conversion Date of A Growth Shares

Growth Share Conversion Date of B Growth Shares

Signed

Growth Shareholder