
Dated

29 April

2021

Company No 07627383

THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

NEW ARTICLES OF ASSOCIATION

of

SILENTNIGHT HOLDINGS LIMITED

Incorporated 9 May 2011

(Adopted by written resolution passed on 29 April 2021)

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THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

NEW ARTICLES OF ASSOCIATION

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SILENTNIGHT HOLDINGS LIMITED

(the "Company")

Incorporated 9 May 2011

(Adopted by written resolution passed on 29 April 2021)

1. PRELIMINARY

1.1 In these Articles

"A Ordinary Shares" means the A ordinary shares of £0 00001 each in the capital of the Company

"Acquired Price" means, in relation to a Share, (i) where the Share was issued to the current holder, the Issue Price or (n) where the Share was transferred to the current holder for value, the price paid by the current holder

"Affiliate" means, in relation to an Investor (including an Investor which is a unit trust, investment trust, limited partnership or general partnership)

(a) any company, fund or other person (including any unit trust, investment trust, limited partnership or general partnership) which is advised by, or the assets of which are managed (whether solely or jointly with others) for the time being by, that Investor or any member of that Investor's Group,

(b) any company, fund or other person (including any unit trust, investment trust, limited partnership or general partnership) of which that Investor, or that Investor's general partner, trustee, nominee, manager or adviser, is for the time being a general partner, trustee, nominee, manager or adviser, or

(c) any company, fund or other person (including any unit trust, investment trust, limited partnership or general partnership) which is advised by, or the assets of which are managed (whether solely or jointly with others) for the time being by, that Investor's general partner, trustee, nominee, manager or adviser or any member of that Investor's Group

"Act" means the Companies Act 2006

"Associated Company" means a company which is a subsidiary or holding company of the other company or is a subsidiary of the same body corporate as the other company

"Auditors"	means the auditors of the Company from time to time
"B Ordinary Shares"	means the B ordinary shares of £0 00001 each in the capital of the Company
"Board"	means the board of directors of the Company (or any duly authorised committee thereof) from time to time
"Business Day"	means a day (other than a Saturday) on which clearing banks in the City of London are normally open for usual sterling banking business
"Business Sale"	means a sale, disposal or transfer by the Company or other member of the Group of all, or substantially all, of the Group's business, assets and undertaking
"C Ordinary Shares"	means the C ordinary shares of £0 00001 each in the capital of the Company
"Chairman"	means a person appointed as such under Article 18.1
"Companies Acts"	means the Companies Acts (as defined in section 2 of the Act), in so far as they apply to the Company
"Conflict Situation"	means any matter which (unless authorised in accordance with these Articles) might result in a director infringing his duties under section 175 of the Act to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or may possibly conflict, with the interests of the Company and which may reasonably be regarded as likely to give rise to a conflict of interest
"Connected Person"	has the meaning attributed by sections 1122 and 1123 CTA 2010
"Control"	has the meaning attributed by section 1124 CTA 2010 and "Controlled" shall be construed accordingly
"CTA 2010"	means the Corporation Tax Act 2010
"Employee Benefit Trust"	means an employee benefit trust established by the Company with Investor Consent
"Employee"	means a person (other than an Investor Director) who from time to time is a director and/or an employee of any Group Company or whose services are made available to any Group Company under the terms of an agreement with any Group Company from time to time (and "employment" shall be construed accordingly to include such an agreement)
"Equity Shareholders"	means the holders of Equity Shares
"Equity Shares"	means the A Ordinary Shares, the B Ordinary Shares and the C Ordinary Shares
"Excess Shares"	has the meaning given in Article 8.1.3
"Fair Price"	means such price per Share (or a particular price per Share of each different class held) as is agreed or determined in accordance with Articles 12.1.2 and 12.1.3

"financial year" and "financial period"	means an accounting reference period (as defined by the Act) of the Company
"Group"	means the Company and its subsidiary undertakings from time to time and "member of the Group" and "Group Company" shall be construed accordingly
"Independent Expert"	<p>means an umpire</p> <ul style="list-style-type: none"> (i) nominated by the parties concerned within 15 Business Days of the Trigger Date, or (ii) in the event that no such umpire is nominated in such period, nominated by the President for the time being of the Institute of Chartered Accountants in England and Wales on the application of either party, <p>and such umpire shall act as an expert and not as an arbitrator</p>
"Investment"	means the total amounts from time to time invested or made available by the Investors or any member of an Investor's Group, in or to the Company or any member of the Group including any equity subscription in and any debt or other finance or facilities made available to the Group (including for the avoidance of doubt, the Investor Debt and the Investor Interest)
"Investment Agreement"	means the investment agreement dated on or around the date of adoption of these Articles between (1) the Company (2) the Managers (as defined therein) and (3) the Original Investor (as defined therein)
"Investor Consent"	means the giving of a prior written consent by the Investors or an Investor Director
"Investor Debt"	means the aggregate of the principal amount of debt provided from time to time by the Investors and any member of each Investor's Group (but excluding, for the avoidance of doubt, any interest (paid or otherwise) on such debt)
"Investor Direction"	means the giving of a prior written direction by the Investors or an Investor Director
"Investor Director"	means a director appointed pursuant to Article 17
"Investor Fees"	means any fees which are charged to any Group Company from time to time by a member of an Investor's Group
"Investor Interest"	means all interest paid (including in kind) or accrued but unpaid on the Investor Debt
"Investor's Group"	<p>means, in relation to an Investor</p> <ul style="list-style-type: none"> (a) any group undertaking of that Investor, (b) any Affiliate of that Investor or any investor or potential investor in it, (c) any general partner, limited partner, trustee, nominee, operator, arranger or manager of, or adviser to, that

Investor or of or to any group undertaking or Affiliate of that Investor, or any investor or potential investor in any of them,

- (d) any co-investment scheme of that Investor or of a group undertaking or Affiliate of that Investor, or any person holding shares or other interests under such scheme or entitled to the benefit of shares or other interests under such scheme,
- (e) any director, employee, officer or agent of that Investor or of a group undertaking or Affiliate of that Investor, and
- (f) any professional adviser to that Investor or to a group undertaking or Affiliate of that Investor (including their directors, employees, officers or agents while acting in the ordinary course of their duties),

and "**member of an Investor's Group**" shall be construed accordingly

"Investors" means the holders from time to time of the A Ordinary Shares or any nominee of any such person and "**Investor**" means any of them

"Issue Price" means, in relation to a Share, the price at which such Share is issued, being the aggregate of the amount paid up or credited as paid up in respect of the nominal value of such Share and any share premium thereon

"Leaver" means

- (a) any person who ceases to be employed or engaged by a Group Company and does not continue to be or become employed or engaged by any Group Company for whatever reason,
- (b) any person who becomes entitled to any Share
 - (i) on the death or bankruptcy of a Shareholder (if an individual), or
 - (ii) on the exercise of an option after he ceases to be employed or engaged by a Group Company and does not continue to be or become employed or engaged by any Group Company, or
- (c) any Shareholder holding a Share as a nominee for any person who ceases to be employed or engaged by a Group Company and does not continue to be or become employed or engaged by any Group Company

"Leaver's Shares" means, in the case of -

- (a) B Ordinary Shares held by Adrian Fawcett on him becoming a Leaver, the number of B Ordinary Shares as represents the Relevant Percentage of the total number of B Ordinary Shares held by him on becoming a Leaver, and/or

-
- (b) B Ordinary Shares (other than those held by Adnan Fawcett on him becoming a Leaver) and/or C Ordinary Shares held by a Leaver, all of the B Ordinary Shares and C Ordinary Shares held by the Leaver

"Leaving Date"

means the earlier of the date on which the relevant person becomes a Leaver or, where a Shareholder will become a Leaver because a person has given, or been given, notice under his employment or services agreement such that he will cease to be employed or engaged by a Group Company and will not continue to be or become employed or engaged by any Group Company on the expiry of the relevant notice period (if any), the date on which such notice is given

"Listing"

means

- (a) both the admission of any of Shares to the Official List of the Financial Services Authority becoming effective and the admission of any of the Shares to trading on the London Stock Exchange's ("LSE") market for listed securities, or
- (b) the admission to trading of any of the Shares on the Alternative Investment Market of the LSE becoming effective, or
- (c) the equivalent admission to trading to or permission to deal on any other recognised investment exchange (as defined in section 285(1) of the Financial Services and Markets Act 2000) ("Recognised Investment Exchange") becoming effective in relation to any of the Shares

"Managers"

has the meaning given to it in the Investment Agreement

"Material Default"

means any of the following events -

- (a) any indebtedness of any Group Company to any Investor or any member of an Investor's Group due to have been repaid, remaining outstanding or any payment of interest due thereunder is in arrears for a period of 5 Business Days or more from the date upon which the same was due,
- (b) any dividend or other distribution due to the Investors remains outstanding for a period of 5 Business Days or more from the date upon which the same was due,
- (c) a breach or a series of breaches by any of the Managers (which expression for the purposes of this paragraph refers to those Managers who at the relevant time are employed or engaged by any Group Company) or the Company of the Investment Agreement or these Articles having occurred and, where capable of remedy, such breach (or series of breaches) has not been remedied within 5 Business Days of a notice in writing being served on the Managers or the Company (as applicable) by the Investors requiring remedy thereof,
- (d) the occurrence of a default under, or other breach of, the terms of any facilities or borrowings of which any Group Company has the benefit (other than normal trade credit)

with any third party, which would entitle the lender of any such facilities or borrowings to demand repayment or enforce any security of which the relevant lender has the benefit (including, but not limited to, a breach of any financial covenant in respect of such facilities or borrowings) ("Default") whether or not the relevant lender has given notice of such Default, or

- (e) in the opinion of the Investors (acting reasonably), a Default is likely to occur within a twelve month period

"Model Articles" means the Model Articles for Private Companies Limited by Shares in Schedule 1 to The Companies (Model Articles) Regulations 2008 (SI 2008/3229)

"Offeree" means a person to whom Sale Shares are allocated pursuant to Article 12.2.1

"Portfolio Company" means

- (a) the Company,
- (b) any Group Company,
- (c) anybody corporate promoted by the Company, and
- (d) any other body corporate or other entity in which the Company, an Investor or a member of an Investor's Group is otherwise interested

"Pre-Authorised Investor Director Situations"

means the following Conflict Situations

- (a) holding any office, employment or engagement with an Investor, a member of an Investor's Group, any Group Company or any Portfolio Company,
- (b) holding, or otherwise being interested, directly or indirectly, actually or potentially (including for the avoidance of doubt in relation to any carried interest or similar arrangement or through the direct or indirect participation in any co-investment scheme), in any shares or debentures or other securities or interests (or any rights to acquire or options over or any other rights in respect of any shares or debentures or other securities or interests) in an Investor, a member of an Investor's Group, any Group Company or any Portfolio Company,
- (c) being, or acting as, a representative of the Investors (or any of them) for the purposes of monitoring and evaluating their investment in the Company and the Group which may include
 - (i) attending and voting at meetings of the directors (or any committee thereof) of any Group Company at which any relevant matter will or may be discussed and receiving board papers relating thereto,
 - (ii) receiving confidential information and other documents and information relating to the Group,

using and applying such information in performing his duties as a director, officer or employee of, or consultant to, an Investor, a member of an Investor's Group, any other Group Company or any Portfolio Company and disclosing information to third parties in accordance with these Articles or the Investment Agreement, and

- (iii) giving or withholding consent or giving any direction or approval under these Articles or the Investment Agreement

"Pre-Authorised Situations"

means the following Conflict Situations

- (a) holding any office, employment or engagement with any Group Company,
- (b) participating in any scheme, transaction or arrangement for the benefit of the employees or former employees or consultants or former consultants of any Group Company (including any pension fund or retirement, death or disability scheme or any bonus or employee benefit scheme), or
- (c) holding, or otherwise being interested, directly or indirectly, actually or potentially, in any shares or debentures or other securities or interests (or any rights to acquire or options over or any other rights in respect of any shares or debentures) in any Group Company

"Preferred Tranche"

means a sum in pounds sterling equal to

$$\frac{((2 \times X) - Y) \times 100}{90.4}$$

where

X = 8,000,000

Y = the amount of Investor Interest

Provided that if this formula shall produce a negative amount or value, the pound sterling sum shall be deemed to be zero

"Realisation"

means the earliest to occur of

- (a) the date and time on which a Sale is completed, or
- (b) the date and time at which a Listing takes place

"Realisation Date"

means

- (a) in respect of a Listing, the date on which dealings are permitted to commence,
- (b) in respect of a Sale, the date of receipt from the purchaser or purchasers of the consideration first payable on completion of the Sale or, if the Sale involves the payment of quantifiable and non-contingent deferred

consideration, the date upon which the last payment of such deferred consideration becomes due and payable

"Realisation Value"

means the value of the issued Equity Shares in the capital of the Company and (to the extent to which they are sold in the Sale and not redeemed or repaid) the value of any other part of the Investment (which shall, where appropriate, include shares deriving therefrom since their date of issue, including shares deriving therefrom following any capital reorganisation effected prior to the Realisation) calculated as follows and on the basis that the relevant Realisation has been effected in accordance with its terms, in each case to be calculated net of the amount required to repay the Investor Debt and pay any unpaid Investor Interest as at the Realisation Date, any other amount repaid, paid, repayable or payable being or in connection with any other indebtedness or facilities in the nature of indebtedness of any Group Company as at the Realisation Date, outstanding Investor Fees as at the Realisation Date and all costs and fees incurred by the Shareholders or any Group Company in connection with the Realisation

- (a) in the event of a Listing, the market value of the shares subject to the Listing (less the amounts raised pursuant to a fresh issue of shares in connection with such Listing) determined by reference to the price per share at which such shares are to be offered for sale, placed or otherwise marketed on commencement of trading pursuant to the arrangements relating to the Listing, all as determined by the merchant bank or, if none, the broker appointed by the Board to advise in connection with the Listing,
- (b) in the event of a Sale
 - (i) if the Equity Shares are to be sold by private treaty (as distinct from a public offer) and the consideration is a fixed cash sum payable in full on completion of the Sale, the total amount of such cash sum,
 - (ii) if a written offer has been made for a cash consideration or, if the Sale is pursuant to any other public cash offer or public offer accompanied by a cash alternative, the total cash consideration plus a value equal to the value of the non-cash consideration, valued at the same value as the cash consideration or cash alternative price for all the shares of the Company for which the offer is made,
 - (iii) if the Sale is by private treaty or public offer and the consideration is the issue of securities (not accompanied by a cash alternative)
 - (A) if the securities will rank *par passu* with a class of securities already admitted to trading on a Recognised Investment Exchange (in the case of a sale by private treaty) the value attributed to such consideration in the related sale agreement setting out the terms of such sale or, (in the

case of a Sale following a public offer or failing any such attribution in the sale agreement) by reference to the value of such consideration determined by reference to the average middle market quotation of such securities over the period of 5 Business Days ending 3 days prior to the day before the day on which the Sale is completed, or

- (B) if the securities are not of such a class, the value of the relevant consideration as agreed between the Investors and the holders of a majority of the B Ordinary Shares and the C Ordinary Shares (as though they constituted the same class of share) or, in default of agreement, determined by the Auditors (acting as experts and not arbitrators and whose report shall (save in the case of manifest error) be final and binding on the Company and all its members) The report of the Auditors shall be addressed to (and obtained at the cost of) the Company,
- (iv) to the extent that the Sale includes an element of non-contingent and clearly quantified deferred consideration, its value shall be the present value of such deferred consideration discounted for delay as agreed between the Investors and the holders of a majority of the B Ordinary Shares and C Ordinary Shares (as though they constituted the same class of share) or, in default of agreement, as determined by an Independent Expert (whose report shall (save in the case of manifest error) be final and binding on the Company and all its members) The report of the Independent Expert shall be addressed to (and obtained at the cost of) the Company, and
- (v) to the extent that the Sale includes an element of consideration which is contingent and/or unquantified, then no value shall be ascribed thereto in determining Realisation Value, but the provisions of Article 4.4.4 shall apply, and
- (vi) if and to the extent that (i) to (v) above are not applicable, or cannot be applied properly (for whatever reason) the value of the relevant consideration as agreed between the Investors and the holders of a majority of the B Ordinary Shares and C Ordinary Shares (as though they constituted the same class of share) or, in default of agreement, determined by an Independent Expert (whose report shall (save in the case of manifest error) be final and binding on the Company and all its members) The report of the Independent Expert shall be addressed to (and obtained at the cost of) the Company

"Relevant Benefits"	means any pension (including an annuity), lump sum, gratuity or other like benefit given or to be given on retirement or on death, or by virtue of a pension sharing order or provision, or in anticipation of retirement, or, in connection with past service, after retirement or death, or to be given on or in anticipation of or in connection with any change in the nature of the service of the employee in question For the purpose of this definition "employee" includes (a) (in relation to any company) any officer of the company, any director of the company and any other person taking part in the management of the affairs of the company, and (b) a person who is to be or has been an employee, and the terms "service" and "retirement" are to be construed accordingly
"Relevant Loss"	means any loss or liability which has been or may be incurred by a Relevant Officer in connection with that Relevant Officer's duties or powers in relation to the Company, any Associated Company or any pension fund or employees' share scheme of the Company or Associated Company
"Relevant Officer"	means any director or other officer or former director or other officer of the Company or an associated company (including any such company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act
"Relevant Percentage"	means <ul style="list-style-type: none"> (a) 75% if the Leaving Date in respect of Adrian Fawcett is before 1 September 2013, (b) 50% if the Leaving Date in respect of Adrian Fawcett is on or after 1 September 2013 but before 1 September 2014, or (c) 25% if the Leaving Date in respect of Adnan Fawcett is on or after 1 September 2014 but before 1 September 2015, or (d) 0% if the Leaving Date in respect of Adrian Fawcett is on or after 1 September 2015
"Sale"	means <ul style="list-style-type: none"> (a) the acceptance of an offer or the making of an agreement or series of agreements which upon the satisfaction of the conditions (if any) of such offer or agreement(s) results in the transfer of a material part of the business of the Company or any Group Company, or (b) a Share Sale
"Sale Price"	has the meaning given in Article 12.1
"Share Sale"	means the completion of any sale of any interest in any Shares (whether in one transaction or in a series of related transactions) resulting in the transferee (either alone or together with its Connected Persons) securing Control of the Company provided that the transferee is not the Investor or in the Investor's Group

"Share"	means any share in the capital of the Company from time to time (and "Shares" shall be construed accordingly)
"Shareholder"	means a holder of any Share
"Transfer Notice"	has the meaning given in Article 10.3.1
"Trigger Date"	means the date that is 30 Business Days after the Leaving Date
"voting rights"	shall be construed in accordance with schedule 6 of the Act

- 1.2 In these Articles, a reference to a **"group undertaking"** or a **"subsidiary undertaking"** is to be construed in accordance with sections 1161 and 1162 respectively of the Act and a reference to a **"subsidiary"** or **"holding company"** is to be construed in accordance with section 1159 of the Act
- 1.3 A reference in these Articles to a statute, statutory provision or subordinate legislation (other than in Article 1.8 or the definition of **"Model Articles"**) is a reference to it as it is in force from time to time, taking account of -
- 1.3.1 any subordinate legislation from time to time made under it, and
- 1.3.2 any amendment or re-enactment and includes any statute, statutory provision or sub-ordinate legislation which it amends or re-enacts
- 1.4 In these Articles, a reference to any other document is a reference to that other document as amended, varied, novated or supplemented (other than in breach of the provisions of the relevant other document) from time to time
- 1.5 The regulations contained in or incorporated in the Model Articles shall apply to the Company save insofar as they are excluded or varied hereby or are inconsistent herewith and such regulations (save as so excluded, varied or inconsistent) and the Articles hereinafter contained shall be the regulations of the Company
- 1.6 An Investor Consent or Investor Direction required or permitted to be given under these Articles may be given by any Investor Director who holds office as a director of the Company at the time that the consent or direction (as the case may be) is given Any written consent or approval given by an Investor Director or the Investors in respect of and after a matter or event in respect of which Investor Consent is required shall, unless such consent or approval expressly states otherwise, be deemed to be an Investor Consent for the purpose of these Articles
- 1.7 Regulations 2, 8, 9(2) to 9(4) (inclusive), 10, 14, 17, 18, 21, 26(1), 26(5), 30(5) to 30(7) (inclusive), 38, 48(1), 48(2), 52 and 53 of the Model Articles shall not apply to the Company
- 1.8 Unless the context otherwise requires (for example, where otherwise defined herein), words or expressions defined in or having a meaning provided by the Act (as in force at the date these Articles became binding on the Company) shall have the same meaning when used in these Articles
- 1.9 Where an ordinary resolution is expressed to be required for any purpose, a special resolution is also effective for that purpose
- 1.10 The headings in these Articles are for convenience only and shall not affect their meaning
- 1.11 A reference in these Articles to an Article is a reference to the relevant Article of these Articles unless expressly provided otherwise

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- 1.12 In construing these Articles, general words introduced by the word "other" shall not be given a restrictive meaning by reason of the fact that they are preceded by words indicating a particular class of acts, matters or things and general words shall not be given a restrictive meaning by reason of the fact that they are followed by particular examples intended to be embraced by the general words

2. LIMITATION OF LIABILITY

The liability of the Shareholders is limited to the amount, if any, unpaid on the Shares held by them

3. SHARE CAPITAL

- 3.1 The share capital of the Company is divided into A Ordinary Shares, B Ordinary Shares and C Ordinary Shares

- 3.2 Regulation 36 of the Model Articles shall be modified as follows

3.2.1 by inserting the words "or in or towards paying up, on their behalf, the amounts, if any, for the time being unpaid on any Shares held by each person entitled respectively" at the end of regulation 36(3), and

3.2.2 by inserting the words "(credited up as fully paid)" after the word "debentures" in regulation 36(5)(c)

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

4. SHARE RIGHTS

- 4.1 Except as expressly provided otherwise in these Articles, the Equity Shares shall rank *pari passu* in all respects

4.2 Income

No dividend shall be declared to the holders of Equity Shares in respect of any financial year of the Company without Investor Consent and if declared shall be in respect of such shares and in such amounts as the Investors shall in their absolute discretion determine and shall be accrued (for such period as the Investors shall determine) or paid (at such time, to such Shareholders and in such amounts) as the Investors shall in their absolute discretion determine

4.3 Rights to Capital

On a return of assets on liquidation or capital reduction, the assets of the Company remaining after the payment of its liabilities (including, but not limited to, the Investor Debt and the Investor Interest or other indebtedness or interest under or in connection with any loan notes or any other indebtedness of any Group Company to an Investor or any member of an Investor's Group all Investor fees and all costs and fees incurred by the Investors in connection with the Realisation or outstanding as at the Realisation Date) shall be applied as follows

- 4.3.1 first, in paying to the holders of Equity Shares any dividends thereon which have been declared but are unpaid,

4.3.2 second, in paying to the holders of the A Ordinary Shares and the B Ordinary Shares, in priority to any other payment, the Preferred Tranche in the following percentages -

- (a) 90.4% to the holders of the A Ordinary Shares pro rata to their holding of such shares, and
- (b) 9.6% to the holders of the B Ordinary Shares pro rata to their holding of such shares unless any B Ordinary Shares are for the time being or have at any time been the subject of a Transfer Notice (pursuant to Article 10.3.1 or otherwise) or were otherwise issued to but are no longer held by Adrian Fawcett in which case the full amount payable to all holders of B Ordinary Shares under this paragraph (b) shall be such percentage of the preferred tranche as is equal to

$$\frac{A \times 96}{B}$$

where,

A = the number of B Ordinary Shares held for the time being by Adrian Fawcett and which are not for the time being the subject of a Transfer Notice (pursuant to Article 10.3.1 or otherwise), and

B = 200,

provided that, first, to the extent the percentage of the Preferred Tranche payable under paragraph (b) immediately above is less than 9.6%, the amount represented by the difference which is unpaid under that paragraph shall be paid as part of the balance under Article 4.3.3 and, secondly, if there are insufficient assets to pay in full the amounts in paragraphs (a) and (b) of Article 4.3.2, the remaining assets shall be distributed to the holders of the A Ordinary Shares and the B Ordinary Shares (respectively pro rata to their respective holdings of such shares) in the percentages for each such class as provided in paragraphs (a) and (b) of this Article 4.3.2, and

4.3.3 finally, the balance of such assets shall be distributed amongst the holders of the Equity Shares as follows

- (a) to the holders of the C Ordinary Shares (pro rata to their holding of such shares) the percentage of such balance as is equal to

$$\frac{(A \times 11.9)}{B}$$

where,

A = the number of C Ordinary Shares in issue and not for the time being the subject of a Transfer Notice (pursuant to Article 10.3.1 or otherwise), and

B = 800,

- (b) to the holders of the B Ordinary Shares (pro rata to their holding of such shares) the percentage of such balance as is equal to

$$\frac{(A \times 9.6)}{B}$$

where,

A = the number of B Ordinary Shares held for the time being by Adnan Fawcett and which are not for the time being the subject of a Transfer Notice (pursuant to Article 10.3.1 or otherwise), and

B = 200, and

- (c) the remainder of such balance to the holders of the A Ordinary Shares (pro rata to their holding of such shares)

4.4 Rights on a Sale or Listing

4.4.1 On a Sale or Listing, the provisions of this Article 4.4 shall apply to determine the allocation of the proceeds of such Sale or Listing to the Shareholders holding Equity Shares

4.4.2 On a Sale, the Shareholders selling Equity Shares shall pay the proceeds received into an account at a UK clearing bank nominated by the Investors immediately prior to the Sale and the proceeds shall be allocated and paid out as follows -

- (a) first, each of, to the extent then outstanding, the Investor Debt, the Investor Interest, any other indebtedness outstanding to any Investor or any member of an Investor's Group, all Investor Fees and all costs and fees incurred by the Investors in connection with the Realisation or outstanding as at the Realisation Date will be paid in full,
- (b) second, the Preferred Tranche shall be paid amongst holders of the A Ordinary Shares and B Ordinary Shares in the amounts and as between the holders of such shares as set out in article 4.3.2, and
- (c) the remainder shall be allocated amongst the holders of the Equity Shares in the percentages and as between the holders of such shares as set out in article 4.3.3

4.4.3 In the event that any rights issue or other pre-emptive offer of new shares or other re-organisation or sub-division of the share capital of the Company occurs then the percentages and balance of the proceeds set out in this Article 4.4 shall be adjusted to give effect to the same (so far as is possible) or as near to it as practicable returns to the Shareholders as envisaged by this Article 4.4 (as is agreed by the Investors and a majority of the holders of the B Ordinary Shares and C Ordinary Shares (as though they constituted the same class) or failing such agreement within 15 Business Days in such manner as the Auditors (acting as experts and not as arbitrators) shall determine having regard to the commercial intent of Article 4.4.2

- (a) This Article 4.4.4 shall only apply in the circumstances envisaged in (b)(v) within the definition of Realisation Value in Article 1.1
- (b) On each occasion on which any contingent and/or unquantified consideration disregarded in such definition shall in fact be received, the provisions of this Article 4.4 shall be reopened and reapplied treating that latest receipt as non-contingent deferred consideration under the definition of Realisation Value to determine the allocation and, for that purpose, the calculations used in allocating consideration already received shall be reworked in accordance with Article 4.4.2 provided always that no value already allocated shall be reallocated and this provision shall serve only to allocate the additional consideration later received

4.4.4 Immediately prior to and conditionally upon a Listing, the Shareholders shall enter into such reorganisation of the share capital of the Company as they may agree or, in default of such agreement, as the Investors may specify, to ensure that the Realisation

Value is allocated between the Shareholders in the same proportions as the preceding provisions of this Article 4.4 would provide on a Sale at that Realisation Value

- 4.4.5 If there is a Business Sale rather than a Share Sale or a Listing then if the proceeds of the Business Sale are distributed to the Shareholders by the Company then such distribution shall be subject to the provisions of Article 4.4.2 *mutatis mutandis*

4.5 Voting

- 4.5.1 Subject always to any other special rights or restrictions as to voting attached to any Shares by or in accordance with these Articles (including Articles 4.5.3, 4.5.4, 4.5.5, 10.3.4 and 17.3), there shall be a total of 100 votes capable of being cast at a general meeting and

- (a) each holder of C Ordinary Shares shall be entitled to such number of votes as represents 5% of all votes which may be cast at a general meeting for the time being provided always that if at any time there are more than three holders of C Ordinary Shares then each holder of C Ordinary Shares shall be entitled to such number of votes as represents $(3/X \times 5)\%$ of all votes which may be cast at a general meeting for the time being where "X" equals the number of holders for the time being of C Ordinary Shares and any fraction of a vote resulting from this calculation shall be disregarded and not be capable of being voted,
- (b) each holder of B Ordinary Shares shall be entitled to such number of votes as represents 5% of all votes which may be cast at a general meeting for the time being provided always that if at any time there is more than one holder of B Ordinary Shares then each holder of B Ordinary Shares shall be entitled to such number of votes as represents $(1/X \times 5)\%$ of all votes which may be cast at a general meeting for the time being where "X" equals the number of holders for the time being of B Ordinary Shares and any fraction of a vote resulting from this calculation shall be disregarded and not be capable of being voted. A holder of B Ordinary Shares who also holds C Ordinary Shares shall not be entitled to any votes other than under this Article 4.5.1(b), and
- (c) the holder(s) of the A Ordinary Shares shall be entitled as a class to such number of votes as represents 100% of all votes which can be cast at a general meeting for the time being less the number of votes which can be cast at that time by holders of the B Ordinary Shares and the C Ordinary Shares pursuant to articles 4.5.1(b) and 4.5.1(a) respectively but for the avoidance of doubt and notwithstanding any other provision of these Articles, the holders of the A Ordinary Shares will always be entitled as a class to such number of votes as represents at least 80% of all the votes which can be cast at a general meeting

- 4.5.2 Votes to which the holders of the A Ordinary Shares are entitled shall be cast in the manner notified to the Company by the holders of a majority of A Ordinary Shares then in issue

- 4.5.3 If a Material Default has occurred and the Investors deliver a notice (a "**voting adjustment notice**") to that effect to the Company then the voting rights attaching to the Shares shall be amended with effect from the date of the voting adjustment notice to the effect that on a poll each holder of A Ordinary Shares present in person or by proxy or (being a corporation) which is present by a representative or by proxy shall have one hundred thousand votes for every A Ordinary Share in the capital of the Company of which he is the holder and each holder of B Ordinary Shares or C Ordinary Shares present in person or by proxy or (being a corporation) which is present by a representative or by proxy shall have one vote for every B Ordinary Share or C Ordinary Share respectively in the capital of the Company of which he is the holder, in each case until the earlier of -

- (a) the date that the Material Default has been rectified, and

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- (b) the date that the Investors give notice in writing to the Company cancelling the voting adjustment notice
- 4.5.4 The provisions of this Article 4.5.4 shall apply at any time after any occurrence of a Material Default or notification is given by a lender of facilities or other indebtedness to the Group that an event or circumstance which would constitute a Material Default of the kind referred to in paragraph (d) of that definition is likely to occur or a Material Default of the type referred to in paragraph (e) of that definition has occurred and in either case the Investor or an Investor Director reasonably believes additional capital support is required by the Company and/or any other member of the Group -
- (a) the Investors shall be entitled to convene an extraordinary general meeting of the Company for the purpose of considering a resolution or resolutions to approve the terms of any additional capital support for the Company, and for this or any other purpose to consider a resolution or resolutions to appoint additional directors and any and all resolutions required by the terms of the additional capital support including, without limitation, a resolution or resolutions constituting and issuing new shares, including new classes of shares, in the capital of the Company,
- (b) the Investors shall, at their discretion, be entitled to convene a meeting called pursuant to this Article 4.5.4, to the extent otherwise lawful, at short notice
- (c) at any meeting called pursuant to this Article 4.5.4 the quorum shall be the holders of not less than 75% in nominal value of the A Ordinary Shares
- 4.5.5 At any meeting called pursuant to Article 4.5.4 only the holders of A Ordinary Shares may vote on any resolution relating to its adjournment
- 4.5.6 The Investors shall have the right to determine the terms and timing of the additional capital support referred to in Article 4.5.4 at their discretion
- 4.5.7 Notwithstanding any other provisions of these Articles, the provisions of sections 561 and 562 of the Act shall not apply to the Company in relation to any allotment or issue of Shares arising in circumstances referred to in Article 4.5.4
- 4.5.8 The voting and other rights conferred upon the holders of A Ordinary Shares by Articles 4.5.4, 4.5.5 and 4.5.6 shall cease to apply upon the first to occur of -
- (a) the date on which the Material Default which triggered such rights is rectified,
- (b) the Investors giving notice to the Company that such rights shall no longer accrue to the holders of such Shares

5. CLASS RIGHTS

- 5.1 Whenever the capital of the Company is divided into different classes of shares the special rights attached to any class may be varied or abrogated with the consent in writing of the holders of 75% in nominal value of the issued shares of that class
- 5.2 The variation, modification, abrogation or cancellation of this Article 5 or of any provision of these Articles which contains or affects any class rights shall (save as expressly provided herein) require the consent aforesaid of the holders of Shares of the class or classes concerned to be effective
- 5.3 Without prejudice to the generality of Article 5.2, the special rights attached to the A Ordinary Shares shall be deemed to be varied by -
- 5.3.1 any variation in the authorised or issued share capital of the Company, or

-
- 5.3.2 the creation or grant of any option or other right over or to subscribe for shares or by the creation, issue or grant of any security convertible into any shares in the capital of the Company, or
 - 5.3.3 any alteration or variation of any of the rights attached to any of the shares for the time being in the capital of the Company, or
 - 5.3.4 the application by way of capitalisation of any sum in or towards paying up any share or loan capital of the Company, or
 - 5.3.5 the redemption of any of the Company's shares (otherwise than pursuant to these Articles) or by the entering into of a contract by the Company to purchase any of its shares, or
 - 5.3.6 the appointment or removal of any director of the Company (other than pursuant to and in accordance with Article 17.1), or
 - 5.3.7 the appointment or removal of auditors to the Company, or
 - 5.3.8 any alteration of the accounting reference date of the Company, or
 - 5.3.9 any resolution to change the classification or status of the Company, or
 - 5.3.10 any alteration to these articles of association of the Company, or
 - 5.3.11 any resolution to wind up the Company, or
 - 5.3.12 any sale, transfer or other disposal by the Company of the whole or part of its undertaking, business or assets, or
 - 5.3.13 the transfer by the Company of any profits to reserves or the taking of any other action (excluding the lawful payment of dividends) which will or may reduce the amount of its profits available for distribution, or
 - 5.3.14 any suspension or relaxation by the Company of any provision of its articles of association which prohibits a director from voting at a meeting of the directors or of a committee of the directors in certain circumstances, or
 - 5.3.15 any sale, transfer or other disposal by the Company of all or any part of, or any interest in, the shares of any subsidiary by the Company, or
 - 5.3.16 the giving, variation, revocation or renewal of an authority for allotment under section 551 of the Act, or
 - 5.3.17 the calling of a meeting of the Company to effect or approve any matter which would by virtue of this Article be a variation of the class rights of the A Ordinary Shares, or
 - 5.3.18 the disapplication of the provisions of sections 561(1) and 562(1) of the Act in relation to any allotment or issue of Shares by the Company

6. LIEN

- 6.1 The Company shall have a first and paramount lien on every Share (whether fully paid or not) registered in the name of any person indebted or under liability to the Company or other Group Company whether he be the sole registered holder thereof or one of several joint holders and shall be for all monies (whether presently payable or not) payable or otherwise owing by such a person to the Company or other Group Company. The directors may at any time declare any Share to be wholly or in part exempt from the provisions of this Article

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- 6.2 The Company may sell in such manner as the directors determine any Shares on which the Company has a lien if a sum in respect of which the lien exists is presently payable and is not paid within fourteen clear days after notice has been given to the holder of the Share or to the person entitled to it in consequence of the death or bankruptcy of the holder, demanding payment and stating that if the notice is not complied with the Shares may be sold
- 6.3 To give effect to a sale the directors may authorise some person to execute an instrument of transfer of the Shares sold to, or in accordance with the directions of, the purchaser. The title of the transferee to the Shares shall not be affected by any irregularity or invalidity in the proceedings in reference to the sale
- 6.4 The net proceeds of the sale, after payment of the costs, shall be applied in payment of so much of the sum for which the lien exists as is presently payable, and any residue shall (upon surrender to the Company for cancellation of the certificate for the Shares sold and subject to a like lien for any moneys not presently payable as existed before the sale) be paid to the person entitled to the Shares at the date of the sale
- 6.5 Notwithstanding anything contained in these Articles any pre-emption rights conferred on existing members or any other person by these articles of association or otherwise and any other restrictions on the transfer of shares contained in these articles of association shall not apply where shares are being transferred by way of security to a bank, financial institution or a trust, fund or other entity which is regularly engaged in or established for the purposes of making, purchasing or investing in loans, securities or other financial assets (or any agent, trustee, nominee or nominees or receiver of such bank, financial institution, or other entity) or a purchaser, transferee or other recipient of the shares from such bank, financial institution or other entity

7. CALLS ON SHARES AND FORFEITURE

- 7.1 Subject to the terms of allotment, the directors may make calls upon the Shareholders in respect of any moneys unpaid on their Shares (whether in respect of nominal value or premium) and each Shareholder shall (subject to receiving at least fourteen clear days' notice specifying when and the method by which payment is to be made) pay to the Company as required by the notice the amount called on his Shares. A call may be required to be paid by instalments. A call may, before receipt by the Company of any sum due thereunder, be revoked in whole or in part and payment of a call may be postponed in whole or in part. A person upon whom a call is made shall remain liable for calls made upon him notwithstanding the subsequent transfer of the Shares in respect of which the call was made
- 7.2 A call shall be deemed to have been made at the time when the resolution of the directors authorising the call was passed
- 7.3 The joint holders of a Share shall be jointly and severally liable to pay all calls in respect thereof
- 7.4 If a call remains unpaid after it has become due and payable the person from whom it is due and payable shall pay interest on the amount unpaid from the day it became due and payable until it is paid at the rate fixed by the terms of allotment of the Share or in the notice of the call or, if no rate is fixed, at the appropriate rate (as defined by the Act) but the directors may waive payment of the interest wholly or in part
- 7.5 An amount payable in respect of a Share on allotment or at any fixed date, whether in respect of nominal value or premium or as an instalment of a call, shall be deemed to be a call, and if it is not paid when due all the provisions of the Articles shall apply as if that amount had become due and payable by virtue of a call
- 7.6 Subject to the terms of allotment, the directors may make arrangements on the issue of Shares for a difference between the holders in the amounts and times of payment of calls on their Shares

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- 7.7 If a call remains unpaid after it has become due and payable the directors may give to the person from whom it is due not less than fourteen clear days' notice requiring payment of the amount unpaid, together with any interest which may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment. The notice shall state the method by which payment is to be made and shall state that if the notice is not complied with the Shares in respect of which the call was made will be liable to be forfeited.
- 7.8 If the notice is not complied with any Share in respect of which it was given may, before the payment required by the notice has been made, be forfeited by a resolution of the directors and the forfeiture shall include all dividends or other moneys payable in respect of the forfeited Shares and not paid before the forfeiture.
- 7.9 Subject to the provisions of the Act, a forfeited Share may be sold, re-allotted or otherwise disposed of on such terms and in such manner as the directors determine either to the person who was before the forfeiture the holder or to any other person and at any time before a sale, reallocation or other disposition, the forfeiture may be cancelled on such terms as the directors think fit. Where for the purposes of its disposal a forfeited Share is to be transferred to any person the directors may authorise some person to execute an instrument of transfer of the Share to that person.
- 7.10 A person any of whose Shares have been forfeited shall cease to be a Shareholder in respect of them and shall surrender to the Company for cancellation the certificate for the Shares forfeited but shall remain liable to the Company for all moneys which at the date of forfeiture were presently payable by him to the Company in respect of those Shares with interest at the rate at which interest was payable on those moneys before the forfeiture or, if no interest was so payable, at the appropriate rate (as defined in the Act) from the date of forfeiture until payment but the directors may waive payment wholly or in part or enforce payment without any allowance for the value of the Shares at the time of forfeiture or for any consideration received on their disposal.
- 7.11 A statutory declaration by a director or the secretary that a Share has been forfeited on a specified date shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share and the declaration shall (subject to the execution of an instrument of transfer if necessary) constitute a good title to the Share and the person to whom the Share is disposed of shall not be bound to see to the application of the consideration, if any, nor shall his title to the Share be affected by any irregularity in or invalidity of the proceedings in reference to the forfeiture or disposal of the Share.

8. ISSUES OF SHARES

- 8.1 Subject to these Articles (including Article 8.5) the pre-emption provisions of sections 561 and 562 of the Act shall apply to any allotment of the Company's Equity Shares, provided that
- 8.1.1 any allotment of the Company's equity securities shall comprise A Ordinary Shares, B Ordinary Shares and C Ordinary Shares, the respective numbers of A Ordinary Shares, B Ordinary Shares and C Ordinary Shares comprised in any such allotment to be calculated according to the proportions which each of the A Ordinary Shares, B Ordinary Shares and C Ordinary Shares in issue immediately prior to such allotment bears to the aggregate number of Equity Shares in issue immediately prior to such allotment,
- 8.1.2 the period specified in section 562(5) of the Act shall be 5 Business Days,
- 8.1.3 the Equity Shareholders who accept Shares shall be entitled to indicate that they would accept Shares that have not been accepted by other Equity Shareholders ("**Excess Shares**") on the same terms as originally offered to all Equity Shareholders and the following provisions shall apply
- (a) it shall be a term of the allotment that, if Equity Shareholders of more than one class indicate that they would accept some or all of the Excess Shares, the

Excess Shares shall be treated as having been offered, first, to all Equity Shareholders holding Shares of the same class as the Excess Shares in priority to all other classes of Equity Shareholder and thereafter, to the extent that all of the Excess Shares have not been applied for by such class of Equity Shareholder, the Excess Shares shall be treated as having been offered to all of the Equity Shareholders holding the other classes of Shares,

- (b) subject always to Article 8.1.3(a), any Shares not so accepted shall be allotted to the Equity Shareholders who have indicated they would accept Excess Shares, and
- (c) such Excess Shares shall be allotted in the numbers in which they have been accepted by Equity Shareholders or, if the number of Excess Shares is not sufficient for all Equity Shareholders to be allotted all the Excess Shares they have indicated they would accept, then the Excess Shares shall be allotted as nearly as practicable in the proportion that the number of Excess Shares each Equity Shareholder indicated he would accept bears to the total number of Excess Shares applied for

8.2 Any offer made pursuant to Article 8.1 above may (and, if required by the Investors, the offer shall) include conditions that, if the Investors are proposing to subscribe for Shares pursuant to the offer and also make loans to the Company (whether in the form of loan notes or otherwise) at the same, or a similar time, as the proposed issue of Shares ("**Investors Loans**"), all other holders of Equity Shares are also required to make loans to the Company ("**Shareholder Loans**") on the same terms as the Investor Loans provided that Shareholder Loans shall be in the same proportions of loans to equity subscription monies for the Equity Shares as the proportions proposed to be invested by Investors Any Shareholder who fails to accept such an offer or who, having accepted such an offer, does not satisfy the conditions, shall not be entitled to subscribe for any Equity Shares which are the subject of the offer

8.3 Without prejudice to Clause 12 of the Investment Agreement, the pre-emption provisions of section 561 and section 562 of the Act shall not apply where so agreed in writing by seventy five per cent of the holders of the A Ordinary Shares

8.4 The Company may, subject to Investor Consent, exercise the powers of paying commissions conferred by the Act subject to the provisions of the Act, any such commission may be satisfied by the payment of cash or by the allotment of fully or partly paid Shares or partly in one way and partly in the other

8.5 If Shares are applied for by a Shareholder (whether pursuant to Article 8.1.1 or Article 8.1.3), such Shares shall be allotted as the same class of Shares then held by that Shareholder and if that Shareholder holds more than one class of Shares pro-rata as between the classes of Shares then held by him

8.6 Notwithstanding any other provision of these Articles there cannot at any time be any more than three holders of C Ordinary Shares and any purported allotment or issue of C Ordinary Shares to a person or persons which would cause the total number of holders of C Ordinary Shares to exceed three shall be invalid and the directors shall not register such person or persons as a holder or holders of such shares

9. **PROVISIONS APPLYING ON EVERY TRANSFER OF SHARES**

9.1 Shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the directors, which is executed by or on behalf of the transferor and, unless the Share is fully paid, by or on behalf of the transferee

9.2 If the directors refuse to register the transfer of a Share, they shall within two months after the date on which the transfer was lodged with the Company, send the notice of refusal to the transferee together with (unless the directors suspect that the proposed transfer may be fraudulent) the instrument of transfer

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- 9.3 The directors may refuse to register the transfer of a Share which is not fully paid to a person of whom they do not approve and they may refuse to register the transfer of a Share on which the Company has a lien They may also refuse to register a transfer unless -
- 9.3.1 it is lodged at the registered office or at such other place as the directors may appoint and is accompanied by the certificate for the Shares to which it relates and such other evidence as the directors may reasonably require to show the right of the transferor to make the transfer,
- 9.3.2 it is in respect of only one class of Shares, and
- 9.3.3 it is in favour of not more than four transferees
- 9.4 The Board shall refuse to register any transfer of Shares made in contravention of the provisions of these Articles or the Investment Agreement but, subject to Article 9.3, shall not otherwise be entitled to refuse to register any transfer of Shares For the purpose of ensuring that a particular transfer of Shares is permitted under the provisions of these Articles and the Investment Agreement, the directors may request the transferor, or the person named as transferee in any transfer lodged for registration, to furnish the Company with such information and evidence as the directors may reasonably think necessary or relevant Failing such information or evidence being furnished to the satisfaction of the directors within a period of 28 days after such request the directors shall be entitled to refuse to register the transfer in question Any transfer of Shares made or purported to be made in contravention of the provisions of these Articles or the Investment Agreement shall be of no effect
- 9.5 No Shares may be transferred
- 9.5.1 save for transfers pursuant to Articles 10 (except where a provision in Article 10 expressly requires Investor Consent to be obtained) or 13, unless an Investor Consent has been obtained and any conditions to that Investor Consent or as agreed between the Shareholders (or the Shareholders amongst others) have been satisfied and subject to any restrictions in such Investor Consent, and
- 9.5.2 save where otherwise agreed by Investor Consent, unless the proposed transferee has entered into an agreement to be bound by the Investment Agreement in the form required by the Investment Agreement
- 9.6 A reference in these Articles to a transfer of Shares shall include
- 9.6.1 a transfer of any interest in Shares (whether legal, beneficial or otherwise) including without limitation to any transferee (and regulations 27 and 28 of the Model Articles shall be subject to this Article 9 and to Articles 10 to 13 inclusive), and
- 9.6.2 any charge, mortgage, option or other encumbrance granted over Shares (including any direction by way of renunciation or otherwise by a Shareholder entitled to an allotment or issue of any Share that such Share be allotted or issued to some other person),
- and these Articles shall take effect accordingly
- 9.7 Notwithstanding anything contained in these Articles the directors and/or the company shall have no discretion to decline to register, or suspend registration of, a transfer of shares where the proposed transferee is a bank, financial institution or a trust, fund or other entity which is regularly engaged in or established for the purposes of making, purchasing or investing in loans, securities or other financial assets (or any agent, trustee, nominee or nominees or receiver of such entity) to whom such shares are being transferred by way of security or a purchaser, transferee or other recipient of the shares from such bank, institution or other entity and a certificate signed by an official of such bank, financial institution or other entity that the relevant shares are charged shall be conclusive evidence of such fact

10. TRANSFERS OF SHARES

10.1 Permitted transfers by Investors

Notwithstanding any other provision in these Articles, the following transfers may be made (without restriction as to price or otherwise and any such transfers shall be registered by the directors (subject to stamping))

- 10.1.1 any holder of A Ordinary Shares which is a body corporate may transfer any such shares to its ultimate parent company or any other body corporate Controlled, directly or indirectly, by it or its ultimate parent company provided always that the transferee gives an undertaking to the Company that, in the event of any such body corporate ceasing to be under the Control, directly or indirectly, of the original Shareholder or such ultimate parent company, immediately prior to it so ceasing such Shares shall be transferred to another body corporate under such Control (or to another person to whom such Shares may be transferred pursuant to this Article 10) save that this proviso shall not apply where the body corporate remains a person to whom such Shares may be transferred pursuant to this Article 10 following such change of Control,
- 10.1.2 any A Ordinary Shares which are held by or on behalf of an Investment Trust (as defined in Appendix 1 of the Listing Rules published by the UK Listing Authority) whose shares are listed on the Official List of the UK Listing Authority may be transferred to another such Investment Trust whose shares are also so listed,
- 10.1.3 any A Ordinary Shares may be transferred to any member of the Investor's Group or to any trustee or nominee for any such member provided always that the transferee gives an undertaking to the Company that, in the event of such transferee ceasing to be a member of the Investor's Group or a trustee or nominee for any such member, immediately prior to it so ceasing such Shares shall be transferred to another person to whom such Shares may be transferred in accordance with this Article 10, save that this proviso shall not apply where the former member, trustee or nominee remains a person to whom such Shares may be transferred pursuant to this Article 10,
- 10.1.4 any A Ordinary Shares held by or on behalf of a unit trust or partnership or other unincorporated association or fund (whether a body corporate or otherwise) may with Investor Consent be transferred or disposed of to the holder or holders of units in such unit trust or partners in such partnership or members of such unincorporated association or investors in such fund from time to time or to trustees for any such person,
- 10.1.5 any holder of A Ordinary Shares which is a nominee or trustee, whether directly or indirectly, of a scheme, agreement or arrangement for the provision of Relevant Benefits may transfer any Shares to any other nominee or trustee, whether direct or indirect, for the same scheme, agreement or arrangement,
- 10.1.6 any A Ordinary Shares held by a nominee or trustee of a partnership may be transferred to the partners or to any new nominee or trustee for such partnership, and
- 10.1.7 any A Ordinary Shares held by or on behalf of a partnership, unit trust, investment trust, unincorporated association or other fund (whether a body corporate or otherwise) or corporation may be transferred to another partnership, unit trust, investment trust, unincorporated association or other such fund or corporation which is managed or advised by the same manager or adviser as the transferor or by a holding company of such manager or adviser or any subsidiary company of such holding company

10.2 Other Permitted Transfers

10.2.1 Transfers from an Employee Benefit Trust

The trustee or trustees of an Employee Benefit Trust may, with Investor Consent, at any time transfer all or any Shares held by it to an Employee (and subject to any conditions or restrictions including as to price in such consent) at a price not less than the price paid per Share by the Employee Benefit Trust

10.2.2 Transfers of Shares with Investor Consent

A transfer of any Equity Shares made with the consent of 75% of the holders of the A Ordinary Shares may be made without restriction as to price or otherwise (save for any restrictions in such consent and satisfaction of any conditions imposed by the Investors)

10.2.3 Transfers pursuant to a Listing, a Share Sale or Article 13

A transfer of any Share made pursuant to and in accordance with a Listing, a Share Sale or Article 13 (Tag Along and Drag Along) may be made without restriction as to price or otherwise (save as provided in Article 13)

10.3 Transfers in respect of Leavers

10.3.1 Unless otherwise provided by Investor Direction, a Leaver shall be deemed to have served on the Company on the Trigger Date a written notice (a "**Transfer Notice**") in respect of his Leaver's Shares

10.3.2 Such Transfer Notice shall be deemed to specify only that the Sale Price shall be such price as is subsequently agreed or determined in accordance with Article 12.1 and that the Leaver shall transfer such Shares as directed by the Board with Investor Consent

10.3.3 Unless otherwise provided by Investor Direction, on any person becoming a Leaver, any consent or Transfer Notice relating to a transfer of Shares by such Shareholder given prior to that Shareholder becoming a Leaver shall immediately be revoked and no further Transfer Notice shall be given or deemed to be given in respect of such Leaver's Shares except under Article 10.3.1

10.3.4 Unless otherwise provided by an Investor Direction, no Shares held by a Leaver shall, with effect from the Leaving Date, confer any right to receive notice of, attend or vote at any general meeting of the Company or meeting of the holders of Shares of the same class and such Shares shall not be counted for the purposes of determining the total number of votes which may be cast at any such meeting or for the purposes of a written resolution or a written consent of any Shareholder or class of Shareholders (including a consent to short notice) and the holder of such Shares shall not be entitled to participate in any allotment of Shares pursuant to Article 8 (provided that any such restrictions on the rights of such Shares shall cease to apply upon the transfer of such Shares to a person who is not a Leaver)

11. PRE-EMPTION RIGHTS

11.1 Transfer Notice

Except in the case of a transfer pursuant to, or that gives rise to the rights granted to any Shareholder under, Articles 10 or 13, a Shareholder who wishes to transfer any Shares (the "**Seller**") shall give written notice to the Company copied to the Investor Directors (a "**Transfer Notice**") Each Transfer Notice shall (subject to Article 10.3 in the case of a Leaver)

11.1.1 relate to one class of Shares only,

11.1.2 specify the number and class of Shares which the Seller wishes to transfer pursuant to that Transfer Notice (the "**Sale Shares**"),

11.1.3 specify the identity of any person to whom the Seller wishes to transfer the Sale Shares, if any,

11.1.4 specify the Sale Price at which the Seller wishes to transfer the Sale Shares,

11.1.5 be deemed to constitute the Company as the Seller's agent for the sale of the Sale

11.1.6 Shares at the Sale Price in the manner prescribed by these Articles, and

11.1.7 not be varied or cancelled without Investor Consent

11.2 Total Transfer Condition

The Seller may provide in the Transfer Notice that, unless buyers are found for all of the Sale Shares (and all of the Sale Shares referred to in any other Transfer Notice(s) served by the Seller on the same date), he shall not be bound to transfer any of such Shares ("**Total Transfer Condition**") and any such provision shall be binding on the Company Notwithstanding the other provisions of this Article 11, if the Transfer Notice contains a Total Transfer Condition the Company may not make any allocation of Sale Shares unless and until it has found buyers for all such Shares

11.3 Allocation by Investor Direction

The Investors may, within 10 Business Days from the later of service or deemed service of a Transfer Notice and agreement or determination of the Sale Price in accordance with Article 12.1 (the "**Start Date**"), direct the Company by an Investor Direction to offer within 5 Business Days at the Sale Price such number of Sale Shares to a new or incoming Manager, any Employee Trust or the Company, as may be specified in the Investor Direction If any such offeree of the Sale Shares applies for any of the Shares offered to him within 15 Business Days of receipt of the relevant offer, the Company shall (with Investor Consent) within 5 Business Days after such application allocate to each such offeree the number of Sale Shares applied for If all of the Sale Shares are so allocated, the provisions of Article 11.4 shall not apply If none or some only of the Sale Shares are so allocated, the provisions of Article 11.4 shall have effect as if references to Sale Shares shall mean those Sale Shares not allocated in accordance with this Article 11.3

11.4 Offer Notice

11.4.1 Subject to Article 11.4.6, the Company shall on the earliest to occur of

- (a) the Business Day immediately following the period of 10 Business Days after the Start Date, if an Investor Direction has not been given pursuant to Article 11.3, or
- (b) the Business Day immediately following the expiry of the 15 Business Day period referred to in Article 11.3 and applications have not been received under Article 11.3 for all Sale Shares,

give notice in writing to each Equity Shareholder (other than the Seller or a shareholder who has been deemed to have given a Transfer Notice in respect of his Shares) (a "**Relevant Shareholder**") offering for sale the Sale Shares at the Sale Price (an "**Offer Notice**")

11.4.2 It shall be a term of the offer pursuant to an Offer Notice that, if Relevant Shareholders holding shares of more than one class apply for some or all of the Sale Shares, the Sale Shares of the class listed in column 1 of the table immediately below shall be offered in order of priority to Relevant Shareholders holding Shares of the respective classes shown in columns 2, 3 and 4 in the line relevant to the class of Sale Shares in the table below in that order of priority

(1) Sale Shares	(2) Offered first to	(3) Offered second to	(4) Offered third to
A Ordinary	A Ordinary	B Ordinary/C Ordinary (as though they constituted the same class of Share)	-
B Ordinary	A Ordinary	B Ordinary	C Ordinary
C Ordinary	A Ordinary	C Ordinary	B Ordinary

11.4.3 If there are applications from any class of Relevant Shareholder for more than the total number of Sale Shares available to that class of Relevant Shareholder such Sale Shares shall be treated as being offered among such class of Relevant Shareholder in the proportion (as nearly as may be) which their existing holdings of Shares of the class to which the offer is treated as having been made bears to the total number of the shares of such class for the time being in issue (the "**Proportionate Allocation**") (subject to the maximum number of Sale Shares applied for by each Relevant Shareholder) However, in his application for Sale Shares a Relevant Shareholder may, if he so desires, indicate that he would be willing to purchase a particular number of Sale Shares in excess of his Proportionate Allocation ("**Extra Shares**")

11.4.4 In respect of each class of Relevant Shareholder to whom the Sale Shares are offered, the Company shall allocate the Sale Shares as follows

- (a) if the total number of Sale Shares applied for is equal to or less than the available number of Sale Shares, each such Relevant Shareholder shall be allocated the number applied for in accordance with his application, or
- (b) if the total number of Sale Shares applied for is greater than the available number of Sale Shares, each such Relevant Shareholder shall be allocated his Proportionate Allocation or such lesser number of Sale Shares for which he has applied and if there are then any unallocated Sale Shares, such Sale Shares shall be allocated to each Relevant Shareholder who has applied for Extra Shares (subject to the maximum number of Extra Shares applied for) provided that if there are insufficient unallocated Sale Shares to meet such applications, among those Relevant Shareholders applying for Extra Shares such unallocated shares shall be allocated (as nearly as may be) among such Relevant Shareholders in accordance with the proportion equal to their Proportionate Allocation

11.4.5 Allocations of Sale Shares made by the Company in accordance with this Article 11 shall constitute the acceptance by the Relevant Shareholders to whom they are allocated of the offer to purchase such Sale Shares on the terms offered to them

11.4.6 If the Board considers that the provisions of this Article 11 could mean that the offer of the Sale Shares under Article 11.4.1 would require a prospectus in accordance with Directive 2003/71/EC or any regulations or rules made thereunder, the Board shall (with Investor Consent) be entitled to devise such other method of offering such Sale Shares which does not require a prospectus (including, but without limitation, offering the Sale Shares to a limited number of Relevant Shareholders selected by such method as the Board shall (with Investor Consent) determine)

11.4.7 The Offer Notice shall include the details set out in the Transfer Notice and specify the basis on which the Sale Shares will be allocated and that each Relevant Shareholder shall have a period of 15 Business Days from the date of the Offer Notice within which to apply for some or all of the Sale Shares (the "**Expiry Date**")

11.4.8 If all the Sale Shares are not sold under the pre-emption provisions contained in this Article 11, the Company shall (forthwith upon the exhaustion of such provisions) so notify the Seller and the Seller shall not, without the prior sanction of the Board (with Investor Consent), be entitled to sell any of the Sale Shares for which no buyer has been found (unless required or entitled to sell in accordance with Article 13)

11.5 Notwithstanding anything contained in these Articles where a security interest has been granted over any share pursuant to a security agreement granted in favour of any bank or financial institution or to a trust, fund or other entity which is regularly engaged in or established for the purposes of making, purchasing or investing in loans, securities or other financial assets, such share shall be exempt from all liens (whether present or future) in favour of the Company that would arise pursuant to these articles of association or otherwise howsoever and the Company shall not claim any lien (howsoever arising) in respect of such share while such security interest remains unreleased. A certificate executed by the party to whom such security interest has been granted that such security interest remains unreleased shall be conclusive evidence of fact

12. TRANSFER ARRANGEMENTS

12.1 Sale Price

12.1.1 Save as otherwise provided in these Articles, the price per Share (or price per Share of each different class held) applicable on a transfer of Shares (the "**Sale Price**") shall be

- (a) in the case of Leaver's Shares, the lower of the Acquired Price and the Fair Price (save where the Investors determine by Investor Direction that the Sale Price shall be the Fair Price),
- (b) in the case of any other transfer of Shares pursuant to Article 10 or Article 11, the price stated to be the Sale Price in such Transfer Notice

12.1.2 The Fair Price shall be such price that is, within the period of 10 Business Days after the Trigger Date, agreed by the Board (with Investor Consent) and the Leaver to be the Fair Price or, failing such agreement, such price as is determined by an Independent Expert pursuant to Article 12.1.3 on the application of the Leaver or the Board

12.1.3 If the Fair Price falls to be determined by an Independent Expert

- (a) the Company shall within 20 Business Days after the Trigger Date instruct the Independent Expert to determine the Fair Price on the basis which, in their opinion, represents a market value for the Leaver's Shares at the Leaving Date. The Fair Price shall be determined by the Independent Expert on the following assumptions and bases
 - (i) valuing the Shares as on an arm's-length sale between a willing seller and a willing buyer,
 - (ii) if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so,
 - (iii) that the Shares are capable of being transferred without restriction,
 - (iv) valuing the Shares without any premium or discount being attributable to the percentage of the issued share capital of the Company which they represent but (save as referred to in (c) immediately above) taking into account all the rights and restrictions attached to the relevant shares, including the priority of payments on a return of capital, liquidation or Exit and also taking into account in the valuation all

indebtedness and anything in the nature of indebtedness and all liabilities of the Company, and

- (v) reflect any other factors which the Independent Experts reasonably believe should be taken into account,
- (b) the Independent Expert shall certify the Fair Price as soon as possible after being instructed by the Company and, in so certifying, the Independent Expert shall be deemed to be acting as an expert and not as an arbitrator and the Arbitration Act 1996 shall not apply,
- (c) the certificate of the Independent Expert shall, in the absence of clear or manifest error, be final and binding for the purposes of these Articles, and
- (d) the Company shall procure that any certificate required hereunder is obtained with due expedition and the cost of determining the Fair Price and obtaining such certificate shall be borne by the Company unless
 - (i) such an arrangement would not be permitted by the Act, or
 - (ii) the Fair Price as determined by the Independent Expert is not more than 110% of that price (if any) which the Board (with Investor Consent) had previously notified to the Leaver as being in its opinion the Fair Price,

in which event the cost shall be borne by the Leaver

12.2 Completion Notice

- 12.2.1 Where a Transfer Notice has been served or deemed to have been served then within 5 Business Days of the Expiry Date the Company shall give written notice to the Offeree and the selling Shareholder setting out the number of Sale Shares (of each class) allocated to the Offeree, the aggregate price payable therefor, the Sale Price and the name and address of the Offeree (each a "**Completion Notice**")
- 12.2.2 Completion of the sale and purchase of the Sale Shares shall take place within 5 Business Days of the date of service of the Completion Notice whereupon the Seller shall, subject (save where the Offeree is the Company) to payment by the Offeree to the Company on behalf of the Seller of the price due in respect thereof, transfer the Sale Shares to the Offeree as specified in the Completion Notice and deliver the relevant share certificate(s) to the Company Provided it has received the relevant share certificate(s) and duly executed stock transfer form(s), the Company shall release and pay to the Seller the purchase monies for the Sale Shares Where the Offeree is the Company, the Seller shall transfer the Sale Shares to the Company as specified and deliver the relevant share certificate (or an indemnity in a form reasonably satisfactory to the Company) to the Company on payment of the price for the Sale Shares subject to compliance with all relevant provisions of the Act in relation to the purchase
- 12.2.3 If the Seller defaults in transferring any Sale Shares pursuant to Article 12.2.2 to any Offeree, the Company may hold the relevant purchase money received from the Offeree and may nominate some person to execute a stock transfer form or forms in respect of such Sale Shares in the name of and on behalf of the Seller On receipt of the relevant Seller's share certificate (or an indemnity in a form reasonably satisfactory to the Company) the Company shall release and pay to the Seller the purchase monies for such Sale Shares As security for its/his obligations under this Article 12.2.3 and the other Articles, each holder of B Ordinary Shares and C Ordinary Shares hereby irrevocably appoints any director for the time being of the Company as its agent to execute and deliver any document and to take any action in its own name and on its own behalf which it is required to execute or take under these Articles together with

any other documents or actions necessary or desirable in connection with such obligations

- 12.2.4 Following stamping of any stock transfer form(s) executed by the Seller or on its behalf in accordance with Articles 12.2.2 or 12.2.3, the directors shall register the transfer(s). The Company's receipt for any purchase monies received under Articles 12.2.2 shall be a good discharge to the Offeree and the Company shall hold any such purchase monies on trust for the Seller and the Company shall not pay any interest to the Seller or Offeree nor be under any obligation to pay any such interest (which shall be for the benefit of the Company). After the name of an Offeree has been so entered in the register of members, the transfer shall be validly registered. The Offeree shall not be bound to see to the application of the purchase money nor shall his title to the relevant Shares be affected by any irregularity in or invalidity of the proceedings in reference to the sale.

13. TAG ALONG AND DRAG ALONG RIGHTS

13.1 Tag Along

- 13.1.1 If at any time one or more holders of A Ordinary Shares (the "**Proposed Sellers**") propose to sell in one or a series of related transactions, seventy-five per cent or more in nominal value of all the A Ordinary Shares for the time being in issue (the "**Majority Holding**") other than pursuant to Article 10, the Proposed Sellers may only sell the Majority Holding if they comply with the provisions of this Article 13.1.
- 13.1.2 The Proposed Sellers shall give written notice (the "**Proposed Sale Notice**") to the other holders of Equity Shares of such intended sale at least 5 Business Days prior to the intended date thereof. The Proposed Sale Notice shall set out, to the extent not described in any accompanying documents, the identity of the proposed buyer (the "**Proposed Buyer**"), the purchase price and other terms and conditions of payment, the proposed date of sale (the "**Proposed Sale Date**") and the number of Shares proposed to be purchased by the Proposed Buyer (the "**Proposed Sale Shares**").
- 13.1.3 Any other holder of Equity Shares shall be entitled, by written notice given to the Proposed Sellers within 5 Business Days of receipt of the Proposed Sale Notice, to be permitted to sell all of his Shares to the Proposed Buyer on the same terms and conditions as those set out in the Proposed Sale Notice.
- 13.1.4 If any other holder of Equity Shares is not given the rights accorded him by the provisions of this Article, the Proposed Sellers shall be required not to complete their sale and the directors shall be bound to refuse to register any transfer intended to carry such a sale into effect.

13.2 Drag Along

- 13.2.1 In these Articles a "**Qualifying Offer**" shall mean an offer in writing by or on behalf of any person (the "**Offeror**") for the entire equity share capital in the Company not already owned by the Offeror or persons connected with the Offeror for a price per shares and other terms including as to form and date of payment of consideration, the sums in respect of each share for the time being in issue.
- 13.2.2 The rights in this Article 13.2 shall be exercisable by the holders of a majority of the A Ordinary Shares and in each case the party or parties entitled to the rights set out in this Article 13.2 shall for the purposes of this Article 13.2 be referred to as the "**Accepting Shareholders**".
- 13.2.3 Subject to Article 13.2.2, if the Accepting Shareholders have indicated in writing to the Company they wish to accept the Qualifying Offer, then the following provisions of this Article 13.2 shall apply.

13.2.4 The Accepting Shareholders shall give written notice to the remaining holders of the equity share capital (the "**Other Shareholders**") of their wish to accept the Qualifying Offer and shall thereupon become entitled to transfer their Shares to the Offeror (or his nominee) and the Other Shareholders shall thereupon become bound to accept the Qualifying Offer and to transfer their Shares to the Offeror (or his nominee) with full title guarantee on the date specified by the Accepting Shareholders

13.2.5 If any Other Shareholder shall not, within 5 Business Days of being required to do so, execute and deliver such documents and take such other action necessary or desirable in connection with the transfer (including executing and delivering stock transfer form(s) in respect of the Shares held by him and delivering the certificate(s) in respect of the same (or a suitable indemnity in lieu thereof)), then any Accepting Shareholder shall be entitled (as such other Shareholder's agent) to execute, and shall be entitled to authorise and instruct such person as he thinks fit to execute, any such document and take any such other action on such Other Shareholder's behalf and, against receipt by the Company (on trust for such Shareholder) of the consideration payable for the relevant Shares, deliver such stock transfer form(s) and certificate(s) or indemnities to the Offeror (or his nominee) and the directors shall register such Offeror (or his nominee) (or any such other documents) as the holder thereof and, after such registration, any such transfer shall be validly registered. The Company shall not pay nor be under any obligation to pay any interest to any Other Shareholder (or Offeror) on any such consideration held on trust by the Company for any Other Shareholder (and any such interest shall be for the benefit of the Company). The Company shall pay to the Other Shareholder any such consideration held by the Company following receipt of the relevant share certificates. The Offeror shall not be bound to see to the application of the purchase money nor shall his title to the relevant Shares be affected by any irregularity in or invalidity of the proceedings in reference to the sale.

14. **COMPLIANCE**

14.1 For the purpose of ensuring compliance with the transfer provisions of these Articles, the Company shall immediately on an Investor Direction and may with Investor Consent require any Leaver or other Shareholder to procure that

14.1.1 he, or

14.1.2 any proposed transferee of any Shares, or

14.1.3 such other person as is reasonably believed to have information and/or evidence relevant to such purpose

provides to the Company any information and/or evidence relevant to such purpose and until such information and/or evidence is provided the Company shall refuse to register any relevant transfer (otherwise than with Investor Consent)

14.2 Each holder of B Ordinary Shares and C Ordinary Shares from time to time hereby irrevocably appoints the Company as his agent (with the power to appoint any member of the Board as a substitute and to delegate to that substitute all or any powers hereby conferred, other than this power of substitution, as if he had been originally appointed by this authority) to give effect to the provisions of these Articles and the Investment Agreement

15. **GENERAL MEETINGS**

15.1 **Calling Meetings**

15.1.1 The directors may call general meetings and may be required to call a meeting by the Shareholders pursuant to the provisions of the Act

15.1.2 General meetings shall be called by at least fourteen clear days' notice but a general meeting may be called by shorter notice if it is so agreed by a majority in number of the

Shareholders having a right to attend and vote being a majority together holding not less than ninety per cent in nominal value of the Shares giving that right

15.1.3 The notice shall specify the time and date and place of the meeting and the general nature of the business to be transacted and shall include a statement of rights in accordance with section 325 of the Act

15.1.4 Subject to the provisions of the Articles and to any restrictions imposed on any Shares, the notice shall be given to all the Shareholders, to directors and the auditors and (provided the Company has been notified of their entitlement) to all persons entitled to a Share in consequence of the death or bankruptcy of a Shareholder

15.1.5 The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting

15.2 Quorum

No business other than the appointment of a chairman of the meeting is to be transacted unless a quorum is present. The quorum shall be one person entitled to vote upon the business of the meeting (who may be present in person, by proxy or by a duly authorised representative), provided always that

15.2.1 no quorum shall be present unless the holder(s) of a majority of the A Ordinary Shares for the time being in issue are present at the meeting (whether in person, by proxy or by a duly authorised representative), and

15.2.2 where the Company has a single Shareholder, the quorum shall be one person entitled to vote at the meeting (being a Shareholder, a proxy or duly authorised representative)

15.3 Poll Votes

The following sub-paragraph (e) shall be added to the end of regulation 44(2) of the Model Articles

"(e) a person or persons representing Shares conferring a right to vote on the resolution, being Shares on which an aggregate sum has been paid up equal to not less than one tenth of the total sum paid up on all the Shares conferring that right"

15.4 Proxies

15.4.1 A proxy notice (and any evidence of the authority of the person executing it on the appointors behalf) may

(a) in the case of a proxy notice (and any evidence) in hard copy form, be deposited at the registered office or the address specified in the notice of meeting or in any instrument of proxy relating to the meeting sent out by the Company, at any time before the holding of the meeting (or adjourned meeting), or

(b) in the case of a proxy notice (and any evidence) sent by electronic means, be received at any address provided for the purpose of receiving communications sent by electronic means and specified in the notice of meeting, in any instrument of proxy relating to the meeting sent out by the Company or in any communication by electronic means sent out by the Company inviting the appointor to appoint a proxy relating to the meeting, at any time before the holding of the meeting (or adjourned meeting)

15.4.2 Termination of the authority of a person to act as proxy must be notified to the Company in writing

15.5 Votes of Shareholders

15.5.1 In the case of joint holders of Shares only the vote of the senior holder who votes (and any proxies appointed by him) may be counted by the Company and seniority shall be determined by the order in which the names of the joint holders appear in the register of members. A Shareholder in respect of whom an order has been made by any court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder may vote, whether on a show of hands or on a poll, by his receiver, curator bonis or other person authorised in that behalf appointed by that court, and any such receiver, curator bonis or other person may, on a poll, vote by proxy.

15.5.2 No Shareholder shall vote at any general meeting or at any separate meeting of the holders of any class of shares in the Company, either in person or by proxy, in respect of any Share held by him unless all moneys presently payable by him in respect of that share have been paid.

15.6 Chairing General Meetings

Regulation 39 of the Model Articles shall be modified by the substitution of the words "Chairman" in place of the word "chairman" each time it appears in regulation 39(1) and the first line of regulation 39(2).

16. DIRECTORS

16.1 Number of Directors

The number of directors (including any Investor Directors but excluding alternate directors) shall not be less than two in number.

16.2 Appointment and removal of Directors

16.2.1 The directors may with Investor Consent appoint a person who is willing to act to be a director, either to fill a vacancy or as an additional director.

16.2.2 No director shall be required to vacate his office as a Director, nor shall any person be ineligible for appointment as a director, by reason of his having attained any particular age.

16.2.3 The office of a director shall be vacated if

- (a) he ceases to be a director by virtue of any provision of the Act or these Articles (including Article 16.2.4) or he becomes prohibited by law from being a director of a company, or
- (b) he becomes bankrupt or makes any arrangement or composition with his creditors generally, or
- (c) he resigns his office by notice in writing to the Company, or
- (d) he is convicted of a criminal offence (other than a motoring offence or series of motoring offences not resulting in disqualification) and the directors resolve that he be removed from office, or
- (e) in the case of a person other than an Investor Director who is also an employee or consultant of the Company or another Group Company, he ceases to be such an employee or consultant without becoming or remaining an employee or consultant of the Company or any other member of the Group, or

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- (f) he shall for more than six consecutive months have been absent without permission of the directors from meetings of directors held during that period and the directors resolve that he be removed from office, or
 - (g) (save in the case of an Investor Director) all the other directors unanimously resolve that he be removed from office

16.2.4 In addition and without prejudice to the provisions of section 168 of the Act, the Company may by ordinary resolution (whether at a general meeting or in writing and without special notice) remove any director (other than an Investor Director) before the expiration of his period of office and may by ordinary resolution (whether at a general meeting or in writing and without any special notice) appoint another director in his place

16.2.5 In any case where, as a result of death or bankruptcy, the Company has no shareholders and no directors, the person entitled to the Share(s) of the last shareholder to have died or to have a bankruptcy order made against him has the right, by notice in writing, to appoint a natural person who is willing to act and is permitted to do so, to be a director

16.2.6 Subject to the provisions of the Act, the directors (with Investor Consent) may appoint one or more of their number to the office of managing director or to any other executive office under the Company and may enter into an agreement or arrangement with any director for his employment by the Company or for the provision by him of any services outside the scope of the ordinary duties of a director Any such appointment, agreement or arrangement may be made upon such terms as the directors (with Investor Consent) determine and they may remunerate any such director for his services as they (with Investor Consent) think fit Any appointment of a director to an executive office shall terminate if he ceases to be a director but without prejudice to any claim to damages for breach of the contract of service between the director and the Company

16.3 Proceedings of Directors

16.3.1 Notice of every meeting of the directors shall be given to each director

- (a) at any address in the United Kingdom supplied by him to the Company for that purpose whether or not he is present in the United Kingdom, or
- (b) at any address for sending communications by electronic means supplied by him to the Company for that purpose,

provided that any director may waive notice of any meeting either prospectively or retrospectively by notice to the Company and if he does so it shall be no objection to the validity of the meeting (or any business conducted at it) that notice of the meeting was not given to him

16.3.2 Notices of meetings of the directors shall be given in writing

16.3.3 Regulation 11 of the Model Articles (as modified) shall be subject to Articles 16.3.4, 16.3.5, 16.4 and 16.5 and shall be modified by the substitution of the following words in place of the words in regulation 11(2)

"The quorum for directors' meetings is one and a person who holds office only as an alternate shall be counted in the quorum unless his appointor is present"

16.3.4 Any director including an alternate director may participate in a meeting of the directors or a committee of the directors of which he is a member by means of a conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other and participation in a meeting in this manner shall be deemed to constitute presence in person at such meeting and, subject to these Articles

and the Act, he shall be entitled to vote and be counted in a quorum accordingly Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the director chairing the meeting then is or where the directors decide

- 16.3.5 Subject to Articles 16.4 and 16.5, any quorum for the transaction of business at a meeting of the directors shall, save with Investor Consent, include an Investor Director (if appointed) and regulation 7 of the Model Articles shall be modified by the insertion of the words "other than Article 16.3.5" at the end of regulation 7(2)
- 16.3.6 In the event that there are Investor Directors appointed to the Board and not all of the Investor Directors then appointed attend at a meeting of the directors, the Investor Directors present at the relevant meeting shall be entitled to such number of votes as all of the Investor Directors would have been entitled to cast had all such Investor Directors been present at that meeting
- 16.3.7 A resolution in writing signed by all the directors entitled to receive notice of a meeting of directors or of a committee of directors shall be as valid and effectual as it if had been passed at a meeting of directors or (as the case may be) a committee of directors duly convened and held and may consist of several documents in the like form each signed by one or more directors, but a resolution signed by an alternate director need not also be signed by his appointor and, if it is signed by a director who has appointed an alternate director, it need not be signed by the alternate director in that capacity Regulation 7 of the Model Articles shall be modified by the substitution in regulation 7(1) of the words "Article 16.3.7" in place of "article 8"
- 16.3.8 Minutes of meetings of the Board shall be prepared and circulated as soon as practicable and circulated to each director not more than 5 Business Days after the meeting and regulation 15 of the Model Articles shall be modified accordingly
- 16.3.9 If a Material Default has occurred and a voting adjustment notice has been given and not cancelled then, notwithstanding any other provision of these Articles, no meeting of the Board shall be quorate unless an Investor Director (if appointed) is present in person, and at such meeting -
- (a) if an Investor Director votes at such meeting against any resolution put to that meeting, that resolution shall be deemed not to have been carried notwithstanding that the number of votes cast in its favour exceeds those cast against it and notwithstanding any of the provisions of these Articles or any regulation of the Model Articles to the contrary, and
 - (b) if an Investor Director votes at such meeting in favour of any resolution put to that meeting, that resolution shall be deemed to have been carried notwithstanding that the number of votes cast against such resolution exceeds those cast in its favour and notwithstanding any of the provisions of these Articles or any regulation of the Model Articles to the contrary

16.4 Transactional Conflicts

- 16.4.1 Subject to the provisions of the Act and provided that he has disclosed to the directors the nature and extent of any material interest of his, a director notwithstanding his office
- (a) may be a party to or otherwise interested in any transaction or arrangement with the Company or in which the Company is in any way interested,
 - (b) may be a director or other officer of or employed by or be a party to any transaction or arrangement with or otherwise interested in any body corporate promoted by the Company or in which the Company is in any way interested,

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- (c) may (and any firm or company of which he is a partner or member or director may) act in a professional capacity for the Company or any body corporate in which the Company is in anyway interested,
 - (d) shall not by reason of his office be accountable to the Company for any benefit which he derives from such office service or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit, and
 - (e) shall, subject to Articles 16.4.2 and 16.5.4, and the terms of any authorisation under Article 16 be entitled to vote and be counted in the quorum on any resolution concerning a matter in which he has a direct or indirect interest or duty

16.4.2 For the purposes of Article 16.4.1

- (a) a general notice to the directors that a director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the director has an interest in any such transaction of the nature and extent so specified,
- (b) an interest of which a director is not aware and of which it is unreasonable to expect him to be aware shall not be treated as an interest of his, and
- (c) an interest of a person who is for any purpose of the Act (excluding any statutory modification not in force when these Articles were adopted) connected with a director shall be treated as an interest of the director and in relation to an alternate director an interest of his appointor shall be treated as an interest of the alternate director without prejudice to any interest which the alternate director has otherwise

16.5 Authorisation of Situational Conflicts

16.5.1 To the fullest extent possible by law and subject to the other provisions of the Articles, for the purposes of section 180(4)(a) of the Act, any director (including an Investor Director) shall be authorised in respect of the Pre-Authorised Situations and each Investor Director shall be authorised in respect of the Pre-Authorised Investor Director Situations provided that the Board (with Investor Consent) may revoke, or make subject to such terms and conditions as it thinks fit any such authorisation

16.5.2 To the fullest extent permitted by law and subject to the other provisions of these Articles, the directors (for the purposes of section 175(4)(b) of the Act) and the Company by ordinary resolution (for the purposes of section 180(4)(a) of the Act) may authorise any Conflict Situation

16.5.3 Any authorisation under 16.5.2 shall

- (a) be subject to Investor Consent (save where the authorisation relates only to one or more Investor Director(s)),
- (b) be on such terms and conditions as may be set out in such Investor Consent or (if the authorisation relates only to one or more Investor Directors), as resolved by the Company or the Board (and any such terms and conditions may be revoked or varied by Investor Consent or resolution of the Shareholders or relevant directors as appropriate),
- (c) extend to any actual or potential Conflict Situation which may reasonably be expected to arise out of the matters expressly authorised

16.5.4 Notwithstanding Articles 16.3.3, 16.3.5 (and without prejudice to Article 16.5.5(a)), at any meeting of the directors where the authorisation of a Conflict Situation pursuant to Article 16.5.2 is being considered

- (a) where the Conflict Situation does not relate to an Investor Director, the quorum shall be one and shall include an Investor Director,
- (b) where the Conflict Situation relates to one or more Investor Directors the quorum shall be two and shall not include any director to whom that conflict Situation relates but shall include any Chairman unless he is also so interested, and
- (c) any resolution of the directors authorising the Conflict Situation can only be passed where any directors to whom that Conflict Situation relates do not vote or if the directors have already voted on it, would have been passed without counting the votes of any such interested director who has voted

16.5.5 Subject to authorisation of a Conflict Situation in accordance with these Articles (including under Article 16.5.1) and any terms or conditions applying to such authorisation, a director

- (a) may count in the quorum for and vote at any meeting (or part of a meeting) of the Board at which the authorised Conflict Situation is considered (and may receive notices of and documents and information relating to such meetings/parts of meetings),
- (b) shall not be required to disclose to the Company any confidential information obtained as a result of the authorised Conflict Situation (save where also lawfully obtained as a result of his position as a director of the Company) where do so would result in the director breaching a duty of confidentiality owed as a result of or in relation to the authorised Conflict Situation,
- (c) shall not be accountable to the Company for any benefit he (or a person connected with him) derives from any matter relating to the authorised Conflict Situation and any contract or arrangement relating to the Conflict Situation shall not be liable to be avoided on the ground of any such benefit

16.5.6 Where proposals concerning the authorisation by the directors of Conflict Situations of two or more directors under Article 16.5.2 are under consideration, such directors' interests may be divided and considered separately for each director and each such director may form part of the quorum and vote in relation to each resolution except any resolution(s) concerning his own Conflict Situation(s) (provided he is not otherwise precluded from voting or forming part of the quorum)

16.5.7 Each director shall comply with any obligations imposed on him pursuant to any such authorisation (whether by the directors, the Shareholders or as set out in the relevant Investor Consent)

16.5.8 For the purposes of this Article 16.5

- (a) any reference to a conflict of interest includes a conflict of interest and duty and a conflict of duties,
- (b) an interest of a person connected with a director for the purposes of the Act shall be treated as an interest of the director, and
- (c) an interest of the appointor of an alternate director shall be treated as an interest of the alternate director (together with any interest which the alternate director has otherwise)

17. INVESTOR DIRECTOR AND OBSERVER

- 17.1 Notwithstanding any other provision of these Articles, the Investors shall be entitled by notice in writing to the Company to appoint as directors of the Company up to three persons (the "**Investor Directors**") and at any time and from time to time to remove from office in like manner each such person so appointed and to appoint another person in his place (such appointment, replacement or removal to have effect otherwise as set out in such notice) The reasonable expenses of each Investor Director shall be payable by the Company Upon request by the Investors the Company shall also procure that any Investor Director be appointed as director to any subsidiary of the Company
- 17.2 Each Investor Director shall have the right from time to time, by notice in writing to the Company, to appoint an alternate, which alternate shall have all the rights of an Investor Director pursuant to these Articles
- 17.3 On any resolution to remove an Investor Director, the A Ordinary Shares shall together carry at least one vote in excess of 75% of the votes exercisable at the general meeting at which such resolution is proposed
- 17.4 In addition to the rights set out in Article 17.1, the Investors shall have the right to designate up to two representatives to attend, as observers, and speak but not vote at all meetings of the directors and at all meetings of all committees of the directors Such representatives will be entitled to receive all written materials and other information given to the directors and to members of the committees of the directors in connection with such meetings at the same time as those materials or information are given to the directors or, as the case may be, to such members Such persons may be designated by notice in writing to the Company and may be replaced or removed at any time and from time to time in like manner (such designation, replacement or removal to have effect as otherwise set out in such notice)

18. CHAIRMAN AND SECRETARY

- 18.1 The Investors shall have the right at any time and from time to time to appoint, remove or replace any person as Chairman in accordance with and subject to Clause 7.3 of the Investment Agreement
- 18.2 The Board (with Investor Consent) shall have the right at any time and from time to time to appoint one of the directors of the Company or any other person as secretary of the Company and shall have the right to remove from the office of secretary of the Company any person appointed by it pursuant to this Article and to appoint another director or other person in his place (such appointment or removal to have effect as otherwise set out in such notice)

19. DIVIDENDS

- 19.1 Regulations 30(1) to 30(4) (inclusive) of the Model Articles shall be subject to Article 19.2 (and regulations 30(5) to 30(7) shall be disapplied)
- 19.2 Except as otherwise provided by the rights attached to Shares, all dividends shall be declared and paid according to the amounts paid up on the Shares on which the dividend is paid All dividends shall be apportioned and paid proportionately to the amounts paid up on the Shares during any portion or portions of the period in respect of which the dividend is paid, but, if any share is issued on terms providing that it shall rank for dividend as from a particular date, that share shall rank for dividend accordingly

20. MEANS OF COMMUNICATION TO BE USED

- 20.1 Any notice to be given to or by any person pursuant to the Articles (other than a notice calling a meeting of directors) shall be in writing to an address for the time being notified for that purpose to the person giving the notice

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- 20.2 The Company may give any notice to a Shareholder either by hand or by sending it by post in a prepaid envelope addressed to the Shareholder at his registered address or by leaving it at that address or by sending by electronic means to an address for the time being notified by the Shareholder to the Company for the purpose of sending communications by electronic means. In the case of joint holders of a Share, all notices shall be given to the joint holder whose name appears first in the register of members in respect of the joint holding and notice so given shall be sufficient notice to all the joint holders.
- 20.3 A Shareholder present, either in person or by proxy, at any meeting of the Company or of the holders of any class of Shares in the Company shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called.
- 20.4 Proof that an envelope containing a notice was properly addressed, prepaid and posted in accordance with the Articles shall be conclusive evidence that the notice was given. Proof that a notice given by electronic means was properly addressed in accordance with the Articles shall be conclusive evidence that the notice was given. A notice shall be deemed to be given at the expiration of 48 hours after the envelope containing it was posted, if posted to an address within the jurisdiction of posting, or 5 Business Days after the envelope containing it was posted, if posted to an address outside the jurisdiction of posting or, in the case of a notice given by electronic means, at the expiration of 24 hours after the time it was sent. For the purposes of this Article no account shall be taken of any day or any part of a day that is not a Business Day.
- 21. DIRECTORS INDEMNITIES AND INSURANCE**
- 21.1 Subject to Article 21.2, but without prejudice to any indemnity to which a Relevant Officer is otherwise entitled -
- 21.1.1 each relevant officer may be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a Relevant Officer -
- (a) in the actual or purported execution and/or discharge of his duties, or in relation to them, and
- (b) in relation to the Company's (or any Associated Company's) activities as trustee of an occupational pension scheme (as defined in section 235(6) of the Act),
- including (in each case) any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which the court grants him, in his capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company's (or any Associated Company's) affairs, and
- 21.1.2 the Company may provide any Relevant Officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in Article 21.1.1 and otherwise may take any action to enable any such Relevant Officer to avoid incurring such expenditure.
- 21.2 This Article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law. The directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any Relevant Officer in respect of any Relevant Loss.