

Company No: 06539986

**PRIVATE COMPANY LIMITED BY SHARES**

**WRITTEN RESOLUTION**

of

**HARE NEWCO LIMITED**

**(the Company)**

**Passed on 28 March 2013**

The following resolution was duly passed as a special resolution on 28 March 2013 by way of written resolution under Chapter 2 of Part 13 of the Companies Act 2006

**SPECIAL RESOLUTION**

THAT the articles of association annexed to this written resolution and marked "A" for identification be 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

Signed

Name

**Director**

**Hare Newco Limited**

*Richard Ramsey*  
**RICHARD RAMSEY**

FRIDAY



A12

\*A250BV21\*

05/04/2013

#338

COMPANIES HOUSE

**HARE NEWCO LIMITED**

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**ARTICLES OF ASSOCIATION**

(adopted on 28 March 2013)

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Company No 6539986

**COMPANIES ACT 2006**

**COMPANY LIMITED BY SHARES**

**ARTICLES OF ASSOCIATION**

**of**

**HARE NEWCO LIMITED**

**(adopted by Special Resolution of the Company passed on 28 March 2013)**

**1. TABLE A**

Except as excluded or varied in these articles, Table A (as defined below) will apply to the Company and will be deemed to form part of these articles

**2. DEFINITIONS AND INTERPRETATION**

2 1 In these articles the following words and expressions will have the following meanings

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

**"1985 Act"** means the Companies Act 1985 including any statutory modification or re-enactment thereof for the time being in force,

**"Accounting Period"** means an accounting reference period of the Company beginning on 30 September and ending on the following 30 September, or such other date as is notified to the Registrar of Companies from time to time,

**"Accounts"** means the audited consolidated accounts of the Group,

**"Accrued Preference Dividend"** has the meaning given in Article 5 3,

**"Act"** has the meaning given to it in Table A,

**"Acting in Concert"** has the meaning given to it in the City Code on Takeovers and Mergers,

**"Allocation Notice"** has the meaning given in Article 13 12,

**"A Ordinary Shares"** means an A ordinary share of £0 01 in the Company,

**"A Ordinary Shareholders"** means a registered holder of any A Ordinary Shares,

**"Approved Offer"** has the meaning given in Article 16 2 1,

**"Arrears"** means the whole amount of any dividend payable on the Preference Shares pursuant to Article 5 1 which is unpaid for any reason on any Due Date, as increased in accordance with Article 5 5,

**"Audit Committee"** means a standing committee of the Directors, named as such and comprising the Investor Directors (or any of them) and the finance Director,

**"Auditors"** means the Company's incumbent auditors (if any),

**"Bad Leaver"** means a Relevant Individual who ceases to be an employee and/or director of the Company or any Group Member

- (a) as a result of voluntary resignation, or
- (b) as a result of his employment being terminated by the Company or any Group Member in circumstances justifying summary dismissal, or
- (c) as a result of fraud,

**"Bidco"** means Hare Bidco Limited, a private limited company registered in England and Wales with number 6540157 whose registered address is at First Floor, Ingram House, 13-15 John Adam Street, London WC2N 6LD,

**"Board"** means the incumbent board of Directors including the Investor Directors,

**"Business Day"** means a day (which for these purposes ends at 5 30pm) on which banks are open for commercial business in the City of London other than a Saturday or Sunday,

**"Buyer"** has the meaning given in Article 16 1 1,

**"Capital Event"** means a Share Sale, a Listing or a winding up or other return of capital,

**"Cessation Date"** means the date on which a Relevant Individual ceases to be an employee or director of any Group Member for any reason (including death or bankruptcy),

**"Commencement Date"** means 31 March 2008,

**"Compulsory Sale Notice"** means a notice served on a Compulsory Seller pursuant to Article 15 2,

**"Compulsory Seller"** and **"Compulsory Sellers"** have the meanings given in Article 15 2,

**"Connected Person"** has the meaning given in section 839 of the Income and Corporation Taxes Act 1988,

**“Controlling Interest”** in relation to a person means the ownership by that person and his or its Connected Persons of Shares carrying the right to more than 50 per cent of the total number of votes which may be cast on a poll at a general meeting of the Company,

**“Credited as Paid Up”** means amounts paid up or credited as paid up on a Share including any premium,

**“Directors”** means the Company’s incumbent directors,

**“Drag Along Right”** has the meaning given in Article 17 1,

**“Due Date”** means the due date or dates for payment of any dividend on the Preference Shares pursuant to Article 5 2 or Article 5 3 (as the case may be),

**“Electronic Communication”** means any communication

- (a) sent initially and received at its destination by means of electronic equipment for the processing (which expression includes digital compression) or storage of data and entirely transmitted, conveyed and received by wire, by radio, by optical or by other electromagnetic means, or
- (b) sent or supplied by other means but while in electronic form,

**“Emoluments”** means emoluments of every description including, without limitation, salaries, fees, bonuses, commissions, profit shares under any incentive scheme, pension contributions payable, benefits in kind as quantified for income tax purposes and any amounts referred to in schedule 6 part 1 paragraph 1 of the 1985 Act,

**“Employee Benefit Trust”** means any trust which may be established for the benefit of the employees (which may include past employees) of the Company and/or any other member of the Group, and which satisfies the definition of an “employees’ share scheme” set out in section 743 of the 1985 Act,

**“Equity Shareholder”** means a registered holder of any Equity Shares,

**“Equity Shares”** means the issued Ordinary Shares and A Ordinary Shares at any time, and all shares derived from them (and any of them) whether by conversion, consolidation or sub-division or by way of rights or bonus issue or otherwise in issue,

**“Extra Shares”** has the meaning given in Article 13 9,

**“Facility Agreement”** means the senior facility agreement between Bidco Limited and the financial institutions named therein,

**“FSMA”** means the Financial Services and Markets Act 2000,

**"Fund"** means any open ended investment company or closed ended investment fund (both within the meaning of chapters 15 and 16 (as relevant) of the Listing Rules), bank, building society, industrial and provident or friendly society, unit trust, any other collective investment scheme (as defined in section 235 of the FSMA), any professional client (within the meaning of the Conduct of Business Rules made under the FSMA), partnership, limited partnership, limited liability partnership, pension fund or insurance company or any person who is an authorised person (within the meaning of section 31(2) of the FSMA), 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,

**"Good Leaver"** means a Relevant Individual

- (a) who ceases to be an employee and/or director of any Group Member as a result of his death, permanent incapacity due to physical or mental ill-health (except where such ill-health arises as a result of an abuse of drink or drugs) which, in the opinion of the Investor Director is sufficiently serious to prevent him from carrying out his normal duties or retirement in accordance with his contract of employment, or
- (b) whose contract of employment is terminated by the Company in breach of the terms and conditions therein, or
- (c) he retires on reaching the normal retirement age as set out under his contract of employment,
- (d) he is made redundant, or
- (e) who does not fall within categories (a), (b), (c) or (d) above, but is determined by the Investor Directors having consulted with the Chief Executive Officer (or, if the Relevant Individual is the Chief Executive Officer, with the other Managers) to be a Good Leaver,

**"Group"** means the Company and its subsidiaries (as defined by section 736 of the 1985 Act) from time to time and references to a **"Member of the Group"** or a **"Group Member"** will be construed accordingly,

**"Intermediate Leaver"** means a Relevant Individual who ceases to be an employee and/or director of the Company or any member of the Group and who is neither a Good Leaver nor a Bad Leaver,

**"Investment Agreement"** means an agreement dated 31 March 2008 and made between, inter alia, (1) the Company (2) Bidco (3) the Managers (4) Fred Mendelsohn and (5) the Investor,

**"Investor Consent"** means the consent or approval of the Investor given in writing,



**"Investor Cost"** means the aggregate of the amount subscribed by the Investor in respect of the Shares it holds and the amount subscribed by the Investor in respect of the Loan Notes (to the extent issued) plus any additional amounts invested by the Investor in the Group from time to time plus the aggregate of the direct costs of the Investor attributable to making (in whole or in part) their investments in the Group from time to time,

**"Investor Director"** means a director appointed as such pursuant to Article 34,

**"Investor"** means Elysian Capital 1 LP,

**"Investor Returns"** means the aggregate of

- (a) amounts received by the Investor from the Company by way of dividend or other distribution in respect of the Shares held by the Investor,
- (b) amounts received by the Investor on any return of capital by the Company,
- (c) interest received by the Investor in respect of the Loan Notes held by it,
- (d) amounts of principal received by the Investor on the redemption or repayment of the Loan Notes held by it,
- (e) in the event of a Share Sale or Listing, the amount of the proceeds of such Share Sale or Listing received by the Investor (other than included in (c) or (d) above),
- (f) any other amount received by the Investor from the Company in respect of the Loan Notes, Preference Shares and A Ordinary Shares

(for the avoidance of doubt there shall be no double counting as between the amounts referred to in (a) - (f) above)

less the aggregate of the direct costs of the Investor attributable to realising (in whole or in part) their investment in Preference Shares, A Ordinary Shares and Loan Notes,

**"Listing"** means

- (a) the admission of all or any of the Equity Shares to trading on a market for listed securities operated by a recognised investment exchange (as that term is defined in FSMA), together with the admission of such shares to the Official List of the UK Listing Authority, or
- (b) the admission of all or any of the Equity Shares to trading on the Alternative Investment Market of the London Stock Exchange plc, or
- (c) if the Investor in its absolute discretion so determines, the admission of all or any of the Equity Shares to, or to trading on, any other market wherever

situated, together, if necessary, with the admission of such Equity Shares to listing on any official or otherwise prescribed list maintained by a competent or otherwise prescribed listing authority,

and **"Listed"** will be construed accordingly,

**"Listing Date"** means the date on which all or any of the Equity Shares are Listed (subject only (where relevant) to any announcement required in accordance with the rules of the relevant stock exchange or listing authority),

**"Listing Rules"** means the listing rules of the UK Listing Authority,

**"Loan Note Instrument"** means the instrument constituting the Loan Notes dated 31 March 2008 as amended on 5 September 2008 and 31 March 2010,

**"Loan Notes"** means the £6,050,000 2018 15 per cent unsecured Loan Notes of Bidco constituted by the Loan Note Instrument,

**"Managers"** means Martin Hunt, Mark Oliver and Peter Holland or any of them,

**"Market Value"** has the meaning given in Article 14 in relation to voluntary share transfers, and in Article 15 6 in relation to compulsory share transfers,

**"Member"** means a registered holder of any Share as recorded in the Company's register of members,

**"Ordinary Shares"** means an ordinary share of £0 01 in the Company,

**"Ordinary Shareholders"** means a registered holder of any Ordinary Shares,

**"Original Member"** means a beneficial owner (being an individual) of Shares,

**"Other Shareholders"** has the meaning given in Article 17 1,

**"Preference Dividend"** means the cumulative fixed cash dividend payable on the Preference Shares in accordance with Article 5,

**"Preference Share"** means a cumulative redeemable preference share of £0 01 in the Company,

**"Preference Shareholder"** means a registered holder of any Preference Shares,

**"Proportionate Entitlement"** has the meaning given in Article 13 9,

**"Proposed Transferee"** means a person to whom a Seller proposes to transfer Sale Shares,

**"PRs"** means the legal personal representatives of a deceased Member,

**“Redemption Monies”** in relation to a Preference Share means a sum equal to the Redemption Price plus all Arrears and accruals of the Preference Dividend (whether earned or declared or not) calculated down to the redemption date in question,

**“Redemption Price”** means in relation to a Preference Share, a sum equal to the amount Credited as Paid Up on such Share,

**“Relevant Individual”** means an employee or director of any Group Member,

**“Remuneration Committee”** means a standing committee of the Directors, named as such and comprising the chairman of the Board and the Investor Directors,

**“Sale Shares”** means Shares which a Seller wishes to transfer,

**“Seller”** means any Member who wishes to transfer any Shares,

**“Share”** means an A Ordinary Share, an Ordinary Share, a Preference Share or any other share in the Company,

**“Share Sale”** means the completion of any transaction or series of transactions whereby any person or Connected Persons or group of persons Acting in Concert purchases or otherwise acquires or obtains not less than 90 per cent in nominal value of the Equity Shares,

**“Table A”** means Table A in the schedule to the Companies (Tables A to F) Regulations 1985 (SI 1985 No 805) (as amended by the Companies (Tables A to F) (Amendment) Regulations 1985 (SI 1985 No 1052), the Companies Act 1985 (Electronic Communications) Order 2000 (SI 2000 No 3373), the Companies (Tables A to F) (Amendment) Regulations 2007 (SI 2007 No 2541) and the Companies (Tables A to F) (Amendment) (No 2) Regulations 2007 (SI 2007 No 2826)),

**“Total Transfer Condition”** means a condition in a Transfer Notice stipulating that such Transfer Notice is conditional upon all and not some only of the Sale Shares specified in it being sold,

**“Transfer Notice”** means a notice in writing by a Seller of his wish to transfer any Shares,

**“Transfer Price”** has the meaning given in Article 13 4,

**“UK Listing Authority”** means the Financial Services Authority acting in its capacity as the competent authority for the purposes of Part VI of the FSMA including, where the context so permits, any committee, employee, officer or servant to whom any function of the UK Listing Authority may for the time being be delegated

2 2 Words and phrases which are defined or referred to in or for the purposes of the Act (excluding any statutory modification of that meaning not in force when these

articles become binding on the Company) or Table A have the same meanings in these articles unless a contrary intention appears

2 3 In these articles, unless a contrary intention appears

2 3 1 words which refer to the singular number include the plural number and vice versa, words which refer to one gender include all genders, and words which refer to persons include bodies corporate and unincorporated associations,

2 3 2 reference to a statute or a statutory provision includes reference to

- (a) the statute or statutory provision as modified or re-enacted or both from time to time, and
- (b) any subordinate legislation made under the statutory provision (as modified or re-enacted as set out above),

2 3 3 reference to a Regulation is to a regulation of Table A, and reference to an Article is to a provision of these articles,

2 3 4 reference to a "**transfer**" of Shares or any similar expression will be deemed to include (without limitation)

- (a) any sale or other disposition of the legal or equitable interest in a Share (including any voting right attached to a Share) ("**Interest**"),
- (b) the creation of any mortgage, charge, pledge or other encumbrance over any Interest,
- (c) any direction by a Member entitled to an allotment or issue of Shares that a Share be allotted or issued to some person other than himself, and
- (d) any grant of an option to acquire either or both of the legal and equitable ownership of any Share by any Member entitled to any such Share,

2 3 5 reference to a "**group undertaking**" means, in relation to any undertaking, its holding company (if any) and its subsidiaries (as such terms are defined by section 736 1985 Act) and any other subsidiaries of its holding company, and

2 3 6 reference to "**written**" or "**in writing**" includes any method of representing or reproducing words in a legible form

2 4 Unless it is specifically stated otherwise, any dispute as to value, or as to calculations or adjustments to be made, or as to amount, whether to or in respect of amount of dividend by reference to management accounts under Article 5 7, Market

Value of Sale Shares under Articles 14 or 15.6 or otherwise pursuant to these articles, will be referred immediately to the Auditors for final determination. If the Auditors decline to act in respect of any such referral, the matter will be determined by an independent firm of chartered accountants agreed for the purpose by the parties concerned or, in default of agreement within five Business Days after the Auditors have declined to act, appointed by the incumbent president of the Institute of Chartered Accountants in England and Wales. The Auditors or independent accountants (as the case may be) will act as expert and not as arbitrator and their costs will be borne as directed by the Article in question or, if the Article is silent on the point, as directed by the Auditors/independent accountants. In the absence of any such direction, such costs will be borne equally between parties concerned. The written certificate of the Auditors/independent accountants (as the case may be) will be conclusive and binding on the Company and the Members (except in the case of fraud or manifest error).

2.5 Any consent required to be given by the Investor pursuant to these articles may be given by an Investor Director.

2.6 The headings in these articles are included for convenience only and do not affect the meaning of these articles.

2.7 Where, for any purpose, an ordinary resolution of the Company is required, a special resolution is also effective for that purpose.

### **3. SHARE CAPITAL**

The authorised share capital of the Company at the date of adoption of these articles is £67,500 divided into

3.1 89,180 Ordinary Shares,

3.2 285,820 A Ordinary Shares, and

3.3 6,375,000 Preference Shares

### **4. SHARE RIGHTS**

Regulation 2 will not apply to the Company. The rights and restrictions attaching to the Ordinary Shares, A Ordinary Shares and Preference Shares are set out in full in these articles.

### **5. SHARE RIGHTS - INCOME**

#### ***Cumulative dividends - priority order and payment***

5.1 The profits of the Company which are available for lawful distribution in respect of each Accounting Period will be applied in the following order and priority

Class of Share	Name of Dividend	Annual Rate
Preference Shares	Preference Dividend	15% of amount credited as paid up on Preference Shares

5.2 The following will apply in respect of the dividend payable under Article 5.1

5.2.1 the dividends will accrue on a daily basis,

5.2.2 be calculated on the basis of the actual number of days elapsed and on a 365 day year,

5.2.3 be pro rated in respect of any period of less than an Accounting Period,

5.2.4 subject to Article 5.3, shall be payable annually on a date to be determined by the Investor in each Accounting Period

5.3 Notwithstanding the generality of this Article 5, the amount of the Preference Dividend accrued in any Accounting Period pursuant to Article 5.2 shall not be paid in cash on the Due Date and the whole of the unpaid Preference Dividend in that Accounting Period shall accrue and such accrued but unpaid Preference Dividend will be increased by 15 per cent per annum (such amount accruing on a daily basis from the Due Date until the date or dates of payment) ("**Accrued Preference Dividend**")

5.4 Notwithstanding anything contained in Regulations 102 to 108 (inclusive), the Company does not need to declare them. Any such dividend, as increased pursuant to Article 5.3, will become a debt due from and immediately payable by the Company to the Member or Members to whom it is payable without any requirement for a recommendation of the Directors or a resolution of the Members in general meeting in respect of that dividend,

5.4.1 for the purposes of Article 5.4 the date or dates on which any such dividend will become a debt will be

(a) the Due Date if such debt can lawfully arise on such date or dates, or

(b) otherwise as soon afterwards as such debt can lawfully arise

5.5 Whenever there are Arrears outstanding, any profits of the Company which are available for lawful distribution will be applied in the following order and priority

Priority	Application of Profits
1	Payment of all Arrears of Preference Dividend
2	Payment of Preference Dividend accruing subsequently

***Non cumulative dividends - priority and payment***

5 6 If

5 6 1 the Company has in respect of the present and all previous Accounting Periods paid in full the Preference Dividend referred to in Article 5 1, together with all Arrears,

5 6 2 the Company has redeemed all Shares which have fallen due for redemption, and

5 6 3 the Board has recommended payment of the same

then any profits which the Company determines to distribute in respect of any Accounting Period will be applied on a non cumulative basis amongst the holders of the Ordinary Shares and the A Ordinary Shares (pari passu as if the same constituted one class of share)

Any such dividend will be paid in cash on the amounts Credited as Paid Up on the Shares in respect of which it is payable and will belong to and be paid to the holders of the relevant class of Shares pro rata according to their holdings of such class

***Dividends - general***

5 7 If at any time it is not possible to determine the amount of any dividend or payment by reference to any Accounts, such amount will be determined by reference to the latest available management accounts Any dispute as to such amount will be determined in accordance with Article 2 4, whose provisions will apply as if set out in full in this Article

**6. SHARE RIGHTS - CAPITAL EVENT**

***Return of Capital***

6 1 On any Capital Event the total of all and any form of consideration received or receivable by the Shareholders at any time in respect of the Shares held by them, or which, in the case of a Share Sale, are the subject of a Share Sale shall be allocated between them so as to ensure the total of all or any form of consideration received or receivable by them will be applied in the following manner and order or priority

6 1 1 first, in redeeming such amount of the Preference Shares and paying to the Investor all unpaid arrears and accruals of Preference Dividend in respect of such Preference Shares (or such amount being otherwise received by the Investor as holder of the Preference Shares), until the Investor has received an amount of Investor Returns equal to 1 45x its Investor Cost,

- 6 1 2 second, in paying to the holders of the Ordinary Shares pro rata to the number of Ordinary Shares respectively held by them, an aggregate amount of up to £200,000,
- 6 1 3 third, in redeeming such amount of the Preference Shares and paying to the Investor all unpaid arrears and accruals of Preference Dividend in respect of such Preference Shares (or such amount being otherwise received by the Investor as holder of the Preference Shares), until, taking into account the amounts received under article 6 1 1 above, the Investor has received an amount of Investor Returns equal to 1 55x its Investor Cost,
- 6 1 4 fourth, in paying to the holders of the Ordinary Shares pro rata to the number of Ordinary Shares respectively held by them, an aggregate amount of up to £300,000,
- 6 1 5 fifth, in redeeming such amount of the Preference Shares and paying to the Investor all unpaid arrears and accruals of Preference Dividend in respect of such Preference Shares (or such amount being otherwise received by the Investor as holder of the Preference Shares), until, taking into account the amounts received under article 6 1 1 and 6 1 3 above, the Investor has received an amount of Investor Returns equal to 1 65x its Investor Cost,
- 6 1 6 sixth, in paying to the holders of the Ordinary Shares pro rata to the number of Ordinary Shares respectively held by them, an aggregate amount of up to £300,000,
- 6 1 7 seventh, in redeeming such amount of the Preference Shares and paying to the Investor all unpaid arrears and accruals of Preference Dividend in respect of such Preference Shares (or such amount being otherwise received by the Investor as holder of the Preference Shares), until, taking into account the amounts received under article 6 1 1, 6 1 3 and 6 1 5 above, the Investor has received an amount of Investor Returns equal to 1 70x its Investor Cost,
- 6 1 8 eighth, in paying to the holders of the Ordinary Shares pro rata to the number of Ordinary Shares respectively held by them, an aggregate amount of up to £300,000,
- 6 1 9 ninth, in redeeming such amount of the Preference Shares and paying to the Investor all unpaid arrears and accruals of Preference Dividend in respect of such Preference Shares (or such amount being otherwise received by the Investor as holder of the Preference Shares), until, taking into account the amounts received under article 6 1 1, 6 1 3, 6 1 5 and 6 1 7 above, the Investor has received an amount of Investor Returns equal to 1 75x its Investor Cost,



- 6 1 10 tenth, in paying to the holders of the Ordinary Shares pro rata to the number of Ordinary Shares respectively held by them, an aggregate amount of up to £300,000,
- 6 1 11 eleventh, in redeeming such amount of the Preference Shares and paying to the Investor all unpaid arrears and accruals of Preference Dividend in respect of such Preference Shares (or such amount being otherwise received by the Investor as holder of the Preference Shares), until, taking into account the amounts received under article 6 1 1, 6 1 3, 6 1 5, 6 1 7 and 6 1 9 above, the Investor has received an amount of Investor Returns equal to 1 90x its Investor Cost,
- 6 1 12 twelfth, in paying to the holders of the Ordinary Shares pro rata to the number of Ordinary Shares respectively held by them, an aggregate amount of up to £300,000,
- 6 1 13 thirteenth, in redeeming such amount of the Preference Shares and paying to the Investor all unpaid arrears and accruals of Preference Dividend in respect of such Preference Shares (or such amount being otherwise received by the Investor as holder of the Preference Shares), until, taking into account the amounts received under article 6 1 1, 6 1 3, 6 1 5, 6 1 7, 6 1 9 and 6 1 11 above, the Investor has received an amount of Investor Returns equal to 2 00x its Investor Cost,
- 6 1 14 fourteenth, in paying to the holders of the Ordinary Shares pro rata to the number of Ordinary Shares respectively held by them, an aggregate amount of up to £300,000,
- 6 1 15 fifteenth, in redeeming such amount of the Preference Shares and paying to the Investor all unpaid arrears and accruals of Preference Dividend in respect of such Preference Shares (or such amount being otherwise received by the Investor as holder of the Preference Shares), until, taking into account the amounts received under article 6 1 1, 6 1 3, 6 1 5, 6 1 7, 6 1 9, 6 1 11 and 6 1 13 above, the Investor has received an amount of Investor Returns equal to 2 25x its Investor Cost,
- 6 1 16 sixteenth, in paying to the holders of the Ordinary Shares pro rata to the number of Ordinary Shares respectively held by them, an aggregate amount of up to £300,000,
- 6 1 17 seventeenth, in redeeming such amount of the Preference Shares and paying to the Investor all unpaid arrears and accruals of Preference Dividend in respect of such Preference Shares (or such amount being otherwise received by the Investor as holder of the Preference Shares), until, taking into account the amounts received under article 6 1 1, 6 1 3, 6 1 5, 6 1 7, 6 1 9, 6 1 11, 6 1 13 and 6 1 15 above, the Investor has received an amount of Investor Returns equal to 2 50x its Investor Cost,

- 6 1 18      eighteenth, in paying to the holders of the Ordinary Shares pro rata to the number of Ordinary Shares respectively held by them, an aggregate amount of up to £300,000,
- 6 1 19      nineteenth, in redeeming the balance of the Preference Shares and paying to the Investor all unpaid arrears and accruals of Preference Dividend in respect of such Preference Shares (or such amount being otherwise received by the Investor as holder of the Preference Shares), and
- 6 1 20      twentieth, in paying to the holders of the A Ordinary Shares and the Ordinary Shares pro rata to the number of A Ordinary Shares and Ordinary Shares held by them as if they constituted one class of share, the excess (if any) above the amounts paid under Articles 6 1 1 to 6 1 19 (inclusive)

A worked example of the waterfall of proceeds is appended to these Articles as Appendix 1 for illustrative purposes

## **7      SHARE RIGHTS - REDEMPTION**

### ***Events Triggering Redemption***

- 7 1      On 31 March 2018 the Company will redeem for cash all the Preference Shares in issue
- 7 2      All issued Preference Shares will be redeemed immediately upon the appointment of an administrative receiver or an administrator of the whole or any part of the property and assets of any Group Member
- 7 3      All issued Preference Shares will be redeemed immediately if
- 7 3 1      the rights attaching to the Preference Shares are varied without the prior approval of the Preference Shareholders obtained in accordance with the provisions of these articles, and
- 7 3 2      notice is served on the Company by the holders of not less than 75 per cent of the Preference Shares requiring them to be redeemed
- 7 4      All issued Preference Shares will be redeemed immediately on the date of a Realisation unless, in the case of a Share Sale, an offer has been accepted by all the Preference Shareholders to purchase all of their Preference Shares at a price per share which is not less than the Redemption Monies which would otherwise have been payable on redemption at that time

### ***Amount Payable***

- 7 5 The amount payable on each Preference Share redeemed pursuant to Articles 7 1 to 7 4 will be a sum equal to the Redemption Monies calculated in respect of that Share

***Redemption Date***

- 7 6 Subject to Article 7 8, the redemption date for any redemption will be
- 7 6 1 in the case of a redemption pursuant to Article 7 1, the date specified in the Article,
  - 7 6 2 in the case of a redemption pursuant to Article 7 2, the date of the occurrence of the specified event,
  - 7 6 3 in the case of a redemption pursuant to Article 7 3, the date of service of the notice referred to in that Article,
  - 7 6 4 in the case of a redemption pursuant to Article 7 4, the Sale Date or the Listing Date, and
- 7 7 If the Company is unable lawfully to redeem out of distributable profits any of the Preference Shares due to be redeemed on any of the redemption dates set out in Article 7 8, it will effect such redemption as soon afterwards as it is lawfully able to so redeem them and "redemption date" shall be construed accordingly

***Manner of Redemption***

- 7 8 On the redemption date
- 7 8 1 the Redemption Monies (to the extent that they do not already constitute the same) will become a debt due and payable by the Company to the Preference Shareholders,
  - 7 8 2 each of the Preference Shareholders whose shares are to be redeemed will deliver to the Company the share certificate(s) for such shares and the Company will cancel the same,
  - 7 8 3 the Company, subject to receipt of the relevant share certificate or an indemnity in lieu of the share certificate in a form reasonably satisfactory to the Company, will pay the Redemption Monies to the relevant Preference Shareholders,
  - 7 8 4 the Preference Dividend will cease to accrue in respect of any Preference Shares due to be redeemed on that date unless, on presentation of the share certificate(s) or an indemnity in lieu of the share certificate(s), the Company fails to make payment of the Redemption Monies, in which case the Preference Dividend will continue to accrue until the actual date of payment, and

7 8 5 any redemption of some but not all of any Preference Shares will be made amongst their holders pro rata as nearly as possible to their respective holdings of Preference Shares

## **8 SHARE RIGHTS - VOTING**

8 1 The voting rights of Members set out in Article 23 are subject to

8 1 1 the following provisions of this Article 8, and

8 1 2 Articles 15 7 and 15 8 (suspension of voting rights during compulsory transfer procedure)

### ***Preference Shares***

8 2 Preference Shareholders will have the right to receive notice of, and to attend and speak at all general meetings of the Company

### ***Swamping Rights***

8 3 Preference Shares will carry no right to vote at general meetings of the Company unless at the date of the meeting

8 3 1 there has been a material breach of the Investment Agreement or these Articles by either the Company or the Managers which in the reasonable opinion of the Investor has or might reasonably be considered likely to have a material and adverse effect on the Preference Shareholders' investment in the Company, or

8 3 2 any act, omission or event has occurred which constitutes an Event of Default as defined under the Facility Agreements, or

8 3 3 subject to Article 5 3 and the terms of the Facility Agreements, the Company has not paid for any reason any dividend payable on the Preference Shares within 30 days of a due date for payment and such dividend has not subsequently been paid, or

8 3 4 the Company has not redeemed for any reason any of the Preference Shares which have fallen due for redemption,

in which case Article 8 4 will apply

8 4 On the occurrence of an event specified in Article 8 3, and for so long as the circumstances comprising such event continue to subsist, the Preference Shareholders will be entitled to vote at every general meeting of the Company in accordance with Article 23, except that the number of votes attaching to the Preference Shares at any such general meeting will represent 95 per cent of the voting rights attaching to all Shares after the application of this Article

## **9 VARIATION OF SHARE RIGHTS**

- 9 1 The rights attached to the Preference Shares, the Ordinary Shares and the A Ordinary Shares may, in each case, be altered or abrogated (whether or not the Company is being wound up) only with the prior consent of the holders of the issued Shares of that class given in accordance with Article 9 2
- 9 2 The consent of the holders of a class of Shares may be given by
- 9 2 1 a special resolution passed at a separate general meeting of the holders of that class,
  - 9 2 2 a written resolution in any form signed by or on behalf of the holders of not less than 75 per cent in nominal value of the issued Shares of that class
- 9 3 Without prejudice to the general effect of Article 9 1, the following will be deemed to constitute a variation of the rights attached to the A Ordinary Shares, and/or the Preference Shares
- 9 3 1 any variation of the rights attaching to the A Ordinary Shares or the Preference Shares,
  - 9 3 2 (except for the purposes of redeeming any of the Preference Shares in accordance with these articles) the convening of a meeting to consider the passing of any resolution to reduce the Company's share capital or any amount standing to the credit of its share premium account or capital redemption reserve fund, or to reduce any uncalled liability in respect of partly paid shares,
  - 9 3 3 the convening of a meeting to consider the passing of any resolution to alter the Company's memorandum or articles of association,
  - 9 3 4 the payment of any distribution or return of a capital nature to any shareholder other than to the A Ordinary Shareholders or Preference Shareholders in accordance with these articles
  - 9 3 5 the capitalisation of any undistributed profits (whether or not the same are available for distribution, and including profits standing to the credit of any reserve) or of any sums standing to the credit of the Company's share premium account or capital redemption reserve fund,
  - 9 3 6 the payment of any distribution or return of an income nature to any shareholder otherwise than in accordance with these articles, or
  - 9 3 7 any variation of the authorised or issued share capital of any Group Member (other than a wholly owned subsidiary of the Company),

- 9 3 8 the creation or grant of any option or other right to subscribe for, convert into or issue any shares or other securities in the capital of any Group Member,
- 9 3 9 the taking of any steps to wind up or dissolve any Group Member, or
- 9 3 10 any matter in relation to any member of the Group requiring the consent of the Investor under any shareholders agreement relating to the Company

## **10 ISSUE AND ALLOTMENT OF NEW SHARES**

- 10 1 Any new Shares will be offered by the Directors for subscription to the holders of the Equity Shares in such proportions as equal (as nearly as possible) the proportion of Equity Shares held by them respectively at that time For the purpose of this Article, the Equity Shares will be treated as one class of Share
- 10 2 The offer will be made by notice specifying the number and class of Shares offered, the price per Share, and a time (being not less than 14 days) within which the offer, if not accepted, will be deemed to be declined At the end of that period or, if earlier, on the receipt of an indication from the person(s) to whom such notice is given that he/they decline(s) to accept some or all of the Shares so offered, the Directors will offer the declined Shares in the same proportions to the holders of Equity Shares who have accepted all the Shares initially offered to them This further offer will be made in the same manner as the original offer but may, at the discretion of the Directors, be limited to a period of seven days after which it will (to the extent that any Shares remain unaccepted) be deemed to have been withdrawn
- 10 3 Any Shares not taken up at the end of the procedure set out in Articles 10 1 and 10 2 may be offered by the Directors to a third party (to be approved by the Investor), and, subject to these articles, the provisions of section 80 of the 1985 Act and to the prior approval of the Investor, such Shares will be at the disposal of the Directors who may allot, grant options over or otherwise dispose of them to such persons at such times and generally on such terms as they think fit However
  - 10 3 1 no Shares will be issued at a discount,
  - 10 3 2 no Shares will be issued more than three months after the end of the period for acceptance of the last offer of such Shares under Articles 10 1 and 10 2 unless the procedure set out in those Articles is repeated in respect of such Shares, and
  - 10 3 3 no Shares will be issued on terms which are more favourable than those on which they were offered to the Members
- 10 4 The provisions of Articles 10 1 to 10 3 will apply (as if they were set out in full in this Article 10 4) to all equity securities (as defined in section 94(2) of the 1985 Act) of the Company which may be created from time to time

10 5 The provisions of sections 89(1) and 90(1) to (6) of the 1985 Act will not apply to the Company

10 6 If, due to any inequality between the number of new Shares to be issued and the number of Shares held by Members entitled to have the offer of new Shares made to them, any difficulty arises in the apportionment of any such new Shares amongst the Members, such difficulties will be determined by the Board with the consent of the Investor Director

## **11. TRANSFERS OF SHARES - PROHIBITED TRANSFERS**

### ***General Prohibitions***

11 1 The Directors will not register any transfer of Shares to any of the following

11 1 1 other than with Investor Consent, any person who, in the reasonable opinion of the Investor Director is carrying on business directly or indirectly in competition with the Company or any member of the Group, except this restriction will not apply to

(a) any syndication by the Investor pursuant to the Investment Agreement, or

(b) any transfer of Shares pursuant to Articles 16 and 17 (Tag Along Rights and Drag Along Rights), or

(c) any transfer of shares to the Investor, or

11 1 2 any person who does not have legal capacity to transfer such Shares or otherwise to comply fully with the provisions of these articles,

### ***Prohibition unless in accordance with those articles***

11 2 Subject to Article 11 1, the Directors will not register a transfer of Shares unless

11 2 1 the transfer is permitted by Article 12 (Permitted Transfers), has been made in accordance with Article 13 (Pre-emption), is a compulsory transfer made in accordance with Article 15 (Compulsory Transfer) or is a change of control in accordance with Article 16 (Tag Along) or Article 17 (Drag Along), and

11 2 2 the proposed transferee has entered into a deed of adherence to, and in the form required by the Investment Agreement

11 3 For the purpose of ensuring that

11 3 1 a transfer of shares is permitted under these articles, or

11 3 2 no circumstances have arisen whereby a Transfer Notice is required to be or ought to have been given, or

11 3 3 no circumstances have arisen whereby the tag along provisions are required to be or ought to have been triggered pursuant to Article 16,

the Board may, and will if so requested by the Investor Director, require any Member to procure that any person whom the Board or the Investor Director reasonably believe(s) to have information relevant to such purpose provides the Company with such information and evidence as the Board or the Investor Director think fit. Pending the provision of such information the Board will be entitled to refuse to register any relevant transfer.

11 4 Regulations 24 and 26 will not apply to the Company

11 5 No transfer of Shares may be made by a Manager, if such Manager holds Loan Notes, unless the same proportion of Loan Notes held by such Manager are transferred to the transferee of the Shares, as the number of Shares to be transferred bear to the total number of Shares held by that Manager, unless the Investor otherwise consents in writing.

## **12. PERMITTED TRANSFERS**

12 1 Any Shares may only be transferred with Investor Consent

12 2 Where any Shares are the subject of a Transfer Notice, no transfers of any such Shares shall be permitted pursuant to this Article 12

12 3 Subject to Articles 12 1 and 12 2 any Share may be transferred

12 3 1 when required by, and in accordance with, Article 15 (Compulsory Transfers), or

12 3 2 to a Buyer in acceptance of an Approved Offer pursuant to Article 16 (Tag Along Rights) or Article 17 (Drag Along Rights),

12 3 3 in the case of A Ordinary Shares and Preference Shares held by or on behalf of a Fund

(a) to another nominee or trustee for, or general partner of, the Fund, and by any such nominee or trustee to another nominee or trustee for that Fund or to the Fund itself, or

(b) on a distribution in kind under the constitutive documents of the Fund, to the partners in or holders of units in, or to the shareholders of, participants in or the holders of other interests in the Fund (or to a nominee or trustee for any such partners, holders, members or Investor), and by a nominee or trustee for such holders, partners, members or Investor to such holders,



partners, members or Investor or to another nominee or trustee for such holders, partners, members or Investor, or

- (c) to another Fund which is managed or advised by the same manager or advisor as the transferor (or as the Fund on behalf of whom any such Share is held by the transferor as nominee or trustee) or by a group undertaking of such manager or advisor, or

12 3 4 in the case of A Ordinary Shares and Preference Shares, to a syndicate or syndicatees of the Investor(s) pursuant to clause 15 the Investment Agreement, or

12 3 5 in the case of any Shares held by an Employee Benefit Trust, to any beneficiary of that trust or to any replacement trustees or into the joint name of the existing and any new or additional trustees or to any employee of the Group with Investor Consent, or

12 3 6 with Investor Consent

### **13. PRE-EMPTION**

#### ***Transfer Notices***

13 1 Except in the case of a transfer pursuant to Article 12 (Permitted Transfers), and subject to the prohibitions on transfers set out in Article 11 (Prohibited Transfers), any Equity Shareholder wishing to transfer all or any of his Shares must give a Transfer Notice to the Company copied to the Investor

13 2 Each Transfer Notice will (except as provided in Article 15 (Compulsory Transfers)) relate to one class of Shares only and will specify

13 2 1 the number and class of Sale Shares,

13 2 2 the identity of the Proposed Transferee (if any),

13 2 3 the price per Share at which the Seller wishes to transfer the Sale Shares, and

13 2 4 whether or not the Transfer Notice is subject to a Total Transfer Condition In the absence of any such stipulation it will be deemed not to be so conditional No Total Transfer Condition will apply in respect of any Transfer Notice deemed to have been given pursuant to Article 15

13 3 No Transfer Notice will be capable of variation or cancellation without the consent of the Investor Director

#### ***Transfer Price***

13 4 The Transfer Notice will constitute the Company as the agent of the Seller for the transfer of the Sale Shares in accordance with this Article 13 at the following price ("**Transfer Price**")

13 4 1 with the consent of the Investor Director, the price specified in the Transfer Notice, or

13 4 2 such other price as may be agreed between the Seller and the Board (subject to the approval of the Investor Director) within 10 Business Days after the date of service or deemed service of the Transfer Notice, or

13 4 3 in default of agreement under Article 13 4 2 the lower of

(a) the price per Share specified in the Transfer Notice, and

(b) if the Investor Director elects within 15 Business Days after the date of service or deemed service of the Transfer Notice to instruct the Auditors for the purpose, the Market Value of the Sale Shares as at the date of service or deemed service of the Transfer Notice, and as determined in accordance with Articles 2 4 and 14

***First offer to Company/EBT etc (at discretion of Investor)***

13 5 The following provisions of this Article 13 5 will apply to any transfer of any Shares by any Member other than an Investor

13 5 1 Within 10 Business Days after the later of

(a) the receipt by the Company of a Transfer Notice, and

(b) the determination of the Transfer Price

the Investor may direct the Company (in its capacity as agent for the Seller) immediately to offer at the Transfer Price such number of Sale Shares as it may determine to

(c) the Company pursuant to the provisions of part V of the 1985 Act, and/or

(d) any person who will hold the Sale Shares for the benefit of existing or future employees including (without limitation), any Employment Benefit Trust of any Group Member or any professional trustee, in any such case to hold the Sale Shares upon the terms of a discretionary trust for the benefit of the class of beneficiaries which includes (without limitation) employees and directors of any Group Member

13 5 2 If any offeree of the Sale Shares pursuant to this Article 13 5 applies for any of them within 10 Business Days after the date of the offer, the Company will allocate to such offeree the number of Sale Shares applied for on the later of

(a) the fifteenth Business Day following receipt of the Transfer Notice, and

(b) the date on which the Transfer Price is determined

13 5 3 If all of the Sale Shares are so allocated, the provisions of Articles 13 6 to 13 10 will not apply. If none or some only of the Sale Shares are so allocated, the provisions of Articles 13 6 to 13 10 will have effect as if reference to Sale Shares was to those not allocated in accordance with this Article 13 5

#### ***Offer to Members and notice to Investor***

13 6 Subject to Article 13 5, within 10 Business Days after its receipt of a Transfer Notice or, where later, on the determination of the Transfer Price, the Company (in its capacity as agent for the Seller) will give notice in writing to each of the Members (other than the Seller and any other Member who has served or who is deemed to have served a Transfer Notice in respect of his entire holding of Shares pursuant to which the sale of such Shares has not then been concluded) offering the Sale Shares for sale at the Transfer Price in accordance with Articles 13 8 and 13 9. The notice will specify that the Members will have a period of up to 20 Business Days from the date of such notice within which to apply for some or all of the Sale Shares

13 7 Whenever the Sale Shares are Ordinary Shares, all holders of Ordinary Shares to whom the offer is made must, before making their applications for Sale Shares and in any event within 10 Business Days from the date of the notice given by the Company, notify the Investor in writing of whether they intend to accept the offer and, if so, the number of Sale Shares, including Extra Shares, for which they intend to apply

#### ***Pre-emption Procedure***

13 8 It will be a term of any offer made pursuant to Article 13 6 that, if Members holding Shares of more than one class apply for some or all of the Sale Shares, the Sale Shares of a particular class specified in column (1) in the table below will be treated as offered

13 8 1 in the first instance to all persons in the category set out in the corresponding line in column (2) in the table below,

13 8 2 to the extent not accepted by persons in column (2) (whether as part of their Proportionate Entitlement or as Extra Shares, as defined in article

13 9), to all persons in the category set out in the corresponding line in column (3) in the table below, and

13 8 3 to the extent not accepted by persons in columns (2) and (3) (whether as part of their Proportionate Entitlement or as Extra Shares, as defined in Article 13 9), to all persons set out in the corresponding line in column (4) in the table below

(1)	(2)	(3)	(4)
<b>Class of Sale Shares</b>	<b>First Priority</b>	<b>Second Priority</b>	<b>Third Priority</b>
Ordinary Shares	Ordinary Shareholders	A Ordinary Shareholders	Preference Shareholders
A Ordinary Shares	A Ordinary Shareholders	Ordinary Shareholders	Preference Shareholders

13 9 It will be a further term of the offer that, if there is competition within any class of shareholder for the Sale Shares offered to that class, such Sale Shares will be treated as offered among the holders of such class in proportion (as nearly as possible) to their existing holdings of Shares of that class ("**Proportionate Entitlement**") However, the offer will also invite Members to indicate in their applications for Sale Shares, whether they would be willing to buy Shares in excess of their Proportionate Entitlement should any such Shares be available and, if so, how many ("**Extra Shares**")

#### ***Allocation of Shares***

13 10 After the expiry of the offer period specified in Article 13 6, (or, if sooner, upon valid applications being received for all of the Sale Shares in accordance with that Article), the Board will allocate the Sale Shares as follows

13 10 1 if the total number of Sale Shares applied for (including Extra Shares) is equal to or less than the available number of Sale Shares, each offeree will be allocated the number applied for in accordance with his application (subject to Article 13 14), or

13 10 2 if the total number of Sale Shares applied for is greater than the available number of Sale Shares, each offeree will be allocated his Proportionate Entitlement, or, if less, the number of Sale Shares which he has applied for, and

13 10 3 applications for Extra Shares will be allocated in accordance with such applications or, in the event of competition within any class of shareholder, among those applying for Extra Shares in such proportions as equal (as nearly as possible) the proportions of all the Shares of the same class held by such offerees

- 13 11 Allocations of Sale Shares made by the Company pursuant to this Article 13 will constitute the acceptance by the persons to whom they are allocated of the offer to purchase those Sale Shares on the terms offered to them, provided that no person will be obliged to take more than the maximum number of Sale Shares which he has indicated to the Company he is willing to purchase

***Completion of sale and purchase of Sale Shares***

- 13 12 The Company will immediately upon allocating any Sale Shares (whether pursuant to Article 13 5 2 or Article 13 10) give notice in writing ("**Allocation Notice**") to the Seller and to each person to whom Sale Shares have been allocated specifying

13 12 1 the number of Sale Shares so allocated,

13 12 2 the aggregate price payable for them,

13 12 3 any additional information required by Article 13 14 1 (if applicable),

and

13 12 4 (subject to Article 13 14 1) the place and time (being not later than five Business Days after the date of the Allocation Notice) at which the sale of the Sale Shares will be completed

- 13 13 Subject to Article 13 14, completion of the sale and purchase of Sale Shares in accordance with the Allocation Notice will take place at the place and time specified in the Allocation Notice when the Seller will, upon payment of the due price, transfer those Sale Shares specified in the Allocation Notice and deliver the relevant Share certificates to the persons to whom they have been allocated

- 13 14 If the Transfer Notice included a Total Transfer Condition and the total number of Shares applied for is less than the number of Sale Shares

13 14 1 the Allocation Notice will refer to such Total Transfer Condition and will contain a further offer, open for 28 days, to those persons to whom Sale Shares have been allocated to apply for further Sale Shares, and

13 14 2 completion of the transfer in accordance with the preceding paragraphs of this Article 14 will be conditional upon all such Sale Shares being so allocated

***Default by the Seller***

- 13 15 Except in the case of an acquisition of Sale Shares by the Company, if the Seller fails by the due completion date to execute and deliver transfers and/or deliver the certificates (or a suitable indemnity) in respect of any of the Sale Shares which he is due to transfer, the Board may (and will if requested by the Investor Director) authorise any Director to

- 13 15 1 execute the necessary transfer(s) on the Seller's behalf, and
- 13 15 2 against receipt by the Company of the Transfer Price payable for the relevant Sale Shares (to be held on trust for the Seller without interest) (the receipt being a good discharge to the offeree who will not be bound to see to the application of it), deliver such transfer(s) to the relevant offeree(s)

The Board will authorise registration of the transfer(s), and of the offeree(s) as the holder(s) of the Sale Shares so transferred, once appropriate stamp duty has been paid. After registration, the title of such offeree(s) as registered holder(s) of such Sale Shares will not be affected by any irregularity in, or invalidity of such proceedings, which will not be questioned by any person.

- 13 16 In the case of an acquisition of Sale Shares by the Company, if the Seller fails by the due completion date to transfer and/or to deliver the certificates (or a suitable indemnity) in respect of any Sale Shares, the Board may (and will if requested by the Investor Director) authorise any Director to execute, complete and deliver the necessary transfer and indemnity to the Company on the Seller's behalf. When that instrument has been duly stamped, the Company will ensure that such share capital is cancelled in accordance with the Act, and will hold the purchase monies on trust (without interest) for the Seller.

***Exhaustion of pre-emption rights - rights and restrictions with regard to sale to third party***

- 13 17 Immediately after the exhaustion of any pre-emption process followed in accordance with these articles, if any Sale Shares remain unallocated, the Company will notify the Seller of that fact. The Seller may, at any time within one calendar month after receiving such notice (but not otherwise unless the pre-emption procedure set out in these articles is repeated), transfer any unsold Sale Shares to the Proposed Transferee at any price which is not less than the Transfer Price, except that
  - 13 17 1 the Board will refuse registration of any transfer to a Proposed Transferee who is a person to whom Shares may not be transferred by virtue of Articles 11 1 1 or 11 1 2,
  - 13 17 2 if any such transfer would, if made and registered, result in the Proposed Transferee obtaining or increasing a Controlling Interest, the Board will refuse registration of such transfer until such time as an Approved Offer has been made and the provisions of Article 16 (Tag Along Rights) complied with,
  - 13 17 3 if the Seller included a Total Transfer Condition in the Transfer Notice which has not been satisfied, the Seller will be entitled to transfer all (but not some only) of the Sale Shares,

- 13 17 4 any such transfer must be in good faith and the Board or the Investor Director may require to be satisfied (in such manner as they may reasonably think fit) that the Sale Shares are being sold at a price which is not less than the Transfer Price without any deduction, rebate or allowance whatsoever. If not so satisfied, the Board (subject to the approval of the Investor Director) may refuse to register the transfer, and
- 13 17 5 in the case of any deemed transfer process pursuant to Article 15, the Compulsory Seller will not be entitled to transfer any unsold Sale Shares to any third party

## 14 VALUATION

### ***Determination of "Market Value"***

If the Auditors (or, by virtue of Article 2 4, independent accountants) are required to determine Market Value pursuant to Article 13 4 3 2, the provisions set out below will apply

- 14 1 Market Value will be determined by the Auditors or, as the case may be, independent accountants, first valuing the Company as a whole
- 14 1 1 assuming, if the Company is then carrying on business as a going concern, that it will continue to do so,
- 14 1 2 assuming that the entire issued share capital of the Company is being sold as between a willing buyer and a willing seller by arm's-length private treaty for cash payable in full on completion,
- 14 1 3 taking account of any Shares which may be allotted pursuant to options which have been issued by the Company and which are still outstanding,
- 14 1 4 taking account of any bona fide offer for the Company received from an unconnected third party within six months prior to the Transfer Notice being served or deemed to have been served, and
- 14 1 5 recognising that in any other circumstances the Shares are not freely marketable
- 14 2 Having valued the Company as a whole, the Auditors or, as the case may be, independent accountants will determine the Market Value of the Shares concerned
- 14 2 1 having deducted from the value of the Company as a whole (if not already taken into account when so valuing the Company)
- (a) any arrears, accruals or deficiencies of dividend on Shares of any other class, and
- (b) any Redemption Monies due to any Preference Shareholders,

- 14 2 2      having regard to whether the Shares concerned represent a majority or a minority interest,
- 14 2 3      having regard to the rights and restrictions attached to the Shares concerned in respect of income, capital and transfer,
- 14 3      The costs and expenses of the Auditors (or independent accountants) for reporting on their opinion of the Market Value will be borne as to one half by the Seller and as to the other half by the purchasing Shareholders pro-rata to the number of Sale Shares purchased by them unless the Seller revokes the transfer notice under Article 13 3, in which case the Seller will pay all such costs and expenses

## 15. **COMPULSORY TRANSFERS**

### ***Circumstances which trigger compulsory transfer***

- 15 1      This Article 15 applies when a Relevant Individual is an Ordinary Shareholder, A Ordinary Shareholder or Preference Shareholder and the Relevant Individual ceases for any reason (including death or bankruptcy) to be an employee and/or director of any member of the Group

### ***Compulsory Pre-emption Procedure***

- 15 2      Within 12 months after the Cessation Date the Board or the Investor Director may serve notice ("**Compulsory Sale Notice**") on the Relevant Individual (a "**Compulsory Seller**") requiring such person to offer all the Shares and Loan Notes registered in his, or any connected person's, name or to which he or any of his connected persons is or may become entitled whether as a result of his holding of Shares or otherwise
- 15 3      The Shares and Loan Notes which are the subject of the Compulsory Sale Notice will be offered for sale (other than to any Compulsory Seller or any other Member who has served or who is deemed to have served a Transfer Notice in respect of his entire holding of Shares which is still outstanding) in accordance with the provisions of Article 14, which will apply as if set out in full in this Article except to the extent that they are varied by the following provisions of this Article 15 The Investor Director may also determine in its absolute discretion to revoke any Transfer Notice previously given or deemed to have been given by the Compulsory Seller(s) which is still outstanding at the Cessation Date

### ***Sale Price - Good Leaver/Bad Leaver***

- 15 4      The price for the Ordinary Shares will be
  - 15 4 1      if the Relevant Individual is a Bad Leaver, the lower of
    - (a)    the issue price (including any premium) of the Ordinary Shares (or, where any of the Ordinary Shares were acquired by a Compulsory



Seller by way of transfer rather than allotment, the lower of the issue price (including any premium) and the amount paid by such Compulsory Seller on the transfer), and

- (b) the Market Value of the Ordinary Shares on the Cessation Date to be agreed or determined in accordance with Articles 2.4 and 13.4

15.4.2 If the Relevant Individual is a Good Leaver, the higher of

- (a) Market Value of the Ordinary Shares on the Cessation Date, to be agreed or determined as aforesaid, or
- (b) the issue price (including any premium) of the Ordinary Shares (or where any of the Ordinary Shares were acquired by a Compulsory Seller by way of transfer rather than allotment, the higher of the issue price (including any premium) and the amount paid by such Compulsory Seller on the transfer)

15.4.3 If the Relevant Individual is an Intermediate Leaver, the price shall be determined as follows

<b>Date of becoming an Intermediate Leaver</b>	<b>Proportion of Ordinary Shares to be treated as if Relevant Individual is a Good Leaver</b>	<b>Proportion of Ordinary Shares to be treated as if Relevant Individual is a Bad Leaver</b>
Prior to the 31 March 2009 for any Relevant Individual who acquired the relevant Ordinary Shares prior to 31 March 2011, or if the Relevant Individual acquired the relevant Shares on or after 31 March 2011, then if prior to first anniversary of the date on which the Relevant Individual acquires the relevant Ordinary Shares	0%	100%
After the 31 March 2009 but prior to the 31 March 2010 for any Relevant Individual who acquired the relevant Ordinary Shares prior to 31 March 2011, or if the Relevant Individual acquired the relevant Shares on or after 31 March 2011, then if on or after the first anniversary of the date on which the Relevant Individual	25%	75%

acquires Ordinary Shares but before the second anniversary of the date on which the Relevant Individual acquires the relevant Ordinary Shares		
After the 31 March 2010 but prior to 31 March 2011 for any Relevant Individual who acquired the relevant Ordinary Shares prior to 31 March 2011, or if the Relevant Individual acquired the relevant Ordinary Shares on or after the 31 March 2011, then if on or after the second anniversary of the date on which the Relevant Individual acquires Ordinary Shares but before the third anniversary of the date on which the Relevant Individual acquires the relevant Ordinary Shares	50%	50%
After 31 March 2011 but prior to 31 March 2012 for any Relevant Individual who acquired the relevant Ordinary Shares prior to 31 March 2011, or if the Relevant Individual acquired the relevant Ordinary Shares on or after 31 March 2011, then if on or after the third anniversary of the date on which the Relevant Individual acquires the Ordinary Shares but before the fourth anniversary of the date on which the Relevant Individual acquires the relevant Ordinary Shares	75%	25%
After 31 March 2012 for any Relevant Individual who acquired the relevant Ordinary Shares prior to 31 March 2011, or if the Relevant Individual acquired the relevant Ordinary Shares on or after 31 March 2011, then if on or after the fourth anniversary of the date on which the Relevant Individual acquires the relevant	100%	0%

Ordinary Shares		
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15 5 The price for the A Ordinary Shares will be the Market Value of the A Ordinary Shares, and the price for Preference Shares will be the Market Value of the Preference Shares, and the price for the Loan Notes will be the Market Value of the Loan Notes in each case on the Cessation Date to be agreed as aforesaid regardless of whether the Relevant Individual is a Bad Leaver or a Good Leaver

15 6 **"Market Value"** for the purposes of Article 15 will be

15 6 1 the price agreed between the Compulsory Seller(s) and the Investor Director, or

15 6 2 if they fail to agree a price within 15 Business Days of the date of service of the Compulsory Sale Notice (or within such other timetable as may be determined by the Investor Director), the price determined by the Auditors (or independent accountant) to be the Market Value of such Shares on the Cessation Date, according to the principles set out in Article 14

***Suspension of voting rights during compulsory transfer procedure***

15 7 Unless the Investor Director directs otherwise in writing, any Shares held by a Compulsory Seller on the Cessation Date (and any Shares issued to a Compulsory Seller after such date by virtue of the exercise of any right or option granted or arising by virtue of his holding of the Sale Shares) will cease to confer the right to be entitled to receive notice of, attend and vote at any general meeting of the Company, or any meeting of the holders of any class of Shares with effect from the Cessation Date (or, where appropriate, the date of issue of such Shares, if later), and such Shares will not be counted in determining the total number of votes which may be cast at any such meeting, or for the purposes of a written resolution of any Members or class of Members That right will be restored immediately upon the Company registering a transfer of the Sale Shares in accordance with this Article 15

15 8 For so long as any Shares are disenfranchised pursuant to Article 15 7, the voting rights attaching to the Equity Shares will be varied so that the holders of Ordinary Shares and A Ordinary Shares are each entitled (as a class) to cast such percentage of votes as they would otherwise have been entitled to cast prior to the suspension of voting rights of the disenfranchised Shares

***Transmission of Shares***

15 9 Regulations 29 to 31 shall take effect subject to Articles 15 10 and 15 11

15 10 Without prejudice to Articles 15 1 and 15 3 (the provisions of which, when operable, will override the provisions of this Article 15 9 and the provisions of Articles 15 8 and 15 10), a person entitled to a Share or Shares in consequence of the death,

bankruptcy, receivership or liquidation of a Member or otherwise by operation of law shall be bound at any time, if called upon in writing to do so by the Directors with the consent of the Investor Director not later than 90 days after the Directors receive notice from the person concerned that he has become so entitled, to give a Transfer Notice (without specifying a Transfer Price) in respect of all of the Shares then registered in the name of the deceased or insolvent Member in accordance with the provisions of Article 13, which will apply as if set out in full in this Article

15 11 If any such person fails to give a Transfer Notice in accordance with Article 15 10 within 10 Business Days after being called upon to do so

15 11 1 the Board may (and will if requested by the Investor Director) authorise any Director to execute and deliver a transfer of the Shares concerned to a person appointed by the Directors as a nominee for the person entitled to the Shares, and

15 11 2 the Company may give a good receipt for the purchase price of such Shares, register the purchaser or purchasers as the holders of them and issue certificates for the same to such purchasers. After registration, the title of such purchaser or purchasers as registered holder(s) of such Shares will not be affected by any irregularity in, or invalidity of, such proceedings, which will not be questioned by any person. In any such case the person entitled to the Shares as a consequence of the death, insolvency or otherwise by operation of law will be bound to deliver up the certificates for the Shares concerned to the Company whereupon he will become entitled to receive the purchase price. In the meantime, the purchase price will be held by the Company on trust for such person without interest

## 16 CHANGE OF CONTROL - TAG ALONG RIGHTS

16 1 Save for a transfer made pursuant to Article 12 3 3, no transfer of Shares which would result, if made and registered, in a person or persons Acting in Concert obtaining or increasing a Controlling Interest, will be made or registered unless

16 1 1 an Approved Offer is made by the proposed transferee(s) ("**Buyer**"), which is accepted by the holders of 60 per cent or more of the A Ordinary Shares pursuant to it, and

16 1 2 the Buyer complies in all respects with the terms of the Approved Offer at the time of completion of the sale and purchase of the Equity Shares and redemption of the Preference Shares

16 2 For the purposes of this Article 16 and Article 17

16 2 1 "**Approved Offer**" means a bona fide arm's length offer to acquire all the Equity Shares held by the Members (including any Shares which may be allotted pursuant to the exercise or conversion of options, rights to

subscribe for or securities convertible into Equity Shares in existence at the date of such offer) which

- (a) is stipulated to be open for acceptance for at least 15 Business Days,
- (b) offers the same terms and conditions (including time of payment and form of consideration) for each Equity Share (whether in cash, securities or otherwise in any combination), provided that a reduction, withholding or retention of consideration to take account of tax payable or which might be payable by a Member or by his employing company in relation to the conversion of securities, the exercise of an option over Equity Shares, and/or the disposal of Equity Shares shall not prejudice the application of this paragraph,
- (c) makes provision for the redemption in accordance with these articles of all outstanding Preference Shares and, if the Company is unable lawfully to effect any such redemption, makes provision for the purchase of such Preference Shares at the price at which they would have been redeemed

16 2 2 In the event of disagreement of the amount of the consideration due pursuant to Article 16 2 1 2 the matter shall be referred to the Auditor for determination pursuant to Article 2 4

## **17. CHANGE OF CONTROL - DRAG ALONG RIGHTS**

- 17 1 Whenever an Approved Offer is made, the holders of 60 per cent or more of the A Ordinary Shares shall have the right ("**Drag Along Right**") to require (in the manner set out in Article 17 2) all of the other holders of Equity Shares including persons who acquire Equity Shares following the making of the Approved Offer pursuant to the exercise of options or conversion of securities ("**Other Shareholders**") to accept the Approved Offer in full
- 17 2 The Drag Along Right may be exercised by the service of notice to that effect on the Other Shareholders at the same time as, or within five Business Days following the making of the Approved Offer (or, if later, within five Business Days following to acquisition by the relevant Other Shareholder of any Equity Shares) Such notice will be accompanied by all documents required to be executed by the Other Shareholders to give effect to the relevant transfer
- 17 3 On the exercise of the Drag Along Right, each of the Other Shareholders will be bound to accept the Approved Offer in respect of its entire holding of Shares and to comply with the obligations assumed by virtue of such acceptance
- 17 4 If any of the Other Shareholders fails to accept the Approved Offer or, having accepted such offer, fails to complete the sale of any of its Shares pursuant to the Approved Offer, or otherwise fails to take any action required of it under the terms of

the Approved Offer, any holder of A Ordinary Shares or any persons so authorised by the Board with the consent of the Investor Director may accept the offer on behalf of the Other Shareholder in question, or undertake any action required under the terms of the Approved Offer on the part of the Other Shareholder in question. In particular, such person may execute the necessary transfer(s) on that Other Shareholder's behalf, and against

17 4 1 receipt by the Company (on trust for such Other Shareholder) of the consideration payable for the relevant Shares (the receipt being a good discharge to the Buyer, who will not be bound to see to the application of it), and

17 4 2 compliance by the Buyer and, where relevant, the Company with all other terms of the Approved Offer,

deliver such transfer(s) to the Buyer (or its nominee). The Board will then authorise registration of the transfer(s) and of the Buyer (or its nominee) as the holder of the Shares so transferred. After registration, the title of the Buyer (or its nominee) 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. The Other Shareholder will in such a case be bound to deliver up its certificate for its Shares to the Company, or a statutory declaration of loss (as appropriate) whereupon the Other Shareholder will be entitled to receive the purchase price for such Shares.

## **18 ELECTRONIC COMMUNICATION**

Regulation 1 is modified by

18 1 deleting the definition given of "electronic communication" and substituting in its place the definition given in these articles, and

18 2 deleting the words "'communication" means the same as in the Electronic Communications Act 2000 "

## **19 SHARE CERTIFICATES**

Regulation 6 is modified by adding after "Every certificate shall be sealed with the seal" the words "or executed in such other manner as the Directors authorise, having regard to the 1985 Act,"

## **20. LIEN**

20 1 Regulation 8 is modified by the deletion of the words "'(not being a fully paid share)"

20 2 The lien conferred by Regulation 8 will apply to all Shares, whether fully paid or not, and to all Shares registered in the name of any person under a liability to the

Company (whether actual or contingent), whether he is the sole registered holder of such Shares or one of two or more joint holders of such Shares

## **21. GENERAL MEETINGS**

21 1 Regulation 37 is modified by the insertion of the words "or the Investor Director acting alone" after the second word of that Regulation

21 2 A general meeting may consist of a conference between Members, some or all of whom are in different places if each Member who participates is able

21 2 1 to hear each of the other participating Members addressing the meeting, and

21 2 2 if he so wishes, to address all of the other participating Members simultaneously,

whether directly, by conference telephone or by any other form of communications equipment (whether in use when these articles are adopted or not) or by a combination of those methods

A quorum is deemed to be present if those conditions are satisfied in respect of at least the number of Members required to form a quorum. A meeting held in this way is deemed to take place at the place where the largest group of participating members is assembled or, if no such group is readily identifiable, at the place from where the chairman of the meeting participates. A resolution put to the vote of a meeting will be decided by each Member indicating to the chairman (in such manner as the chairman may direct) whether the Member votes in favour of or against the resolution or abstains. References in this Article 21 to Members includes their duly appointed proxies and, in the case of corporate members, their duly authorised representatives

## **22 PROCEEDINGS AT GENERAL MEETINGS**

22 1 Regulation 40 is modified so that the quorum for any general meeting (other than a separate class meeting) will include at least a Member or Members holding Shares carrying the right to more than 50 per cent of the total number of votes which may be cast on a poll at a general meeting of the Company present in person or by proxy from each class of Equity Shareholder

22 2 If any meeting is adjourned pursuant to Regulation 41 because a quorum is not present, and at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the shareholders present will form a quorum. Regulation 41 is modified accordingly

22 3 Regulation 46 is modified so that a poll may be demanded by the chairman or by any Member present in person or by proxy and entitled to vote at the meeting

22 4 A corporation which is a member of the Company may, by resolution of its directors or other governing body, authorise such person or persons as it thinks fit to act as its representative or representatives at any meeting of the Company or at any meeting of any class of Members. The provisions of the Act shall apply to determine the powers that may be exercised at any such meeting by any person so authorised. The corporation shall, for the purposes of these articles, be deemed to be present in person at any such meeting if any person so authorised is present at it, and all references to attendance and voting in person shall be construed accordingly.

22 5 Regulation 51 is amended by replacing the first and second sentences with the following words: "A poll demanded will be taken immediately."

### **23. VOTES OF MEMBERS**

23 1 Regulation 54 shall not apply to the Company.

23 2 Regulation 56 shall be modified by the deletion of the words "instruments of proxy, not less than 48 hours before the time appointed for holding" and substituting instead the words "forms of proxy, within the time limits prescribed by these articles for deposit of forms of proxy for use at" and by including the words "or poll" after the words "adjourned meeting".

23 3 Regulation 57 is modified by the inclusion after the word "shall" of the phrase ", unless the Directors otherwise determine."

23 4 Regulation 59 shall be modified by including the words "and on a show of hands" after the words "On a poll" and by including the words ", provided that each proxy is appointed to exercise the rights attached to a different share or shares held by him. When two or more valid but different forms of proxy or appointments of proxy by electronic means are delivered or received in respect of the same share for use at the same meeting, the one which is last validly delivered or received (regardless of its date or the date of its execution) shall be treated as replacing and revoking the other(s) as regards that share. If the Company is unable to determine which was last delivered or received, none of them shall be treated as valid in respect of that share. Deposit or delivery of an appointment of proxy will not preclude a Member from attending and voting at the meeting or at any adjournment of the meeting" after the words "to attend on the same occasion".

23 5 Subject to Article 23 6 a form appointing a proxy shall be in writing in the usual form, or in such other form which the directors may approve, and shall be executed by or on behalf of the appointor.

23 6 Subject to the Act, the directors may resolve to allow a proxy to be appointed by an Electronic Communication subject to such limitations, restrictions or conditions as the Directors think fit (including, without limitation, the ability to require such evidence as they consider appropriate to decide whether the appointment of a proxy in such manner is effective).



- 23 7 In order for the appointment of proxy to be valid
- 23 7 1 (in the case of an appointment of proxy by hard copy) the form of the proxy, together with the relevant documents, if any, must be
- (a) left at or sent by post to the office (or such other place within the United Kingdom as is specified in the notice convening the meeting and/or in any form of proxy or other accompanying document sent out by the Company in relation to the meeting) by the relevant time, or
- (b) duly delivered in accordance with Article 23 9,
- 23 7 2 (in case of an appointment of proxy by Electronic Communication) the communication appointing the proxy, together with the relevant evidence, must be received at the address by the relevant time
- 23 8 For the purposes of Article 23 7,
- 23 8 1 for the purpose of appointing a proxy by Electronic Communication the “**address**” means the number or address which has been specified by the Company for the purpose of receiving Electronic Communications appointing proxies,
- 23 8 2 “**relevant documents**” means either (i) the power of attorney or other authority relied on to sign the form of proxy, or (ii) a copy of such document certified as a true copy of the original by a notary or solicitor or certified in some other way approved by the Directors,
- 23 8 3 “**relevant evidence**” means any evidence required by the Directors in accordance with the provisions of Article 23 6, and
- 23 8 4 “**relevant time**” means 48 hours before the time appointed for the commencement of the meeting or adjourned meeting to which the proxy appointment relates
- 23 9 If a meeting is adjourned for less than 48 hours, a form of proxy may also be delivered in hard copy form at the adjourned meeting to the chairman or to the secretary or to any Director
- 23 10 Regulations 60 to 62 (inclusive) shall not apply to the Company

## 24. NUMBER OF DIRECTORS

Unless and until otherwise determined by ordinary resolution of the Company, the number of Directors (other than alternate directors) is not subject to any maximum and the minimum is two provided that at least one Investor Director is appointed and where no Investor Director is appointed the minimum is one

## **25. ALTERNATE DIRECTORS**

- 25 1 Any Director may each appoint any person willing to act, whether or not he is a director of the Company, to be an alternate director. Regulation 65 is modified so that any such appointment does not need to be approved by resolution of the Directors. In Regulation 67 the words "but, if" and the words which follow to the end of the Regulation are deleted.
- 25 2 Regulation 66 is modified so that an alternate director who is absent from the United Kingdom is entitled to receive notice of all meetings of Directors and of committees of Directors of which his appointor is a member. An alternate director may waive the requirement that notice be given to him of a meeting of Directors or of a committee of Directors of which his appointor is a member, either prospectively or retrospectively.
- 25 3 The first sentence of Regulation 66 is modified so that an alternate director will not be entitled as such to receive any remuneration from the Company although he may be paid by the Company such part (if any) of the remuneration otherwise payable to his appointor as his appointor may direct by notice in writing to the Company.
- 25 4 An alternate director will be entitled to be reimbursed by the Company such expenses as might properly be reimbursed to him if he were a Director.
- 25 5 An alternate director's appointment will determine if he resigns by written notice left at or sent to the registered office of the Company.
- 25 6 A director, or any other person mentioned in Regulation 65, may act as an alternate director to represent more than one Director, and an alternate director will be entitled at any meeting of the Board to one vote for every Director whom he represents in addition to his own vote (if any) as a Director, but he will count as only one person for the purpose of determining whether a quorum is present.

## **26. DELEGATION OF DIRECTOR'S POWERS**

Regulation 72 is modified by the addition at the end of the Regulation of the following sentence: "Where a provision of these articles refers to the exercise of a power, authority or discretion by the Directors and that power, authority or discretion has been delegated by the Directors to a committee, the provision must be construed as permitting the exercise of the power, authority or discretion by the committee."

## **27. APPOINTMENT AND RETIREMENT OF DIRECTORS**

- 27 1 A Director will not retire by rotation. Regulations 76 to 77 (inclusive) will not apply to the Company and reference in Regulations 67, 78 and 84 to retirement by rotation will be disregarded.
- 27 2 Regulation 81 will not apply to the Company.

27 3 Subject to the statutory obligations of the Act the holder or holders of such number of Shares as give the right to a majority of votes at general meetings of the Company may, by giving notice on the Company, remove any Director from office and/or appoint any person to be a Director. The notice must be signed by or on behalf of such holder or holders (and may consist of several documents in similar form each signed by or on behalf of one or more holders) and must be left at or sent to the registered office or such other place designated by the Directors for the purpose. Such removal or appointment will take effect when the notice is received by the Company or on such later date (if any) as may be specified in the notice. This Article 27 3 will not apply to the appointment or removal of the Investor Director.

## **28. DISQUALIFICATION AND REMOVAL OF DIRECTORS**

The office of a director will be vacated if

- 28 1 he ceases to be a Director by virtue of any provision of the Act or he becomes prohibited by law from being a director,
- 28 2 he becomes bankrupt or makes any arrangement or composition with his creditors generally unless the Investor Director agrees that the office of Director need not be vacated,
- 28 3 he becomes, in the reasonable opinion of all his co-Directors, incapable by reason of mental disorder of discharging his duties as Director,
- 28 4 he resigns his office by notice in writing to the Company,
- 28 5 (other than in the case of the Investor Director) he has for more than six consecutive months been absent without permission of the Directors from meetings of Directors held during that period and his alternate director (if any) has not during that period attended any such meetings instead of him, and the Directors resolve that his office be vacated,
- 28 6 (other than in the case of the Investor Director) he is removed from office by notice addressed to him at his last-known address and signed by all his co-Directors,
- 28 7 (other than in the case of the Investor Director) he is removed from office by notice given by a member or members under Article 27 3, or
- 28 8 being an executive Director he ceases, for whatever reason, to be employed by any member of the Group.

## **29. REMUNERATION AND AUDIT COMMITTEES**

Without prejudice to Regulation 72 there will be a Remuneration Committee and an Audit Committee which will operate in accordance with the Investment Agreement. Regulation 82 will not apply to the Company.

## **30 DIRECTORS' APPOINTMENTS AND INTERESTS**

Regulation 84 is modified by the addition of the words "with the consent of the investor" after the words "the directors" and before the words "may appoint" in the first sentence, and after the words "the directors" and before the word "determine" and after the words "as they" and before the words "think fit" in the second sentence

## **30A DIRECTORS' INTERESTS**

### **30A.1 *Transactions or arrangements with the Company***

Subject to compliance with the 2006 Act including sections 117 and 182, a director may be a party to, or otherwise (directly or indirectly) interested in, any transaction or arrangement with the Company

### **30A.2 *Directors' conflict of interest***

30A 2 1 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 2006 Act

30A 2 1 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,

30A 2 1 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),

30A 2 1 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),

30A2 1 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

30A 2 1 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

30A2 2 For the purposes of section 175 of the 2006 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

30A2 2 1 an Investor,

30A2 2 2 an Associate (as defined in section 1152 of the 2006 Act) of an Investor (“**Investor Associate**”), or

30A2 2 3 any other company in which an Investor or an Investor Associate also holds shares or other securities or is otherwise interested

30A2 3 For the purposes of section 175 of the 2006 Act, where an office, employment, engagement or interest held by an Investor Director in another entity has been authorised pursuant to Article 30A2 2 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

30A 2 3 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,

30A 2 3 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 Associate and disclose that information to third parties in accordance with these articles and/or the Investment Agreement, and

30A 2 3 3 give or withhold consent or give any direction or approval or exercise any other rights under these Articles of the Investment Agreement on behalf of an Investor

30A 2 4 For the purposes of section 175 of the 2006 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

30A 2 4 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

30A 2 4 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

30A 2 5 The following provisions of this Article apply to any authorisation of a matter by the directors for the purposes of section 175 of the 2006 Act

30A 2 5 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,

30A 2 5 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

30A 2 5 3 a director must comply with any obligations imposed on him by the directors pursuant to any authorisation

30A 2 5 If a matter, office, employment, position, transaction or arrangement or interest has been authorised either pursuant to Articles 30A 2 1 to 30A 2 5 or by the directors in accordance with section 175 of the 2006 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 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

### **30A 3    *Accounting for profit when interested***

30A 3 1 Subject always to the obligation of the director to disclose his interest in accordance with Article 30A 2 1 and the 2006 Act and to the terms on which any authorisation for the purposes of section 175 of the 2006 Act has been given

30A 3 1 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 2006 Act) derives from or in connection with anything authorised pursuant to Article 30A 2 or by the directors for the purposes of section 175 of the 2006 Act,

30A 3 1 2        no such thing authorised shall be liable to be avoided on the grounds of any such interest, profit, remuneration or benefit, and

30A 3 1 3        the receipt of any such profit, remuneration or other benefit shall not constitute a breach of his duty under section 176 of the 2006 Act

## **31.        DIRECTOR'S GRATUITIES AND PENSIONS**

Regulation 87 is modified by the addition of the words "with the consent of the Investor" after the words "The directors" and before the words "may provide benefits" in the first sentence

## **32        BORROWING POWERS**

The Directors may exercise all the powers of the Company (whether express or implied) to borrow and/or secure the payment of money, to guarantee the payment of money, the fulfilment of obligations and the performance of contracts and to mortgage or charge the property, assets and uncalled capital of the Company, and (subject to section 80 of the 1985 Act) to issue debentures, debenture stock and all other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party not exceeding an aggregate sum of £ ♦

### **33. PROCEEDINGS OF DIRECTORS**

- 33 1 In the case of an equality of votes, the chairman will not have a second or casting vote Regulation 88 will be modified accordingly
- 33 2 Regulation 88 is modified by the exclusion of the third sentence and the substitution for it of the following sentences "Every Director will receive notice of a meeting, whether or not he is absent from the United Kingdom A Director may waive the requirement that notice be given to him of a meeting of Directors or a committee of Directors, either prospectively or retrospectively" and by the addition of the word "not" between the words "shall" and "have" in the fifth sentence
- 33 3 The quorum necessary for the transaction of business at any meeting of the Directors will be two of which one will be the Investor Director (if appointed and unless otherwise agreed in writing by the Investor) and Regulation 89 will be modified accordingly If any meeting of the Directors is inquorate then it will be adjourned for the consideration of the same business until the same time and place the next following week when those Directors present will constitute a quorum
- 33 4 A majority of Directors will within six months of the Commencement Date appoint one of their number to be chairman of the Board, and a majority of Directors may at any time remove him from that office Until such appointment, an Investor Director will act as chairman of the Board and if the Directors fail to appoint a chairman within six months of the Commencement Date, then the Investor will appoint the chairman of the Board The Director so appointed will preside at every meeting of Directors at which he is present, but if he is unwilling to preside or is not present within five minutes after the time appointed for the meeting the Investor Director will be chairman of the meeting Regulation 91 will not apply to the Company
- 33 5 Any Director or alternate may participate in a meeting of the Board or a committee of the Directors by means of conference telephone or similar communications equipment if all persons participating in the meeting can hear and speak to each other throughout the meeting, and any Director or member of a committee participating in a meeting in this manner is deemed to be present in person at such meeting and will be counted when reckoning a quorum
- 33 6 Without prejudice to the obligation of any Director to disclose his interest in accordance with section 317 of the 1985 Act, a Director may vote at a meeting of Directors or of a committee of Directors on any resolution concerning a matter in which he has, directly or indirectly, an interest or duty provided that he has first obtained the consent of the Investor (unless the director concerned is the Investor Director, in which case no such consent will be required) The Director will be counted in the quorum present when any such resolution is under consideration and if he votes, his vote will be counted Regulations 94 to 97 (inclusive) shall not apply to the Company



### **34. INVESTOR DIRECTOR AND OBSERVER**

34 1 So long as the Investor holds any Shares it will have the right to appoint up to three persons as non-executive Directors of the Company (each an "Investor Director") but

34 1 1 any such appointment must be effected by notice in writing to the Company by the Investor who may in a similar manner remove from office any Investor Director appointed pursuant to this Article, and appoint any person in place of any Investor Director so removed or who had died or otherwise vacated office as such,

34 1 2 subject to section 168 of the 2006 Act, on any resolution to remove an Investor Director, the A Ordinary Shares held by the Investor will together carry one vote in excess of 50 per cent of all the other votes exercisable at the general meeting at which such resolution is to be proposed, and if any such Investor Director is removed pursuant to section 168 of the 2006 Act or otherwise, the Investor may reappoint him or any other person as an Investor Director

34 2 The Investor Directors will be entitled to be appointed to the board of directors of any member of the Group and to any committee of the board of any member of the Group

34 3 So long as the Investor holds any Shares it will have the right at any time to appoint any one person to attend observe and speak at meetings of the Board and the provisions of Article 34 1 1 will apply as if they were set out in full in this Article, but with the word "observer" substituted for "Investor Director" Any person so appointed will not be a Director

### **35 DIVIDENDS**

Regulation 103 is modified by the addition of the following words "with the consent of the Investor" after the words "the directors" in the first sentence

### **36 NOTICES**

36 1 Any notice or other document to be given to or by any person pursuant to these articles (other than a notice calling a meeting of the Directors) shall be in writing and shall be delivered in accordance with Article 36 2

36 2 Any notice or other document may only be served on, or delivered to, any Member by the Company or by any other Member

36 2 1 personally,

- 36 2 2 by sending it through the post in a prepaid envelope addressed to the Member at his registered address (whether such address is in the United Kingdom or otherwise),
  - 36 2 3 by delivery of it by hand to or leaving it at that address in an envelope addressed to the Member, or
  - 36 2 4 except in the case of a share certificate and only if an electronic address has been specified by the Member for such purpose, by Electronic Communication
- 36 3 Nothing in article 36 2 shall affect any provision of the Act requiring offers, notices or documents to be served on or delivered to a Member in a particular way
- 36 4 In the case of joint holders of a Share
  - 36 4 1 all notices and other documents shall be given to the person named first in the register in respect of the joint holding, and notice so given shall be sufficient notice to all joint holders, and
  - 36 4 2 any request for consent to the receipt of Electronic Communications shall be sent to the person named first in the register in respect of the joint holding and any express consent given by such holder to the receipt of communications in such manner shall bind all joint holders
- 36 5 Any notice or other document may only be served on, or delivered to, the Company by anyone
  - 36 5 1 by sending it through the post in a prepaid envelope addressed to the Company or any officer of the Company at its registered office or such other place in the United Kingdom as may from time to time be specified by the Company,
  - 36 5 2 by delivering it by hand to its registered office or such other place in the United Kingdom as may from time to time be specified by the Company, or
  - 36 5 3 if an address has been specified by the Company for such purpose, by Electronic Communication
- 36 6 Any notice or other document (other than any notice or other document given to the Company including, for the avoidance of doubt, the appointment of a proxy)
  - 36 6 1 addressed to the recipient in the manner prescribed by these articles shall, if sent by post, be deemed to have been served or delivered
    - (a) (if prepaid as first class) 24 hours after it was posted,
    - (b) (if prepaid as second class) 48 hours after it was posted,

(c) (if prepaid as airmail) 72 hours after it was posted

and in proving such service, it shall be sufficient to prove that the envelope containing such notice or document was properly addressed, prepaid and posted,

36 6 2 not sent by post, but delivered by hand to or left at an address in accordance with these articles, shall be deemed to have been served or delivered on the day it was so delivered or left,

36 6 3 sent by Electronic Communication shall be deemed to have been served or delivered

(a) in the case of a notice or other document sent in an electronic form but by a manner authorised by Articles 36 2 2 or 36 2 3, in accordance with the provisions of Articles 36 6 1 or 36 6 2, as appropriate,

(b) otherwise 24 hours after the Electronic Communication was sent, and in proving such service, it shall be sufficient to produce (in the case of a fax) a transaction report or log generated by a fax machine which evidences the fax transmission and (in any other case) a confirmation setting out either the total number of recipients to whom or each recipient to whom the message was sent

36 7 Regulations 111, 112 and 115 will not apply to the Company

### **37. INDEMNITIES**

Subject to the provisions of the Act but without prejudice to any indemnity to which he may otherwise be entitled every Director alternate director secretary and other officer or employee of the Company will be indemnified out of the assets of the Company against any liability (other than any liability arising out of the Investment Agreement) sustained or incurred by him in defending any proceedings whether civil or criminal relating to his conduct as an officer or employee of the Company in which judgment is given in his favour or in which he is acquitted or in connection with any application under section 144 or section 727 of the 1985 Act in which relief is granted to him by the Court Regulation 118 will not apply to the Company

## 6 1

Net Gross Cap	"Do Nothing Case"				Ratchet Cascade Case				Unlue Transfer
	Elysian x Returns	Elysian Proceeds	Mgmt x Returns	Mgmt Proceeds	Elysian x Returns	Elysian Proceeds	Mgmt x Returns	Mgmt Proceeds	
21,600	1.22x	£4,920	0.60x	0	1.22x	£4,920	0.60x	0	0
22,800	1.37x	£6,088	0.60x	0	1.32x	£6,088	0.60x	0	0
24,000	1.41x	£7,256	0.60x	0	1.41x	£7,256	0.60x	0	0
25,200	1.51x	£8,424	0.60x	0	1.49x	£8,779	0.60x	0	200
26,400	1.60x	£9,592	0.60x	0	1.56x	£9,105	0.60x	0	500
27,600	1.70x	£10,760	0.60x	0	1.65x	£10,777	0.60x	0	599
28,800	1.79x	£11,928	0.60x	0	1.71x	£12,857	0.60x	0	1,100
30,000	1.89x	£13,096	0.60x	0	1.78x	£13,733	0.60x	0	1,400
31,200	1.97x	£14,150	0.60x	126	1.86x	£14,787	0.60x	0	1,400
32,400	2.05x	£15,059	0.60x	412	1.91x	£15,398	0.60x	0	1,700
33,600	2.12x	£15,968	0.60x	697	1.99x	£16,307	0.60x	0	1,700
35,000	2.21x	£17,029	0.60x	1,030	2.05x	£17,070	0.60x	0	2,000
36,200	2.28x	£17,938	0.60x	1,315	2.12x	£17,979	0.60x	0	2,000
37,400	2.36x	£18,848	0.60x	1,601	2.20x	£18,889	0.60x	0	2,000
38,600	2.43x	£19,757	0.60x	1,886	2.25x	£19,800	0.60x	0	2,174
39,800	2.51x	£20,666	0.60x	2,171	2.32x	£20,709	0.60x	0	2,300
41,000	2.58x	£21,576	0.60x	2,457	2.40x	£21,618	0.60x	0	2,300
42,200	2.66x	£22,485	0.60x	2,742	2.47x	£22,528	0.60x	0	2,300
43,400	2.73x	£23,394	0.60x	3,027	2.52x	£23,439	0.60x	0	2,600
44,600	2.81x	£24,304	0.60x	3,313	2.60x	£24,348	0.60x	0	2,600
45,800	2.88x	£25,213	0.60x	3,598	2.67x	£25,257	0.60x	0	2,600
47,000	2.95x	£26,122	0.60x	3,884	2.74x	£26,166	0.60x	0	2,600
48,200	3.03x	£27,032	0.60x	4,169	2.82x	£27,075	0.60x	0	2,600

Elysian Investment	12 229
Ngomi Investment	89 181

- j) When Elysian achieves a return of
- k) When Elysian achieves a return of
- l) When Elysian achieves a return of
- m) When Elysian achieves a return of
- n) When Elysian achieves a return of
- o) When Elysian achieves a return of
- p) When Elysian achieves a return of
- q) When Elysian achieves a return of
- r) When Elysian achieves a return of
- s) When Elysian achieves a return of
- t) When Elysian achieves a return of
- u) When Elysian achieves a return of
- v) When Elysian achieves a return of
- w) When Elysian achieves a return of
- x) When Elysian achieves a return of
- y) When Elysian achieves a return of
- z) When Elysian achieves a return of

1 45x	MGT will receive an additional instrument worth the next
2 55x	MGT will receive an additional instrument worth the next
1 65x	MGT will receive an additional instrument worth the next
1 70x	MGT will receive an additional instrument worth the next
1 75x	MGT will receive an additional instrument worth the next
1 80x	MGT will receive an additional instrument worth the next
2 00x	MGT will receive an additional instrument worth the next
2 25x	MGT will receive an additional instrument worth the next
2 50x	MGT will receive an additional instrument worth the next

[illegible]