

THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES

WEDNESDAY



A23 *A128D4FK* #23
08/02/2012
COMPANIES HOUSE

Q360 LIMITED (the "Company")

Company number 07711054

Company registered office: The Isis Building, 193 Marsh Wall, London, UK, E14 9SG

WRITTEN RESOLUTIONS OF THE SOLE MEMBER OF THE COMPANY

CIRCULATION DATE 1 February 2012 (the "Circulation Date")

In accordance with Chapter 2 of Part 13 of the Companies Act 2006, the directors of the Company propose that the resolutions below are passed as special resolutions (the "**Special Resolutions**")

SPECIAL RESOLUTIONS

- 1 That the 1 issued ordinary share of £1 in the capital of the Company be subdivided into 10 ordinary shares of £0 10 each
- 2 That subject to and conditional upon Special Resolution 4 below having been passed, the 10 ordinary shares of £0 10 each, created pursuant to Special Resolution 1 above, be converted into and redesignated as 10 A Ordinary Shares of £0 10 each in the capital of the Company, having the rights and being subject to the restrictions set out in the new articles of association of the Company to be adopted pursuant to Special Resolution 4 below
- 3 That the actions of Timothy Page (during his capacity as sole director of the Company) in (a) entering the Company into and binding it to the terms of an Appointed Representative Contract with Pro Insurance Solutions Limited dated 10 October 2011, and (b) resolving by board meeting dated 8 September 2011 to seek shareholder approval regarding the change of name of the Company, are ratified and affirmed
- 4 That the new articles of association annexed to this written resolution are adopted as the articles of association of the Company in substitution for, and to the exclusion of, the existing articles of association of the Company

AGREEMENT TO THE SPECIAL RESOLUTIONS

Please read the notes below before signifying your agreement to the Special Resolutions

The undersigned, being the sole member of the Company and entitled to vote on the above resolutions on the Circulation Date, hereby agrees to the above Special Resolutions

Signed


Authorised Signatory
for and on behalf of
Tawa Management Ltd

I Christopher Jones as Company Secretary of Q360 Ltd (the "Company") hereby certify that this is a true and accurate copy of the original written special resolutions of the sole shareholder of the Company passed on 1 February 2012

Date

 1st February 2012

Signed  (C H E Jones)
Dated 6 February 2012

THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF Q360 LIMITED

Company Number: 07711054

(Adopted by special resolution passed on 1 February 2012)



COMPANIES HOUSE

INTRODUCTION

1 INTERPRETATION

- 1.1 In these Articles, unless expressly provided otherwise, the following words have the following meanings

Act the Companies Act 2006,

acting in concert has the meaning given to it in the City Code on Takeovers and Mergers published by the Panel on Takeovers and Mergers (as amended),

Adoption Date the date of adoption of these Articles;

A Ordinary Share: means the A ordinary shares of £0.10 each in the capital of the Company,

Articles: the Company's articles of association for the time being in force,

Available Profits profits available for distribution within the meaning of part 23 of the Act,

Bad Leaver an Employee Shareholder who becomes a Departing Employee Shareholder in circumstances where he is neither a Good Leaver nor an Early Leaver,

B Ordinary Shares: means the B ordinary shares of £0.10 in the capital of the Company,

Board: the board of Directors and any committee of the board constituted for the purpose of taking any action or decision contemplated by these Articles,

Business Day any day (other than a Saturday, Sunday or public holiday in the United Kingdom) on which clearing banks in the City of London are generally open for business,

C Ordinary Shares: means the C ordinary shares of £0.10 in the capital of the Company,

Call has the meaning given to it in Article 23.4,

Call Notice has the meaning given to it in Article 23.4,

Chairman: means any Tawa Director appointed by the other Directors as chairman of the Board from time to time,

Companies Acts has the meaning given to it in the Act,

Company means Q360 Limited (Company number 07711054),

connected has the meaning given in section 252 of the Act,

Controlling Interest an interest in Shares conferring on the holder or holders control of the Company within the meaning of section 1124 of the Corporation Tax Act 2010,

D Ordinary Shares: means the D ordinary shares of £0.10 in the capital of the Company,

Deemed Transfer Notice a Transfer Notice which is deemed to have been served by any of the provisions of these Articles,

Departing Employee Shareholder an Employee Shareholder who ceases to be a director or employee of the Company,

Directors the directors, including any Tawa Directors or Manager Directors, of the Company from time to time,

Disposal: the disposal by the Company of all, or a substantial part of, its business and assets,

Dividend Shares: means the B Ordinary Shares, the C Ordinary Shares and the D Ordinary Shares,

Early Leaver an Employee Shareholder who becomes a Departing Employee Shareholder for any reason within 24 months of (but excluding) the Adoption Date,

Eligible Director: means a Director who would be entitled to vote on the matter at a meeting of Directors (but excluding any Director whose vote is not to be counted in respect of the particular matter),

Employee Shareholder a Shareholder who is, or has been, a director and/or an employee of the Company,

Equity Shares the A Ordinary Shares,

Exit a Share Sale or a Disposal,

Fair Value has the meaning given in Article 17 2,

Financial Year an accounting reference period (as defined in section 391 of the Act) of the Company,

First Offer Shareholders in respect of

- (a) an offer of Preference Shares, the holders of Preference Shares,
- (b) an offer of A Ordinary Shares, the holders of A Ordinary Shares,
- (c) an offer of B Ordinary Shares, the holders of B Ordinary Shares,
- (d) an offer of C Ordinary Shares, the holders of C Ordinary Shares, and
- (e) an offer of D Ordinary Shares, the holders of D Ordinary Shares,

Good Leaver an Employee Shareholder who becomes a Departing Employee Shareholder (other than an Early Leaver) by reason of

- (a) death,
- (b) permanent disability or permanent incapacity through ill-health,
- (c) retirement at the retirement age agreed between the Employee Shareholder and the Company,
- (d) the Company terminating his contract of employment by serving notice (in accordance with the terms of that contract) in circumstances where the Employee Shareholder is not in material breach, nor has he been in material breach of his contract,
- (e) redundancy,
- (f) dismissal by the Company which is determined, by an employment tribunal or at a court of competent jurisdiction from which there is no right to appeal, to be unfair, wrongful or constructive, or
- (g) the Board, with the prior written approval of the holders of A Ordinary Shares, determining that he is a Good Leaver

Group: the Company and its subsidiaries (if any) from time to time and **Group Company** shall be construed accordingly,

Independent Director has the meaning given in Article 5 3(c),

Independent Expert the auditors for the time being of the Company or, if they decline the instruction, an independent firm of accountants appointed by the Company and the Seller or, in the absence of agreement between the Company and the Seller (or Investor Majority, as the case may be) on the identity of the expert or its terms of appointment within 10 Business Days of the expiry of the 15 Business Day period referred to in Article 17 1, an

independent firm of accountants appointed, and whose terms of appointment are agreed, by the President, for the time being, of the Institute of Chartered Accountants of England and Wales (in each case acting as an expert and not as an arbitrator),

Investor Consent the prior written consent of the Tawa Directors and if the Investor has not appointed any Tawa Directors or there is a deadlock in getting the agreement of the Tawa Directors, the consent of the Investor,

Investor: means Tawa,

Investor Majority. the holder(s) for the time being of not less than 75% by nominal value of all A Ordinary Shares held by the Shareholders from time to time,

Issue Price in respect of any Share, the subscription price paid (or agreed to be paid) in respect of that Share, including any share premium,

Lien Enforcement Notice: means a notice in writing which complies with the requirements of Article 23 3(b),

Manager means David Merry or such person from time to time that is designated as a “*Manager*” under and for the purposes of the Shareholders’ Agreement,

Manager Consent: means the prior written consent of the Manager,

Manager Director: means a Director appointed by the Manager in accordance with Article 5 3(b),

Member of the Same Group: as regards any company, a company which is from time to time a holding company or a subsidiary of that company or a subsidiary of any such holding company;

Merry Resources Limited: means the company registered in England and Wales with company number 07858624,

Minimum Transfer Condition: shall have the meaning given in Article 16 2(d),

Model Articles the model articles for private companies limited by shares contained in Schedule 1 to The Companies (Model Articles) Regulations 2008 (SI 2008/3229), as amended prior to the Adoption Date,

Original Subscription Price means the subscription price of the Preference Shares,

Preference Shares the redeemable preference shares of £1 each in the capital of the Company,

Relevant Securities any Shares or other securities convertible into, or carrying the right to subscribe for Shares, issued by the Company after the Adoption Date, other than

- (a) any Shares or other securities issued by the Company in order for the Company to comply with its obligations under these Articles and/or the Shareholders' Agreement, and
- (b) any Shares or other securities issued in consideration of the acquisition by the Company of any company or business which has been approved by Investor Consent,

Relevant Shares: in relation to an Employee Shareholder means all Shares held by the Employee Shareholder in question including any Shares held by anyone connected with such Employee Shareholder (which in the case of the Manager Director Shareholder shall include Merry Resources Limited) and any Shares acquired by any such person(s) after the date the relevant Transfer Notice is deemed given but before completion of the transfer of Shares pursuant to the relevant Transfer Notice,

Restricted Shares has the meaning given in Article 18 7,

Sale Shares has the meaning given in Article 16 2(a),

Satisfaction Date means the date upon which all of the following events have occurred

- (a) all of the Preference Shares are redeemed, and
- (b) all arrears and accruals relating to the Preferred Dividend have been paid, and
- (c) the IRR for the holders of C Ordinary Shares at the end of each relevant accounting period (assuming, for the purposes of calculating the IRR, that all Available Profits are distributed to the holders of C Ordinary Shares) is 20% or greater,

Second Offer Shareholders: in respect of:

- (a) an offer of Preference Shares, the holders of A Ordinary Shares;
- (b) an offer of A Ordinary Shares, the holders of Preference Shares,
- (c) an offer of B Ordinary Shares, the holders of A Ordinary Shares,
- (d) an offer of C Ordinary Shares, the holders of A Ordinary Shares, and
- (e) an offer of D Ordinary Shares, the holders of A Ordinary Shares;

Seller has the meaning given in Article 16 2,

Shareholder: a holder for the time being of any Share or Shares,

Shareholders' Agreement any contractual agreement between the Company and its Shareholders,

Shares shares (of any class) in the capital of the Company and "Share" shall be construed accordingly,

Share Sale the sale of (or the grant of a right to acquire or to dispose of) any Shares (in one transaction or as a series of transactions) which would, if completed, result in the buyer of those Shares (or grantee of that right) and persons acting in concert with him together acquiring a Controlling Interest, except where the Shareholders and the proportion of Shares held by each of them following completion of the sale are the same as the Shareholders and their shareholdings in the Company immediately before the sale,

Tawa means Tawa Management Ltd (Company Number. 04200680);

Tawa Director: means a Director appointed by Tawa in accordance with Article 5 3(a),

Termination Date

- (a) where employment ceases by virtue of notice given by the employer to the employee, the date on which such notice expires,
- (b) where a contract of employment is terminated by the employer and a payment is made in lieu of notice, the date on which notice of termination was served,
- (c) where an Employee Shareholder dies, the date of his death,
- (d) where the Employee Shareholder concerned is a director but not an employee, the date on which his service agreement (or other terms of appointment) with the relevant Group Company is terminated, or
- (e) in any other case, the date on which the employment or holding of office is terminated,

Transfer Notice has the meaning given in Article 16 2, and

Transfer Price has the meaning given in Article 17

1 2 A reference in these Articles to

- (a) an **Article** is a reference to the relevant numbered article of these Articles, and
- (b) a **model article** is a reference to the relevant article,

unless expressly provided otherwise

1 3 Save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Model Articles shall have

the same meanings in these Articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Act shall have the same meanings in these Articles (but excluding any statutory modification of them not in force on the Adoption Date).

- 1 4 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles
- 1 5 In these Articles, words denoting the singular include the plural and vice versa and reference to one gender includes the other gender and neuter and vice versa
- 1 6 Unless expressly provided otherwise, a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of
- (a) any subordinate legislation from time to time made under it; and
 - (b) any amendment or re-enactment and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts

2 ADOPTION OF THE MODEL ARTICLES

- 2 1 The Model Articles shall apply to the Company, except in so far as they are modified or excluded by these Articles or are inconsistent with these Articles, and, subject to any such modifications, exclusions or inconsistencies, shall together with these Articles constitute the articles of association of the Company to the exclusion of any other articles or regulations set out in any statute or in any statutory instrument or other subordinate legislation
- 2 2 Model articles 7, 8, 9(1), 11(2) and (3), 13, 14(1) to (4) (inclusive), 16, 22, 26(5), 38, 39, 49 and 51 to 53 (inclusive) shall not apply to the Company
- 2 3 Model article 20 shall be amended by the insertion of the words “*and the secretary*” before the words “*properly incur*”
- 2 4 Model article 29 shall be amended by the insertion of the words “, *or the name of any person(s) named as the transferee(s) in an instrument of transfer executed under article 28(2),*” after the words “*the transferee’s name*”

DIRECTORS

3 NUMBER OF DIRECTORS

- 3 1 Unless otherwise determined by ordinary resolution, the number of Directors shall not exceed eight (8) but shall not be less than two (2)

4 PROCEEDINGS OF DIRECTORS

- 4 1 Any decision of the Directors must be taken at a meeting of Directors in accordance with these Articles or must be a decision taken in accordance with

Article 4.2 (subject to Article 4.3 and Article 4.4) All decisions made at any meeting of the Directors (or any committee of the Directors) shall be made only by resolution and resolutions at any meeting of the Directors (or committee of the Directors) shall be decided by a majority of votes

- 4.2 A unanimous decision of the Directors is taken when all Eligible Directors indicate to each other by any means that they share a common view on a matter
- 4.3 A decision taken in accordance with Article 4.2 may take the form of a resolution in writing, where each Eligible Director has signed one or more copies of it, or to which each Eligible Director has otherwise indicated agreement in writing
- 4.4 A decision may not be taken in accordance with Article 4.2 if the Eligible Directors would not have formed a quorum at a Directors' meeting to vote on the matter in accordance with Article 4.7 and Article 4.8
- 4.5 Model Articles 5(1) to (3) inclusive and 6(2) shall be modified by the insertion of the words "*(acting with Investor Consent)*" following each reference to the "*the directors*" in such Model Articles
- 4.6 Meetings of the Directors shall take place at least four times in each year, with a period of not more than 16 weeks between any two meetings. Any Director may call a meeting of the Directors, or authorise the company secretary (if any) to give such notice. At least 10 Business Days' advance notice of each such meeting shall be given to each Director (except with the Investor Consent when meetings of the Directors may take place less frequently or on shorter notice)
- 4.7 The quorum for any meeting (or, where specified below, part of a meeting) of the Directors shall be three (3) Eligible Directors made up of two (2) Tawa Directors and at least one (1) Manager Director. If the necessary quorum is not present within 30 minutes from the time appointed for the meeting, or if, during a meeting, such quorum ceases to be present, the meeting shall stand adjourned to such time and place as the Directors determine if a quorum is not present at any such adjourned meeting within 30 minutes from the time appointed, then the meeting shall proceed
- 4.8 For the purposes of any meeting (or part of a meeting) held pursuant to Article 7 to authorise a Conflict (as defined in Article 7.1), if there is only one Eligible Director in office other than the conflicted Director(s), the quorum for such meeting (or part of a meeting) shall be one Eligible Director
- 4.9 If the number of Directors in office for the time being is less than two, the Director in office must not take any decision other than a decision to
- (a) appoint further Directors; or

- (b) call a general meeting so as to enable the Shareholders to appoint further Directors
- 4 10 Questions arising at any meeting of the Directors shall be decided by a majority of votes. If there is an equality of votes, the Chairman (or other chairman of the meeting) shall have a second or casting vote
- 4 11 Where decisions of the Directors are taken by electronic means, such decisions shall be recorded by the Directors in permanent form, so that they may be read with the naked eye
- 4 12 The Directors (acting with Investor Consent) may make any rule which they think fit about how they take decisions and about how such rules are to be recorded or communicated to Directors

5 APPOINTMENT AND REMOVAL OF DIRECTORS

- 5 1 The following provisions in this Article 5 shall apply in relation to the appointment of Directors of the Company
- 5 2 Model Article 17(1) shall be modified by the inclusion, at the end of that Model Article, of the words *“provided that the appointment does not cause the number of Directors to exceed the maximum number set out in Article 3 1 of these Articles”*
- 5 3 Each of Tawa and the Manager shall be entitled to appoint a number of Directors of the Company in accordance with this Article 5 3
 - (a) Tawa may appoint up to four (4) natural persons as Directors (each a **“Tawa Director”** and together the **“Tawa Directors”**);
 - (b) Manager may appoint up to three (3) natural persons as Directors (each a **“Manager Director”** and together the **“Manager Directors”**), and
 - (c) the Manager and Tawa acting together may select one natural person as an independent Director (an **“Independent Director”**),

subject always to the maximum number of Directors as specified in Article 3 1

- 5 4 Any nominations made in accordance with this Article 5 shall be made by notice in writing addressed to the Company and a copy of such notice to every Shareholder. Each person who is entitled to nominate a Director in accordance with this Article 5 shall be entitled to remove their respective nominated Director so appointed at any time by notice in writing to the Company served at its registered office (a copy of such notice is to be provided to the other persons entitled to nominate or remove a Director pursuant to this Article 5) and appoint another person to act in that removed Director's place

- 5 5 An appointment or removal of a Director under Articles 5 3 and 5 4 will take effect at and from the time when the notice is received at the registered office of the Company or produced to a meeting of the Directors
- 5 6 Model Article 18 shall be modified by the addition of the following events upon the occurrence of which a person shall cease to be a Director
- (a) he is convicted of a criminal offence (other than a minor motoring offence) and a majority of the other Directors resolve that he cease to be a Director,
 - (b) in the case only of an Independent Director, the other Directors unanimously resolve that he cease to be a Director, and
 - (c) he shall cease to be a director by virtue of any provision of the Act or he becomes prohibited by law, the Financial Services Authority and/or Lloyds of London from being a Director of the Company

6 TRANSACTIONS OR OTHER ARRANGEMENTS WITH THE COMPANY

Subject to sections 177(5) and 177(6) and sections 182(5) and 182(6) of the Act and provided he has declared the nature and extent of his interest in accordance with the requirements of the Companies Acts, a Director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company

- (a) may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested,
- (b) shall be an Eligible Director for the purposes of any proposed decision of the Directors (or committee of the Directors) in respect of such existing or proposed transaction or arrangement in which he is interested,
- (c) shall be entitled to vote at a meeting of Directors (or of a committee of the Directors) or participate in any unanimous decision, in respect of such existing or proposed transaction or arrangement in which he is interested,
- (d) may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a Director,
- (e) may be a Director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, anybody corporate in which the Company is otherwise (directly or indirectly) interested, and

- (f) shall not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or a person connected with him) derives from any such transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act

7 DIRECTORS' CONFLICTS

7.1 The Directors may, in accordance with the requirements set out in this Article 7, authorise any matter or situation proposed to them by any Director which would, if not authorised, involve a Director (an "**Interested Director**") breaching his duty under section 175 of the Act to avoid conflicts of interest ("**Conflict**")

7.2 Any authorisation under this Article 7 will be effective only if

- (a) to the extent permitted by the Act, the matter in question shall have been proposed by any Director for consideration in the same way that any other matter may be proposed to the Directors under the provisions of these Articles or in such other manner as the Directors may determine,
- (b) any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director, and
- (c) the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's vote had not been counted.

7.3 Any authorisation of a Conflict under this Article 7 may (whether at the time of giving the authorisation or subsequently):

- (a) extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised,
- (b) provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the Directors or otherwise) related to the Conflict;
- (c) subject to Investor Consent, provide that the Interested Director shall or shall not be an Eligible Director in respect of any future decision of the Directors in relation to any resolution related to the Conflict,
- (d) impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the Directors think fit,

- (e) provide that, where the Interested Director obtains, or has obtained (through his involvement in the Conflict and otherwise than through his position as a Director of the Company) information that is confidential to a third party, he will not be obliged to disclose that information to the Company, or to use it in relation to the Company's affairs where to do so would amount to a breach of that confidence, and
 - (f) permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any meeting of the Directors and be excused from reviewing papers prepared by, or for, the Directors to the extent they relate to such matters
- 7.4 Where the Directors authorise a Conflict, the Interested Director will be obliged to conduct himself in accordance with any terms and conditions imposed by the Directors in relation to the Conflict
- 7.5 The Directors may revoke or vary such authorisation at any time, but this will not affect anything done by the Interested Director, prior to such revocation or variation, in accordance with the terms of such authorisation
- 7.6 A Director, notwithstanding his office, may be a Director or other officer of, employed by, or otherwise interested (including by the holding of shares) in his appointor(s) and no authorisation under Article 7.1 shall be necessary in respect of any such interest
- 7.7 A Tawa Director shall be entitled from time to time to disclose to the Investor such information concerning the business and affairs of the Company as he shall at his discretion see fit acting always in the best interests of the Company
- 7.8 A Director is not required, by reason of being a Director (or because of the fiduciary relationship established by reason of being a Director), to account to the Company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the Directors in accordance with these Articles or by the Company in general meeting (subject in each case to any terms and conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds

8 SECRETARY

The Directors may appoint any person who is willing to act as the secretary for such term, at such remuneration and upon such conditions as they may think fit and from time to time remove such person and, if the Directors so decide, appoint a replacement, in each case by a decision of the Directors

SHARES AND DISTRIBUTIONS

9 DIVIDENDS

- 9 1 In respect of any Financial Year, the Available Profits of the Company shall be used to pay dividends as set out in this Article 9. The payment of such dividend is subject to the availability of cash, the minimum capital required by the Company for its operation and the availability of distributable profits as defined in the Act.
- 9 2 The Company shall, without need for a resolution of the Directors, or the Company in general meeting and before application of any Available Profits to reserves or for any other purpose, pay in respect of each Preference Share a fixed, cumulative, preferential dividend ("**Preferred Dividend**") at an annual rate of 5% of the Issue Price per Preference Share to the person registered as its holder on the due date (such date determined in accordance with this Article 9).
- 9 3 Subject to Article 9 4, the Preferred Dividend shall be paid in cash annually, the Board shall determine the date of payment.
- 9 4 All unpaid arrears and accruals of the Preferred Dividend shall be paid on the date of an Exit.
- 9 5 The Company shall not declare or pay any further dividend unless and until all arrears and accruals of the Preferred Dividend have been paid.
- 9 6 Subject to Article 9 5 and Article 9 12, any further Available Profits which the Company may determine to distribute in respect of any Financial Year will be calculated and applied as follows:
- (a) The IRR at the end of each relevant accounting period shall be calculated no later than 31 March of the following year. In the event that
 - (i) the initial IRR at the end of each relevant accounting period (assuming, for the purposes of calculating the initial IRR, that all Available Profits are distributed to the holders of C Ordinary Shares) is less than 20%, the amount of Available Profits will be distributed pari passu to the holders of B Ordinary Shares and C Ordinary Shares pro rata to their holding of B Ordinary Shares and C Ordinary Shares, or
 - (ii) the initial IRR at the end of each relevant accounting period (assuming, for the purposes of calculating the initial IRR, that all Available Profits are distributed to the holders of C Ordinary Shares) is equal to or greater than 20%, the following calculations shall be made

$$\frac{C}{70}$$

$$\frac{C}{100} \times AP = D$$

$$100$$

$$AP - D = E$$

For the purposes of this Article

AP = Available Profits

D = amount of Available Profits to be distributed to holders of D Ordinary Shares pro rata to their holdings of D Ordinary Shares

E = amount of Available Profits to be distributed pari passu to the holders of B Ordinary Shares and C Ordinary Shares pro rata to their holding of B Ordinary Shares and C Ordinary Shares PROVIDED THAT if the actual IRR of the holders of C Ordinary Shares after allocation of Available Profits to the holders of B Ordinary Shares and C Ordinary Shares on the basis set out in this definition E would fall below 20%, C shall be adjusted so that the resulting actual IRR of the holders of C Ordinary shares is 20%

So that, by way of three worked examples

EXAMPLE 1:

In the event that the IRR at the end of a relevant accounting period is 25% and the Available Profits are £1,000,000

AP shall be £1,000,000

D shall be £700,000

E shall be £300,000

Therefore, the Available Profits shall be distributed as follows

To B Shareholders – £47,727

To C Shareholders – £252,273

To D Shareholders – £700,000

EXAMPLE 2:

In the event that the IRR at the end of a relevant accounting period is 10% and the Available Profits are £1,000,000, the Available Profits shall be distributed as follows

To B Shareholders - £159,091

To C Shareholders - £840,909

To D Shareholders - £0

(b) For the purposes of the above sub-article,

IRR for the payment period is the rate, r , at which $NPV = 0$ in the following equation

$$NPV = \sum_{n=0}^N \frac{C_n}{(1+r)^n} = 0$$

Where

n signifies payment periods i.e. monthly, half yearly, annually

C_n = the cash flow for the period n

and

N is the total number of periods over which the IRR is being calculated

If the payments are not annual and an annual IRR is required then the above IRR above should be annualised

- 9 7 Each dividend shall be distributed to the appropriate Shareholders pro rata according to the number of Shares held by them respectively and shall accrue daily (assuming a 365 day year) as well after as before the commencement of a winding up All dividends are expressed net and shall be paid in cash
- 9 8 Unless the Company has insufficient Available Profits, the Preferred Dividend shall, notwithstanding that such dividend is expressed to be cumulative, be paid immediately on the due date
- 9 9 If, as a result of not having sufficient Available Profits, the Company is not lawfully permitted to pay the Preferred Dividend in full on the due date, it shall pay the Preferred Dividend to the extent it is lawfully able to do so The unpaid amount shall
 - (a) be a debt due from the Company, and
 - (b) accrue interest daily (assuming a 365 day year) at the rate of the 3 month libor rate plus 5% in respect of the period from the due date to the actual date of payment (both dates inclusive) and such interest shall, to the extent outstanding for the time being, be paid on the date of payment of the Preferred Dividend in respect of which the relevant interest accrues
- 9 10 If the Company is in arrears in paying the Preferred Dividend, the first Available Profits arising shall be applied in or towards paying off any arrears of Preferred Dividend
- 9 11 The Company shall procure that the profits of any other Group Company available for distribution shall from time to time (and to the extent lawful), be paid by way of dividend to the Company (or, as the case may be, the relevant

Group Company that is its immediate holding company) to the extent necessary to permit lawful and prompt payment by the Company of the Preferred Dividend

- 9 12 Notwithstanding the provisions of Article 9 6, the Company shall, in respect of any Financial Year after the Satisfaction Date, distribute the Available Profits as follows

- 30% of the Available Profits will be distributed pari passu to the holders of B Ordinary Shares and C Ordinary Shares pro rata to their holding of B Ordinary Shares and C Ordinary Shares; and
- 70% of the Available Profits will be distributed to the holders of D Ordinary Shares

10 LIQUIDATION PREFERENCE

On a return of assets on liquidation, capital reduction or otherwise (other than a conversion or purchase of Shares), the assets of the Company remaining after the payment of its liabilities shall be applied (to the extent that the Company is lawfully able to do so) as if the surplus assets constituted sale proceeds and are distributed in accordance with Article 20.4

11 EXIT PROVISIONS

- 11 1 The proceeds of a Share Sale shall be distributed in the order of priority set out in Article 10. The Directors shall not register any transfer of Shares if the consideration payable (including any deferred consideration) whether in cash or otherwise to those Shareholders selling Shares under a Share Sale (“**Sale Proceeds**”) is not distributed in that manner provided that, if the Sale Proceeds are not settled in their entirety upon completion of the Share Sale

- (a) the Directors may register the transfer of the relevant Shares, provided that the Sale Proceeds due on the date of completion of the Share Sale have been distributed in the order of priority set out in Article 10, and
- (b) each Shareholder shall take any reasonable action (to the extent lawful and within its control) required by the Investor to ensure that the balance of the Sale Proceeds are distributed in the order of priority set out in Article 10.

- 11 2 On a Disposal, the surplus assets of the Company remaining after payment of its liabilities shall be distributed (to the extent that the Company is lawfully permitted to do so) in the order of priority set out in Article 10, provided always that if it is not lawful for the Company to distribute its surplus assets in accordance with the provisions of these Articles, each Shareholder shall (to the extent lawful and within its control) take any reasonable action required by the Investor (including, but without prejudice to the generality of this Article 11 2, such action as may be necessary to put the Company into voluntary liquidation so that Article 10 applies)

- 11 3 In the event of an Exit approved by the Directors (acting with Investor Consent and Manager Consent) ("**Proposed Exit**"), all Shareholders shall consent to, vote for, raise no objections to and waive any applicable rights in connection with the Proposed Exit. The Shareholders shall be required to take all lawful actions with respect to the Proposed Exit as are reasonably required by the Directors to facilitate the Proposed Exit. If any Shareholder fails to comply with the provisions of this Article 11 3
- (a) the Company shall be constituted the agent and attorney of each defaulting Shareholder for taking such actions as are necessary to effect the Proposed Exit,
 - (b) the Directors may authorise an officer of the Company or a Shareholder to execute and deliver on behalf of such defaulting Shareholder all or any necessary documents, and
 - (c) the Company may receive any purchase money due to the defaulting Shareholder in trust for each of the defaulting Shareholders (without any obligation to pay interest)

12 VARIATION OF CLASS RIGHTS

- 12 1 Whenever the share capital of the Company is divided into different classes of Shares, the special rights attached to any such class may only be varied or abrogated (either whilst the Company is a going concern or during or in contemplation of a winding up) with the consent in writing of the holders of at least 85% in nominal value of the issued Shares of that class, save that the special rights attached to the Preference Shares may only be varied or abrogated with Investor Consent
- 12 2 Without prejudice to the generality of Article 12 1, the special rights attaching to the Preference Shares shall be deemed to be varied by the occurrence of any of the following events
- (a) the amendment or repeal of any provision of, or addition of any provision to, the constitution of the Company,
 - (b) the alteration in any manner (including, without limitation, by an increase, reduction, sub-division, consolidation, re-classification or a change in any of the rights attached) of any of the issued share capital or other securities of the Company or the creation by the Company of any shares or other securities (save as expressly provided otherwise in these Articles), but excluding in each case the issue of any shares or other securities on the exercise of any option, warrant or other right to acquire or subscribe for shares or other securities referred to in Article 12 2(c),
 - (c) the grant of any option, warrant or other right to acquire or subscribe for shares in or other securities of the Company;

- (d) the approval of any merger, liquidation, dissolution or acquisition of the Company or the sale of all or any part of the business, undertaking or assets of the Company,
 - (e) the purchase by the Company of any Shares or the redemption of any shares or other securities of the Company,
 - (f) the acquisition by the Company of any shares or other securities, or any option, warrant or other right to acquire or subscribe for any of the same, in any entity (whether or not incorporated),
 - (g) save as expressly provided otherwise in these Articles, the application by capitalisation of any sum in or towards paying up any shares or other securities of the Company, or any other reduction of any amount standing from time to time to the credit of the share premium account or capital redemption reserve of the Company,
 - (h) the entering into by the Company of a voluntary winding up,
 - (i) the transferring of any profits to reserves and the taking of any action (excluding payment of dividends) which will raise or may reduce the amount of the profits of the Company available for distribution,
 - (j) the appointment or removal of any director of the Company, other than the appointment or removal of a Tawa Director, a Manager Director or an Independent Director made in accordance with Article 5 and save as provided by law,
 - (k) the redenomination of any of the issued share capital of the Company, and
 - (l) the Company incurring any obligation (whether or not conditional) to do any of the foregoing
- 12 3 The creation of a new class of Shares which has preferential rights to one or more existing classes of Shares shall not, except as provided in Article 12 2, constitute a variation of the rights of those existing classes of Shares

13 REDEMPTION OF PREFERENCE SHARES

- 13 1 Subject to the Act, from 31 December 2012 and every month thereafter, all of the Preference Shares may be redeemed by the relevant holder giving notice of the redemption and the number of Preference Shares to be redeemed to the Company ("**Redemption Notice**") Manager Consent shall be required in the event that more than 90% of the Preference Shares in issue are to be redeemed in any one month The Preference Shares shall be redeemed immediately following receipt of the Redemption Notice by the Company ("**Redemption Date**").
- 13 2 On the Redemption Date, the Company shall pay the Original Subscription Price on each of the Preference Shares redeemed At the same time, it shall

pay any arrears or accruals of the Preferred Dividend due on such shares, calculated down to and including the Redemption Date. In the absence of any direction to the contrary by the holder of the relevant Preference Shares, any amount paid on redemption of those shares shall relate first to the arrears and accruals of the Preferred Dividend. The Preferred Dividends on the redeemed shares shall stop accruing from the date on which the redemption amount is paid.

- 13.3 On any Redemption Date the Company shall pay to each registered holder of Preference Shares the amount payable in respect of such redemption. On receipt of that amount, each such holder shall surrender to the Company the certificate for the Preference Shares that are to be redeemed (or an indemnity in a form reasonably satisfactory to the Board in respect of any lost share certificate) to be cancelled. If any certificate (or indemnity) so surrendered includes any Preference Shares that are not redeemable at that time, the Company shall issue a new share certificate for the balance of such shares not redeemable to the holder.
- 13.4 If, on any Redemption Date, the Company is prohibited from redeeming some or all of the Preference Shares then due to be redeemed, the Company shall redeem such number of Preference Shares as it is lawfully able to redeem. If there is more than one holder whose Preference Shares are due to be redeemed, those Preference Shares shall be redeemed in proportion as nearly as possible to their existing holdings of Preference Shares and the Company shall redeem the balance of those shares as soon as practicable.
- 13.5 For so long as the Company is prohibited from redeeming Preference Shares, and some or all of the Preference Shares have not been redeemed, the Preferred Dividend shall, notwithstanding the other provisions of these Articles, continue to accrue down to and including the date on which such Preference Shares are actually redeemed, and the Company shall not pay any dividend or otherwise make any distribution out of capital or otherwise decrease its Available Profits. If the Company fails to make any partial redemption of Preference Shares, then subsequent redemptions of Preference Shares shall be deemed to be of those Preference Shares that first became due for redemption.

14 PRE-EMPTION RIGHTS ON THE ISSUE OF FURTHER SHARES

- 14.1 Save to the extent authorised by these Articles, the Directors shall not, save with the Investor Consent and Manager Consent exercise any power to allot Shares or to grant rights to subscribe for, or to convert any security into, any Shares.
- 14.2 Subject to the remaining provisions of this Article 14, the Directors are generally and unconditionally authorised, for the purposes of section 551 of the Act, to exercise any power of the Company to
- (a) offer or allot,
 - (b) grant rights to subscribe for or to convert any security into, and

- (c) otherwise deal in, or dispose of,

any Shares (or any options, warrants, conversion rights and all other rights to acquire or subscribe for Shares) to any person, at any time and subject to any terms and conditions as the Directors think proper

14 3 The authority referred to in Article 14 2

- (a) shall be limited to a maximum nominal amount of £3,000,000 of Preference Shares, £220 of A Ordinary Shares, £35 of B Ordinary Shares, £185 of C Ordinary Shares and £10 of D Ordinary Shares,
- (b) shall only apply insofar as the Company has not, subject to these Articles, renewed, waived or revoked it by ordinary resolution, and
- (c) may only be exercised for a period of five years from the Adoption Date save that, subject to these Articles, the Directors may make an offer or agreement which would, or might, require any Shares to be allotted after the expiry of such authority (and the Directors may allot Shares in pursuance of an offer or agreement as if such authority had not expired)

14 4 In accordance with section 567(1) of the Act, sections 561 and 562 of the Act shall not apply to an allotment of equity securities (as defined in section 560(1) of the Act) made by the Company

14 5 Save with Investor Consent and Manager Consent if the Company proposes to allot any Relevant Securities, those Relevant Securities shall not be allotted to any person unless the Company has first offered them to the holders (on the date of the offer) of the Equity Shares or the Dividend Shares (each an “Offeree”) on a pari passu basis (as if they constituted Shares of the same class) and in the respective proportions that the number of Equity Shares or the Dividend Shares held by each such holder bears to the total number of Equity Shares or the Dividend Shares held by all such holders (as nearly as possible without involving fractions) and on the same terms, and at the same price, as those Relevant Securities are being, or are to be, offered to any other person

14 6 An offer made under Article 14 5 shall

- (a) be in writing and give details of the number, class and subscription price (including any share premium) of the Relevant Securities being offered,
- (b) remain open for a period of 30 Business Days from the date of service of the offer (the “Share Offer Period”),
- (c) stipulate that any Offeree who wishes to subscribe for a number of Relevant Securities in excess of the number to which he is entitled under Article 14 5 shall, in his acceptance, state the number of excess Relevant Securities (“Excess Securities”) for which he wishes to subscribe, and

- (d) shall immediately lapse if the Offeree ceases to be a Shareholder within the Share Offer Period
- 14 7 If, on the expiry of an offer made in accordance with Article 14 5, the total number of Relevant Securities applied for is less than the total number of Relevant Securities so offered, the Directors shall allot the Relevant Securities to the Offerees in accordance with their applications, subject to a maximum of each Offeree's proportionate entitlement
- 14 8 Any Relevant Securities not accepted by Offerees pursuant to an offer made in accordance with Article 14.5 shall be used to satisfy any requests for Excess Securities made pursuant to Article 14 6(c). If there are insufficient Excess Securities to satisfy such requests, the Excess Securities shall be allotted to the applicants in the respective proportions that the number Equity Shares or the Dividend Shares held by each such applicant bears to the total number of such Equity Shares or the Dividend Shares held by all applicants (as nearly as possible without involving fractions or increasing the number of Excess Securities allotted to any Shareholder beyond that applied for by him) After those allotments, any Excess Securities shall, subject to Article 14 10, be offered to any other person(s) as the Directors may, with Investor Consent and Manager Consent, determine, at the same price and on the same terms as the offer to the Shareholders
- 14 9 If, after completion of the allotments referred to in articles Article 14 7 and Article 14 8, not all of the Relevant Securities have been allotted, the balance of such Relevant Securities shall, subject to Article 14 10 be offered to any other person(s) as the Directors may, with Investor Consent and Manager Consent, determine, at the same price and on the same terms as the offer to the Shareholders
- 14 10 No Shares shall be allotted to any current or prospective employee or director of any Group Company unless such person shall first have entered into a joint election with the relevant Group Company under section 431 of the Income Tax (Earnings and Pensions) Act 2003.
- 15 TRANSFERS OF SHARES: GENERAL**
- 15 1 In these Articles, reference to the transfer of a Share includes the transfer, assignment or other disposal of a beneficial or other interest in that Share, or the creation of a trust or encumbrance over that Share, and reference to a Share includes a beneficial or other interest in a Share
- 15 2 No Share shall be transferred, and the Directors shall refuse to register a transfer of any Share, unless it is made in accordance with these Articles Subject to Article 15 5, the Directors shall register any duly stamped transfer made in accordance with these Articles, unless they suspect that the proposed transfer may be fraudulent
- 15 3 If a Shareholder transfers (or purports to transfer) a Share other than in accordance with these Articles, he shall be deemed to have immediately served a Transfer Notice in respect of all Shares held by him

- 15 4 Any transfer of a Share by way of sale which is required to be made under Article 18, Article 19 or Article 20 shall be deemed to include a warranty that the transferor sells the Share with full title guarantee
- 15 5 The Directors may, as a condition to the registration of any transfer of Shares, require the transferee to execute and deliver to the Company a deed, in favour of the Company, the Investor and the Manager agreeing to be bound by the terms of any shareholders' agreement (or similar document) in force between any of the Shareholders and the Company, in such form as the Directors may reasonably require (but not so as to oblige the transferee to have any obligations or liabilities greater than those of the proposed transferor). If any condition is imposed in accordance with this Article 15 5, the transfer may not be registered unless and until that deed has been executed and delivered to the Company's registered office by the transferee
- 15 6 To enable the Directors to determine whether or not there has been any transfer (or purported transfer) of Shares the Directors may, and shall if so requested by a Tawa Director, require
- (a) any holder (or the legal representatives of a deceased holder), or
 - (b) any person named as a transferee in a transfer lodged for registration, or
 - (c) such other person as the Directors or a Tawa Director may reasonably believe to have information relevant to that purpose,
- to provide the Company with any information and evidence that the Directors think fit regarding any matter which they deem relevant to that purpose
- 15 7 If any such information or evidence referred to in Article 15.6 is not provided to enable the Directors to determine to their reasonable satisfaction that no breach has occurred, or that as a result of the information and evidence provided the Directors are reasonably satisfied that a breach has occurred, the Directors shall immediately notify the holder of such Shares of that fact in writing and then, unless otherwise directed in writing by an Investor Majority
- (a) the relevant Shares shall cease to confer on the holder of them any rights
 - (i) to vote (whether on a show of hands, on a poll or otherwise and whether in person, by proxy or otherwise), including in respect of any resolution of any class of Shares,
 - (ii) to receive dividends or other distributions (other than the amount to which they may be entitled pursuant to the application of Article 9 2) otherwise attaching to those Shares, or
 - (iii) to participate in any future issue of Shares, and

- (b) the Directors may, by notice in writing to the relevant holder, determine that a Transfer Notice shall be deemed to have been given in respect of some or all of his Shares with effect from the date of service of the notice (or such later date as may be specified in such notice)

The Directors may (with Investor Consent) reinstate the rights referred to in Article 15 7(a) at any time and, in any event, such rights shall be reinstated on completion of a transfer made pursuant to Article 15 7(b)

- 15 8 Unless expressly provided otherwise in these Articles, if a Transfer Notice is deemed to have been given under these Articles, the Deemed Transfer Notice shall be treated as having specified that

- (a) it does not contain a Minimum Transfer Condition, and
- (b) the Seller wishes to transfer all the Shares held by him (including any Shares acquired after the date the relevant Transfer Notice is deemed given but before completion of the transfer of Shares pursuant to the relevant Transfer Notice)

- 15 9 Any Transfer Notice (but not an Offer Notice (as defined in Article 19) or a Drag Along Notice (as defined in Article 20)) served in respect of the transfer of any Share which has not completed before the date of service of a Deemed Transfer Notice shall automatically be revoked by the service of a Deemed Transfer Notice

16. PRE-EMPTION RIGHTS ON THE TRANSFER OF SHARES

- 16.1 Except where the provisions of Article 19 or Article 20 apply, any transfer of Shares by a Shareholder shall be subject to the pre-emption rights in this Article 16

- 16 2 A Shareholder who wishes to transfer Shares (a “**Seller**”) shall, before transferring or agreeing to transfer any Shares, give notice in writing (a “**Transfer Notice**”) to the Company specifying

- (a) subject to Article 15.8(b), the number of Shares he wishes to transfer (“**Sale Shares**”);
- (b) the name of the proposed transferee, if any,
- (c) subject to Article 18 5, the price per Sale Share (in cash), if any, at which he wishes to transfer the Sale Shares (the “**Proposed Sale Price**”), and
- (d) subject to Article 15 8(a), whether the Transfer Notice is conditional on all or a specific number of the Sale Shares being sold (a “**Minimum Transfer Condition**”)

- 16 3 Except in the case of a Deemed Transfer Notice (which may not be withdrawn), where the Transfer Price of the Sale Shares comprised within a

Transfer Notice is to be the Fair Value and such Fair Value less than the Proposed Sale Price the Seller may, within 10 Business Days of receipt of the notification of Fair Value, withdraw the Transfer Notice. Otherwise, a Transfer Notice may only be withdrawn with Investor Consent.

16.4 A Transfer Notice (or Deemed Transfer Notice) constitutes the Company the agent of the Seller for the sale of the Sale Shares at the Transfer Price.

16.5 As soon as practicable following the later of

(a) receipt of a Transfer Notice (or in the case of a Deemed Transfer Notice, the date such notice is deemed to be served), and

(b) the determination of the Transfer Price,

the Directors shall (unless the Transfer Notice is withdrawn in accordance with Article 16.3) offer the Sale Shares for sale in the manner set out in the remaining provisions of this Article 16 at the Transfer Price. Each offer shall be in writing and give details of the number and Transfer Price of the Sale Shares offered.

16.6 If the Sale Shares are Preference Shares, the Company shall, subject to Article 18, offer them in the following order of priority:

(a) first, to the holders of Preference Shares, and

(b) second, to the holders of A Ordinary Shares,

in each case on the basis set out in Article 16.10 to Article 16.18 (inclusive).

16.7 If the Sale Shares are A Ordinary Shares, the Company shall offer this to the holders of A Ordinary Shares *pari passu* in proportion to their existing holding of Shares on the basis set out in Article 16.10.

16.8 No B Ordinary Shares, C Ordinary Shares or D Ordinary Shares may be transferred without the consent of the Investor for a period of five years commencing on the Adoption Date. Thereafter, if the Sale Shares are

(a) B Ordinary Shares, the Company shall offer them in the following order of priority:

(i) first, to the holders of B Ordinary Shares, and

(ii) second, to the holders of A Ordinary Shares,

(b) C Ordinary Shares, the Company shall offer them in the following order of priority:

(i) first, to the holders of C Ordinary Shares, and

(ii) second, to the holders of A Ordinary Shares,

(c) D Ordinary Shares, the Company shall offer them in the following order of priority

(i) first, to the holders of D Ordinary Shares; and

(ii) second, to the holders of A Ordinary Shares;

in each case on the basis set out in Article 16 10 to Article 16 18 (inclusive)

16 9 An offer of Sale Shares made in accordance with Articles 16 6, 16 7 and 16 8 shall remain open for a period from the date of the offer to the date 10 Business Days after the offer (both dates inclusive) Any Sale Shares not allocated within that period shall be dealt with in accordance with Article 16 10 and Article 16 11.

16 10 The Directors shall offer the Sale Shares in the order of priority referred to in Article 16 6, Article 16 7 or Article 16 8 (as appropriate) to the First Offer Shareholders (other than the Seller), inviting them to apply in writing within the period from the date of the offer to the date 10 Business Days after the offer (both dates inclusive) (the “**First Offer Period**”) for the maximum number of Sale Shares they wish to buy

16 11 If

(a) at the end of the First Offer Period, the number of Sale Shares applied for is equal to or exceeds the number of Sale Shares, the Directors shall allocate the Sale Shares to each First Offer Shareholder who has applied for Sale Shares in the proportion which his existing holding of Shares bears to the total number of Shares of the class being offered held by all First Offer Shareholders (other than the Seller). Fractional entitlements shall be rounded down to the nearest whole number (save where such rounding would result in not all Sale Shares being allocated, in which case, the allocation of any such fractional entitlements shall be determined by the Directors (acting with Investor Consent)). No allocation shall be made to a Shareholder of more than the maximum number of Sale Shares which he has stated he is willing to buy,

(b) not all Sale Shares are allocated following allocations in accordance with Article 16 11(a), but there are applications for Sale Shares that have not been satisfied, the Directors shall allocate the remaining Sale Shares to such applicants in accordance with the procedure set out in Article 16 11(a) The procedure set out in this Article 16 11(b) shall apply on any number of consecutive occasions until either all Sale Shares have been allocated or all applications for Sale Shares have been satisfied, and

(c) at the end of the First Offer Period, the total number of Sale Shares applied for is less than the number of Sale Shares, the Directors shall allocate the Sale Shares to the First Offer Shareholders in accordance

with their applications. The balance (the “**Initial Surplus Shares**”) shall be dealt with in accordance with Article 16.12.

16.12 At the end of the First Offer Period, the Directors shall offer the Initial Surplus Shares (if any) to the Second Offer Shareholders (other than the Seller), inviting them to apply in writing within the period from the date of the offer to the date 10 Business Days after the offer (both dates inclusive) (the “**Second Offer Period**”) for the maximum number of Initial Surplus Shares they wish to buy.

16.13 If

- (a) at the end of the Second Offer Period, the number of Initial Surplus Shares applied for is equal to or exceeds the number of Initial Surplus Shares, the Directors shall allocate the Initial Surplus Shares to each Second Offer Shareholder who has applied for Initial Surplus Shares in the proportion which his existing holding of Shares of the class held by Second Offer Shareholders bears to the total number of Shares of the class held by all Second Offer Shareholders (other than the Seller). Fractional entitlements shall be rounded down to the nearest whole number (save where such rounding would result in not all Initial Surplus Shares being allocated, in which case, the allocation of any such fractional entitlements shall be determined by the Directors (acting with Investor Consent)). No allocation shall be made to a Shareholder of more than the maximum number of Initial Surplus Shares which he has stated he is willing to buy,
- (b) not all Initial Surplus Shares are allocated following allocations in accordance with Article 16.13(a), but there are applications for Initial Surplus Shares that have not been satisfied, the Directors shall allocate the remaining Initial Surplus Shares to such applicants in accordance with the procedure set out in Article 16.13(a). The procedure set out in this Article 16.13(b) shall apply on any number of consecutive occasions until either all Initial Surplus Shares have been allocated or all applications for Initial Surplus Shares have been satisfied, and
- (c) at the end of the Second Offer Period, the total number of Initial Surplus Shares applied for is less than the number of Initial Surplus Shares, the Directors shall allocate the Initial Surplus Shares to the Second Offer Shareholders in accordance with their applications. The balance (the “**Second Surplus Shares**”) shall, subject to Article 16.14, be offered to any other person in accordance with Article 16.18.

16.14 Where the Transfer Notice contains a Minimum Transfer Condition

- (a) any allocation made under Article 16.10 to Article 16.13 (inclusive) shall be conditional on the fulfilment of the Minimum Transfer Condition, and
- (b) if the total number of Sale Shares applied for under Article 16.10 to Article 16.13 (inclusive) is less than the number of Sale Shares, the

Board shall notify the Seller and all those Shareholders to whom Sale Shares have been conditionally allocated stating that the condition has not been met and that the relevant Transfer Notice has lapsed with immediate effect

16.15 Where either

- (a) the Transfer Notice does not contain a Minimum Transfer Condition, or
- (b) allocations have been made in respect of all the Sale Shares,

the Directors shall, when no further offers or allocations are required to be made under Article 16.8 to Article 16.13 (inclusive), give notice in writing of the allocations of Sale Shares (an “**Allocation Notice**”) to the Seller and each Shareholder to whom Sale Shares have been allocated (each an “**Applicant**”). The Allocation Notice shall specify the number of Sale Shares allocated to each Applicant and the place and time for completion of the transfer of the Sale Shares (which shall be at least 5 Business Days, but not more than 15 Business Days, after the date of the Allocation Notice)

16.16 On the date specified for completion in the Allocation Notice, the Seller shall, against payment from an Applicant, transfer the Sale Shares allocated to such Applicant, in accordance with any requirements specified in the Allocation Notice

16.17 If the Seller fails to comply with Article 16.16

- (a) the Chairman (or, failing him, any other Director or some other person nominated by a resolution of the Directors) may, as agent and attorney on behalf of the Seller
 - (i) complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Applicants,
 - (ii) receive the Transfer Price and give a good discharge for it (and no Applicant shall be obliged to see to the distribution of the Transfer Price), and
 - (iii) (subject to the transfer being duly stamped) enter the Applicants in the register of Shareholders as the holders of the Shares purchased by them, and
- (b) the Company shall pay the Transfer Price into a separate bank account in the Company’s name on trust (but without interest) for the Seller until he has delivered his certificate(s) for the relevant Shares (or an indemnity, in a form reasonably satisfactory to the Directors, in respect of any lost certificate, together with such other evidence (if any) as the Board may reasonably require to prove good title to those Shares) to the Company

- 16 18 Where a Transfer Notice lapses pursuant to Article 16 14(b) or an Allocation Notice does not relate to all the Sale Shares, then, subject to Article 16 19, the Seller may, at any time during the 10 Business Days following the date of lapse of the Transfer Notice, or the date of service of the Allocation Notice as the case may be, transfer the Sale Shares (in the case of a lapsed offer) or the Second Surplus Shares (as the case may be) to any person at a price at least equal to the Transfer Price. The sale of the Sale Shares (following the lapse of a Transfer Notice) in accordance with this Article 16 18 shall continue to be subject to any Minimum Transfer Condition.
- 16 19 The Seller's right to transfer Shares under Article 16 18 does not apply if the Directors reasonably consider that
- (a) the transferee is a person (or a nominee for a person) whom a Tawa Director determines to be a competitor (or a Member of the Same Group as a competitor) of the business of any Group Company,
 - (b) the sale of the Sale Shares is not bona fide or the price is subject to a deduction, rebate or allowance to the transferee, or
 - (c) the Seller has failed or refused to promptly provide information available to him and reasonably requested to enable it to form the opinion referred to in Article 16 19(b)

17 VALUATION

- 17 1 The Transfer Price for each Sale Share the subject of a Transfer Notice (or Deemed Transfer Notice) shall, save where expressly provided otherwise in these Articles, be the price per Sale Share (in cash) agreed between the Directors (any Director with whom the Seller is connected not voting), acting with Investor Consent or Manager Consent as the case may be, and the Seller or, in default of agreement within 15 Business Days of the date of service of the Transfer Notice (or, in the case of a Deemed Transfer Notice, the date on which the board of Directors first has actual knowledge of the facts giving rise to such deemed service), the Fair Value of each Sale Share
- 17 2 The Fair Value shall be the price per Sale Share determined by the Independent Expert on the following bases and assumptions:
- (a) valuing the Sale Shares as on an arm's-length sale between a willing seller and a willing buyer as at the date the Transfer Notice was served (or deemed served),
 - (b) if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so,
 - (c) that the Sale Shares are capable of being transferred without restriction,
 - (d) valuing the Sale Shares as a rateable proportion of the total value of all the issued Shares without any premium or discount being attributable

to the percentage of the issued share capital of the Company which they represent; and

- (e) reflecting any other factors which the Independent Expert reasonably believes should be taken into account

- 17 3 If any difficulty arises in applying any of these assumptions or bases then the Independent Expert shall resolve that difficulty in whatever manner it shall in its absolute discretion think fit
- 17 4 The Directors will give the Independent Expert access to all accounting records or other relevant documents of the Group, subject to it agreeing such confidentiality provisions as the Directors may reasonably impose
- 17 5 The Independent Expert shall act as expert and not as arbitrator and its determination shall be final and binding on the parties (in the absence of fraud or manifest error)
- 17 6 The Independent Expert shall be requested to determine the Fair Value within 20 Business Days of its appointment and to deliver its certificate to the Company. Forthwith upon receipt, the Company shall deliver a copy of the certificate to the Seller
- 17 7 The cost of obtaining the Independent Expert's certificate shall be borne by the parties equally

18 COMPULSORY TRANSFERS

- 18 1 A person entitled to a Share in consequence of the bankruptcy of a Shareholder (or equivalent procedure in any jurisdiction outside England and Wales) shall be deemed to have given a Transfer Notice in respect of that Share at such time as the Directors (acting with Investor Consent) may determine
- 18 2 If a Shareholder which is a body corporate either suffers or resolves to appoint a liquidator, administrator or administrative receiver over it, or any material part of its assets (other than a voluntary liquidation for the purpose of a bona fide scheme of solvent amalgamation or reconstruction) or suffers or takes any equivalent action in any jurisdiction outside England and Wales, that Shareholder shall be deemed to have given a Transfer Notice in respect of all Shares held by it at such time as the Directors (acting with Investor Consent) may determine
- 18 3 If there is a change in the Controlling Interest of Merry Resources Limited, unless the Directors (with Investor Consent) otherwise direct in writing, it shall be deemed to have given a Transfer Notice in respect of its Shares at the point at which the change took place. The Transfer Price shall be the aggregate Fair Value of such Sale Shares.

- 18.4 If an Employee Shareholder becomes a Departing Employee Shareholder a Transfer Notice shall, unless the Directors (with Investor Consent) otherwise direct in writing in respect of any Relevant Shares prior to or within 20 Business Days after the relevant Termination Date, be deemed to have been served on the relevant Termination Date in respect of all Relevant Shares (a “**Compulsory Employee Transfer**”) and any Transfer Notice served in respect of any of such Relevant Shares before the date such Employee Shareholder becomes a Departing Employee Shareholder shall automatically lapse
- 18.5 Notwithstanding any other provisions of these Articles, the Transfer Price in respect of a Compulsory Employee Transfer shall, where the Departing Employee Shareholder is
- (a) a Bad Leaver or an Early Leaver, be restricted to a maximum of the lower of the aggregate Issue Price of such Sale Shares and the aggregate Fair Value of such Sale Shares, and
 - (b) a Good Leaver, be the aggregate Fair Value of such Sale Shares
- 18.6 Notwithstanding the provisions of Article 18.5, an Investor Majority may, by notice in writing served on the Company and the relevant Seller(s), direct that some higher (but not lower) Transfer Price shall apply to any or all Sale Shares which would otherwise be subject to Article 18.5
- 18.7 Forthwith upon a Transfer Notice being deemed to be served under Article 18 the Relevant Shares (“**Restricted Shares**”) shall cease to confer on the holder of them any rights
- (a) to vote (whether on a show of hands, on a poll or otherwise and whether in person, by proxy or otherwise), including in respect of any resolution of any class of Shares,
 - (b) to receive dividends or other distributions otherwise attaching to those Shares, or
 - (c) to participate in any future issue of Shares

The Directors may (with Investor Consent) reinstate the rights referred to in Article 18.7 at any time and, in any event, such rights shall be reinstated on completion of such transfer

19 MANDATORY OFFER ON CHANGE OF CONTROL

- 19.1 In the event that a proposed transfer of Shares (other than a transfer of Shares made pursuant to Article 18, but after the operation of the pre-emption procedure set out in Article 16), whether made as one or as a series of transactions (a “**Proposed Transfer**”) would, if completed, result in any person other than an existing Shareholder (the “**Buyer**”), together with any

person acting in concert with the Buyer, acquiring a Controlling Interest, the remaining provisions of this Article 19 shall apply.

- 19 2 The Seller shall procure that, prior to the completion of the Proposed Transfer, the Buyer shall make an offer (the “**Offer**”) to each Shareholder on the date of the Offer, to buy all of the Shares held by such Shareholders on the date of the Offer for a consideration in cash per Share so that the split of the total amount to be paid for all the Shares to be sold shall be as set out in Article 20 4 (the “**Offer Price**”)
- 19 3 The Offer shall be made by notice in writing (an “**Offer Notice**”) addressed to each Shareholder on the date of the Offer at least 10 Business Days (the “**Offer Period**”) before the date fixed for completion of the Proposed Transfer (the “**Sale Date**”) To the extent not described in any accompanying documents, the Offer Notice shall specify
- (a) the identity of the Buyer (and any person(s) acting in concert with the Buyer),
 - (b) the Offer Price and any other terms and conditions of the Offer,
 - (c) the Sale Date, and
 - (d) the number of Equity Shares and Dividend Shares which would be held by the Buyer (and persons acting in concert with the Buyer) on completion of the Proposed Transfer
- 19 4 The completion of the Proposed Transfer shall be conditional in all respects on
- (a) the making of an Offer in accordance with this Article 19, and
 - (b) the completion of the transfer of any Equity Shares or Dividend Shares by any Shareholder (each an “**Accepting Shareholder**”) who accepts the Offer within the Offer Period,
- and the Directors shall refuse to register any Proposed Transfer made in breach of this Article 19 4
- 19 5 The Proposed Transfer is, but the purchase of Shares from Accepting Shareholders pursuant to an Offer made under this Article 19 shall not be, subject to the pre-emption provisions of Article 16
20. **DRAG ALONG**
- 20 1 If the holders of 50% of the A Ordinary Shares in issue for the time being (the “**Selling Shareholders**”) wish to transfer all of their interest in Equity Shares (“**Sellers’ Shares**”) to a bona fide arm’s-length purchaser (“**Proposed Buyer**”), the Selling Shareholders shall have the option (“**Drag Along Option**”) to require all the other holders of Equity Shares and Dividend Shares on the date of the request (“**Called Shareholders**”) to sell and transfer all their

interest in Equity Shares and Dividend Shares with full title guarantee to the Proposed Buyer (or as the Proposed Buyer may direct) in accordance with the provisions of this Article 20.

20.2 The Selling Shareholders may exercise the Drag Along Option by giving notice in writing to that effect (a **"Drag Along Notice"**), at any time before the completion of the transfer of the Sellers' Shares, to the Proposed Buyer and each Called Shareholder. A Drag Along Notice shall specify

- (a) that the Called Shareholders are required to transfer all their Equity Shares and/or Dividend Shares (**"Called Shares"**) pursuant to this Article 20,
- (b) the identity of the Proposed Buyer (and, if relevant, the transferee(s) nominated by the Proposed Buyer),
- (c) the consideration payable for the Called Shares calculated in accordance with Article 20.4;
- (d) the proposed date of completion of transfer of the Called Shares

20.3 Once given, a Drag Along Notice may not be revoked. However, a Drag Along Notice shall lapse if, for any reason, the Selling Shareholders have not completed the transfer of all the Sellers' Shares to the Proposed Buyer (or as the Proposed Buyer may direct) within 50 Business Days of serving the Drag Along Notice. The Selling Shareholders may serve further Drag Along Notices following the lapse of any particular Drag Along Notice.

20.4 The consideration (in cash or otherwise) for which the Called Shareholders shall be obliged to sell each of the Called Shares shall be that to which they would be entitled if the total consideration proposed to be paid by the Proposed Buyer were distributed to the holders of the Called Shares and the Sellers' Shares as follows:

- (a) firstly, and only if applicable, to the holders of any unredeemed Preference Shares so that they receive the nominal value per Preference Share (£1 (one pound)) together with any unpaid arrears and accruals of the Preferred Dividend (if any), and
- (b) if IRR at the time of the Exit is less than 20%, the holders of the C Ordinary Shares shall be entitled to such amount as would make the holders of the C Ordinary Shares achieve an IRR of 20% in accordance with the relevant provisions as stated in the Shareholders' Agreement. After such distribution the remainder of the proceeds pursuant to this Article 20.4(b) shall be distributed as follows:
 - (i) first, to the holders of the B Ordinary Shares who shall receive the nominal value per Share (£0.10 (ten pence)) held by them, and
 - (ii) second, of the remaining proceeds 30 % shall be distributed *pari passu* to the holders of the A Ordinary Shares *pro rata* to

their respective shareholdings, and 70% shall be distributed to holders of the D Ordinary Shares,

or

- (c) if IRR at the time of the Exit is equal to or greater than 20%, the holders of the B Ordinary Shares and the C Ordinary Shares shall receive the nominal value per their respective Shares (£0 10 (ten pence) per Share) and the remaining proceeds shall be distributed as follows
 - (i) 30% pari passu to the holders of the A Ordinary Shares pro rata to their respective shareholdings, and
 - (ii) 70% to the holders of the Ordinary D Shares.

So that, by way of two worked examples

EXAMPLE 1

Outstanding Preference Shares	£750,000
Accrued, unpaid Preference Dividend (including interest)	£50,000
IRR of Tawa immediately prior to Share Sale	0%
Sale proceeds for all Shares	£8,000,000
Amount required to increase Tawa's IRR to 20%	£1,350,000

Allocation of Sale Proceeds:

Holders of Preference Shares (nominal value plus Preferred Dividend)	£800,000
Holders of C Ordinary Shares (nominal value i.e. 1,850 Shares at £0 10 per Share)	£185
Additional amount to holders of C Ordinary Shares (to achieve a 20% IRR for Tawa in accordance with the Shareholders' Agreement)	£549,815
Holders of B Ordinary Shares (nominal value i.e. 350 Shares at £0 10 per Share)	£35
70% of remaining proceeds (being £6,649,965 x 70%) to the holders of D Ordinary Shares	£4,654,975 5
30% of remaining proceeds (being £6,649,965 x 30%) to the holders of A Ordinary Shares	£1,994,989 5

EXAMPLE 2

Outstanding Preference Shares	£0
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Project Zorba

Accrued, unpaid Preference Dividend (including interest)	£0
IRR of Tawa immediately prior to Share Sale	22%
Sale proceeds for all Shares	£8,000,000

Allocation of Sale Proceeds:

Holders of B Ordinary Shares (nominal value 1 p 350 Shares at £0.10 per Share)	£35
Holders of C Ordinary Shares (nominal value 1 p 1,850 Shares at £0.10 per Share)	£185
70% of remaining proceeds (being £7,999,780 x 70%) to the holders of D Ordinary Shares	£5,599,846
30% of remaining proceeds (being £7,999,780 x 30%) to the holders of A Ordinary Shares	£2,399,934

- 20.5 No Drag Along Notice shall require a Called Shareholder to agree to any terms except those specifically set out in this Article 20
- 20.6 Completion of the sale and purchase of the Called Shares shall take place on the same date as, and conditional upon the completion of, the sale and purchase of the Sellers' Shares unless
- (a) all of the Called Shareholders and the Selling Shareholders otherwise agree, or
 - (b) that date is less than 10 Business Days after the date of service of the Drag Along Notice, in which case completion of the sale and purchase of the Called Shares shall take place 10 Business Days after the date of service of the Drag Along Notice
- 20.7 Within 10 Business Days of the Proposed Buyer serving a Drag Along Notice on the Called Shareholders, the Called Shareholders shall deliver stock transfer forms for their Shares in favour of the Proposed Buyer (or as the Proposed Buyer may direct), together with the share certificate(s) in respect of those Shares (or a suitable indemnity in respect thereof) to the Company. On the expiration of that 10 Business Day period the Company shall pay the Called Shareholders, on behalf of the Proposed Buyer, the amounts they are respectively due pursuant to Article 20.4 to the extent the Proposed Buyer has put the Company in the requisite funds. The Company's receipt for the amounts due pursuant to Article 20.4 shall be a good discharge to the Proposed Buyer. The Company shall hold the amounts due to the Called Shareholders pursuant to Article 20.4 in trust for the Called Shareholders without any obligation to pay interest.
- 20.8 To the extent that the Proposed Buyer has not, on the expiration of the 10 Business Day period, put the Company in funds to pay the amounts due

pursuant to Article 20 4, the Called Shareholders shall be entitled to the return of the stock transfer forms and share certificate(s) (or suitable indemnity) for the relevant Shares and the Called Shareholders shall have no further rights or obligations under this Article 20 in respect of their Shares.

- 20 9 If any Called Shareholder fails to deliver to the Company a duly executed stock transfer form (or forms) in respect of the Called Shares held by him (together with the share certificate(s) in respect of those Called Shares (or a suitable indemnity in respect thereof)) the defaulting Called Shareholder shall be deemed to have appointed any person nominated for the purpose by the Selling Shareholders to be his agent to execute and deliver all necessary transfers on his behalf, against receipt by the Company (on trust for such holder) of the consideration payable for the Called Shares. After the Proposed Buyer (or person(s) nominated by the Proposed Buyer) has been registered as the holder of any such Called Shares, the validity of such proceedings shall not be questioned by any person. Failure to produce a share certificate shall not impede the registration of any transfer of Shares under this Article 20
- 20 10 Upon any person, following the issue of a Drag Along Notice, becoming a Shareholder (or increasing an existing shareholding) including, without limitation, pursuant to the exercise of any option, warrant or other right to acquire or subscribe for, or to convert any security into, Equity Shares or Dividend Shares (a “**New Shareholder**”), a Drag Along Notice shall be deemed to have been served upon the New Shareholder, on the same terms as the previous Drag Along Notice, who shall then be bound to sell and transfer all such Shares acquired by him to the Proposed Buyer (or as the Proposed Buyer may direct) and the provisions of this Article 20 shall apply mutatis mutandis to the New Shareholder, save that completion of the sale of such Shares shall take place forthwith upon the later of the Drag Along Notice being deemed served on the New Shareholder and the date of completion of the sale of the Called Shares
- 20.11 A transfer of Called Shares to a Proposed Buyer (or as the Proposed Buyer may direct) pursuant to a sale in respect of which a Drag Along Notice has been duly served shall not be subject to the pre-emption provisions of Article 16
- 20 12 Any Transfer Notice or Deemed Transfer Notice served in respect of the transfer of any Share which has not completed before the date of service of a Drag Along Notice shall automatically be revoked by the service of a Drag Along Notice

DECISION-MAKING BY SHAREHOLDERS

21 GENERAL MEETINGS

- 21 1 No business other than, subject to Article 21 2, the appointment of the chairman of the meeting is to be transacted at a general meeting unless a quorum is present at the commencement of the meeting and also when that business is voted on

- 21 2 The Chairman shall chair general meetings. If the Chairman is unable to attend any general meeting, the Directors present (or, if no Directors are present at the meeting, a Shareholder) must appoint another Director present at the meeting (or, if no Directors are present, a Shareholder) to chair the meeting and the appointment of the chairman of the meeting must be the first business of the meeting.

22 VOTING

- 22 1 The Shares in the Company shall carry votes as follows

- (a) the A Ordinary Shares and the Preference Shares shall confer on each holder of A Ordinary Shares and the Preference Shares the right to receive notice of and to attend, speak at all general meetings of the Company, and in addition each A Ordinary Share shall confer on each holder of A Ordinary Shares the right to vote at a general meeting of the Company and each A Ordinary Share shall carry one vote per share, and
- (b) the B Ordinary Shares, C Ordinary Shares and D Ordinary Shares shall only entitle each holder the right to receive a dividend, in so far as such a dividend is payable in accordance with Articles 9 6 and / or 9 12, and shall not entitle the holders of any of them to receive notice of, to attend, to speak or to vote at any general meeting of the Company

- 22 2 Model article 45(1) shall be amended by

- (a) the deletion of the wording contained within Model Article 45(1)(d) and replacing it with the words "*is delivered to the company in accordance with the Articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate*"; and
- (b) the insertion of the words "*and a proxy notice which is not delivered in such manner shall be invalid, unless the Directors, in their discretion, accept the notice at any time before the meeting*" as a new paragraph (e) at the end of that Model Article

23 LIEN, CALLS ON SHARES AND FORFEITURE

- 23 1 The Company has a lien (the "**Company's Lien**") over every Share which is registered in the name of a person indebted or under any liability to the Company, whether he is the sole registered holder of the Share or one of several joint holders, for all monies payable by him (either alone or jointly with any other person) to the Company, whether payable immediately or at some time in the future

- 23 2 The provisions of articles 52(2) and (3), 55, 56(2), 57(2), (3) and (4), 59, 60, 61 and 62 for public companies set out in Schedule 3 to The Companies

(Model Articles) Regulations 2008 (SI 2008/3229) shall apply to the Company, save that each reference in those articles to a “member” or “members” shall be deemed to be references to a “Shareholder” or “Shareholders” (as the case may be)

23.3 Enforcement of the Company’s Lien

- (a) Subject to the provisions of this Article 23 3, if
 - (i) a Lien Enforcement Notice has been given in respect of a Share; and
 - (ii) the person to whom the notice was given has failed to comply with it,the Company may sell that Share in such manner as the Directors decide
- (b) A Lien Enforcement Notice
 - (i) may only be given in respect of a Share which is subject to the Company’s Lien, in respect of which a sum is payable and the due date for payment of that sum has passed,
 - (ii) must specify the Share concerned,
 - (iii) must require payment of the sum within 14 clear days of the notice (that is, excluding the date on which the notice is given and the date on which that 14 day period expires),
 - (iv) must be addressed either to the holder of the Share or to a transferee of that holder; and
 - (v) must state the Company’s intention to sell the Share if the notice is not complied with
- (c) Where Shares are sold under this Article 23 3
 - (i) the Directors may authorise any person to execute an instrument of transfer of the Shares to the purchaser or to a person nominated by the purchaser, and
 - (ii) the transferee is not bound to see to the application of the consideration, and the transferee’s title is not affected by any irregularity in or invalidity of the process leading to the sale
- (d) The net proceeds of any such sale (after payment of the costs of sale and any other costs of enforcing the lien) must be applied
 - (i) first, in payment of so much of the sum for which the lien exists as was payable at the date of the Lien Enforcement Notice, and
 - (ii) second, to the person entitled to the Shares at the date of the sale, but only after the certificate for the Shares sold has been

surrendered to the Company for cancellation, or an indemnity in a form reasonably satisfactory to the Directors has been given for any lost certificates, and subject to a lien equivalent to the Company's Lien over the Shares before the sale for any money payable by that person (or his estate or any joint holder of the Shares) after the date of the Lien Enforcement Notice

- (e) A statutory declaration by a Director or the company secretary that the declarant is a Director or the company secretary and that a Share has been sold to satisfy the Company's Lien on a specified date
 - (i) is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share, and
 - (ii) subject to compliance with any other formalities of transfer required by the Articles or by law, constitutes a good title to the Share

23.4 Call notices

- (a) Subject to the Articles and the terms on which Shares are allotted, the Directors may send a notice (a "**Call Notice**") to a Shareholder requiring the Shareholder to pay the Company a specified sum of money (a "**Call**") which is payable to the Company at the date when the Directors decide to send the Call Notice.
- (b) A Call Notice
 - (i) may not require a Shareholder to pay a Call which exceeds the total amount of his indebtedness or liability to the Company,
 - (ii) must state when and how any Call to which it relates is to be paid, and
 - (iii) may permit or require the Call to be made in instalments
- (c) A Shareholder must comply with the requirements of a Call Notice, but no Shareholder is obliged to pay any Call before 14 clear days (that is, excluding the date on which the notice is given and the date on which that 14 day period expires) have passed since the notice was sent
- (d) Before the Company has received any Call due under a Call Notice the Directors may:
 - (i) revoke it wholly or in part, or
 - (ii) specify a later time for payment than is specified in the notice, by a further notice in writing to the Shareholder in respect of whose Shares the Call is made

- (e) A Call Notice need not be issued in respect of sums which are specified, in the terms on which a Share is issued, as being payable to the Company in respect of that Share.
 - (i) on allotment,
 - (ii) on the occurrence of a particular event, or
 - (iii) on a date fixed by or in accordance with the terms of issue

23 5 Forfeiture

- (a) If a person is liable to pay a Call and fails to do so by the Call payment date
 - (i) the Directors may issue a notice of intended forfeiture to that person, and
 - (ii) until the Call is paid, that person must pay the company interest on the Call from the Call payment date at the relevant rate.
- (b) A notice of intended forfeiture
 - (i) may be sent in respect of any Share in respect of which a Call has not been paid as required by a Call Notice,
 - (ii) must be sent to the holder of that Share (or all the joint holders of that Share) or to a transmittee of that holder,
 - (iii) must require payment of the Call and any accrued interest by a date which is not less than 14 clear days after the date of the notice (that is, excluding the date on which the notice is given and the date on which that 14 day period expires),
 - (iv) must state how the payment is to be made, and
 - (v) must state that if the notice is not complied with, the Shares in respect of which the Call is payable will be liable to be forfeited

ADMINISTRATIVE ARRANGEMENTS

24 NOTICES

- 24 1 Any notice, document or other information shall be deemed served on or delivered to the intended recipient
 - (a) if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted (or five Business Days after posting either to an address outside the United Kingdom or from outside the United Kingdom to an address within the United Kingdom, if (in each case) sent by reputable international overnight courier addressed to the intended recipient,

provided that delivery in at least five Business Days was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the courier service provider),

- (b) if properly addressed and delivered by hand, when it was given or left at the appropriate address,
- (c) if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied; and
- (d) if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website

For the purposes of this Article 24 1, no account shall be taken of any part of a day that is not a working day

- 24 2 In proving that any notice, document or other information was properly addressed, it shall suffice to show that the notice, document or other information was addressed to an address permitted for the purpose by the Act

25 INDEMNITY AND INSURANCE

- 25 1 Subject to the provisions of and so far as may be consistent with the Act and every other statute for the time being in force concerning companies and affecting the Company, but without prejudice to any indemnity which a Director is otherwise entitled

- (a) if the Directors so determine, the Company may indemnify a Director out of its own funds against all liabilities incurred by the Director to any person (including all associated costs, charges, losses and expenses) in the actual or purported execution and/or discharge of his duties as a Director and/or the exercise or purported exercise of his powers as a Director and/or otherwise in relation to or in connection with his duties, powers or office as a Director including (without prejudice to the generality of the foregoing) any liability incurred by him in defending any proceedings, civil or criminal, brought by any person which relate to anything done or omitted or alleged to have been done or omitted by him as a Director of the Company or in connection with any application under any statute for relief from liability in respect of any such act or omission, provided that any such indemnity shall not provide any indemnity against any liability
 - (i) incurred by the Director to the Company or an Associated Company,
 - (ii) incurred by the Director
 - (1) to pay a fine imposed in criminal proceedings, or

- (2) to pay a sum payable to a regulatory authority by way of a penalty in respect of non-compliance with any requirement of a regulatory nature (however arising),
- (iii) incurred by a Director (including associated costs, charges, losses and expenses)
 - (1) in defending any criminal proceedings in which he is convicted,
 - (2) in defending any civil proceedings brought by the Company or an Associated Company in which judgment is given against him, or
 - (3) in connection with any application under any statute for relief from liability in respect of which the court refuses to grant him relief
- (b) In paragraph (a)(iii) of this Article 25 1, the reference to any such conviction, judgment or refusal of relief is a reference to one that has become final,
- (c) if the Directors so determine, the Company may do anything to provide a Director with funds to meet all costs, charges, losses, expenses and liabilities incurred or to be incurred by that Director in defending any criminal or civil proceedings brought by any person and which relate to anything done or omitted or alleged to have been done or omitted by him as a Director of the Company in relation to the actual or purported execution and/or discharge of his duties as a Director and/or the exercise or purported exercise of his powers as a Director and/or otherwise in relation to or in connection with his duties, powers or office as a Director including (without prejudice to the generality of the foregoing) all costs, charges, losses, expenses and liabilities incurred or to be incurred by him in connection with any application under any statute for relief from liability in respect of any such action or omission, provided that any arrangement entered into by the Company to provide a Director with funds shall be entered into on terms which will result in the loan falling to be repaid or any liability of the Company under any transaction connected with the arrangement falling to be discharged, not later than
 - (i) in the event of the Director being convicted in the proceedings, the date when the conviction becomes final,
 - (ii) in the event of judgment being given against him in the proceedings, the date when the judgment becomes final, or
 - (iii) in the event of the court refusing to grant him relief on the application, the date when the refusal of relief becomes final,

- (d) if the Directors so determine, the Company may indemnify every secretary, other officer or employee of the Company (other than a Director) out of its own funds against and/or exempt every secretary, other officer or employee of the Company (other than a Director) from all costs, charges, losses, expenses and liabilities incurred by him in the actual or purported execution and/or discharge of his duties and/or the exercise or purported exercise of his powers and/or otherwise in relation to or in connection with his duties, powers or office including (without prejudice to the generality of the foregoing) any liability incurred by him in defending any proceedings, civil or criminal, which relate to anything done or omitted or alleged to have been done or omitted by him as an officer or employee of the Company
- 25 2 Without prejudice to Article 25.1 and subject to the provisions of and so far as may be consistent with every applicable regulation affecting the Company, the Directors shall have power to purchase and maintain insurance for or for the benefit of any persons who are or were at any time Directors, officers or employees of any Relevant Company or who are or were at any time trustees of any pension fund or employees' share scheme in which employees of any Relevant Company are interested, including (without prejudice to the generality of the foregoing) insurance against any liability incurred by such persons in respect of any act or omission in the actual or purported execution and/or discharge of their duties and/or in the exercise or purported exercise of their powers and/or otherwise in relation to their duties, powers or offices in relation to any Relevant Company, or any such pension fund or employees' share scheme
- 25 3 In this Article
- (a) **"Associated Company"** shall mean any subsidiary of the Company, any holding company of the Company and any subsidiary of the holding company of the Company and for the purposes of this Article **"holding company"** shall have the meaning given in section 1159 of the Companies Act 2006,
 - (b) **"Relevant Company"** shall mean the Company, any holding company of the Company or any other body, whether or not incorporated, in which the Company or such holding company or any of the predecessors of the company or of such holding company has or had any interest whether direct or indirect or which is in any way allied to or associated with the Company, or any subsidiary undertaking of the Company or of such other body
- 25 4 For the purpose of Article 25 1, a conviction, judgment or refusal of relief becomes final if not appealed against, at the end of the period for bringing an appeal, or if appealed against, at the time when the appeal (or any further appeal) is disposed of An appeal is disposed of if it is determined and the period for bringing any further appeal has ended or if it is abandoned or otherwise ceases to have effect

26 DATA PROTECTION

- 26 1 Each of the Shareholders and Directors (from time to time) consents to the processing of his personal data by the Company, its Shareholders and Directors (each a “**Recipient**”) for the purposes of due diligence exercises, compliance with applicable laws, regulations and procedures and the exchange of information amongst themselves. A Recipient may process such personal data either electronically or manually.
- 26 2 The personal data that may be processed for such purposes under this Article 26 shall include any information which may have a bearing on the prudence or commercial merits of investing in, or disposing of any Shares (or other investment or security) in, the Company. Save as required by law, court order or any regulatory authority, that personal data shall not be disclosed by a Recipient or any other person, except to:
- (a) a Member of the Same Group as the Recipient (each a “**Recipient Group Company**”),
 - (b) employees, directors and professional advisers of that Recipient or any Recipient Group Company, and
 - (c) funds managed by any of the Recipient Group Companies
- 26 3 Each of the Shareholders and Directors consent (from time to time) to the transfer of such personal data to persons acting on behalf of any Recipient and to the offices of any Recipient, both within and outside the European Economic Area, for the purposes stated above, where it is necessary or desirable to do so.

NOTES

- 1 If you agree to the Special Resolutions, please indicate your agreement by signing and dating this document where indicated above and returning it to the Company on or before 28 February 2012 using one of the following methods
 - **by hand** delivering the signed copy to Morgan Lewis & Bockius, Condor House, 5-10 St Paul's Churchyard, London, EC4M 8AL
 - **email** by attaching a scanned copy of the signed document to an email and sending it to vvarma@morganlewis.com Please enter "Q360 Limited – Written Resolution" in the email subject box

If you do not agree to the Special Resolutions, you do not need to do anything you will not be deemed to agree if you fail to reply
- 2 Once you have indicated your agreement to the Special Resolutions, you may not revoke your agreement
- 3 If you agree to the Special Resolutions, please ensure that your agreement reaches us before the end of the period of 28 days beginning with the Circulation Date The Special Resolutions will lapse if your agreement to the Special Resolutions has not been received by that time
- 4 If you are signing this document on behalf of a person under a power of attorney or other authority, please send the power or authority (or a duly certified copy of it) to the Company in hard copy form when returning this document in hard copy form
- 5 The above email address may only be used for returning this document to the Company It may not be used for any other purpose