

Company number 07759445

PRIVATE COMPANY LIMITED BY SHARES

WRITTEN RESOLUTIONS

of

PALMERS AT ULLESTHORPE LIMITED (the "Company")

Dated: 10 JANUARY 2012

Pursuant to 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 (together the "Resolutions")

Special Resolutions

- 1 That subject to the passing of resolution 2 below, the issued 1 ordinary share of £1 00 in the share capital of the Company be re-classified as 1 A ordinary share of £1 00, having the rights set out in the new articles of association referred to in resolution 2 below
- 2 That the regulations contained in the printed document annexed hereto be and are hereby approved and adopted as the articles of association of the Company in substitution for, and to the exclusion of, all the existing articles thereof

Agreement

Please read the notes at the end of this document before signifying your agreement to the Resolutions

The undersigned, being the sole member of the Company and accordingly the only person entitled to vote on the Resolutions on 10 JANUARY 2012, hereby irrevocably agree to the Resolutions



Caroline Jackson

SATURDAY



A110BVNM

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21/01/2012

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COMPANIES HOUSE

NOTES

- 1 You can choose to agree to the Resolutions or none of them but you cannot agree to only some of the Resolutions. If you agree to all of the Resolutions, please indicate your agreement by signing and dating this document where indicated above and returning it to the Company using one of the following methods
- 2 **By Hand** delivering the signed copy to Jay Vaghani of 20 New Walk, Leicester, LE1 6TX
- 3 **By Post** returning the signed copy by post to Jay Vaghani of 20 New Walk, Leicester, LE1 6TX
- 4 If you do not agree to all of the Resolutions, you do not need to do anything. You will not be deemed to agree if you fail to reply.
- 5 Once you have indicated your agreement to the Resolutions, you may not revoke your agreement.
- 6 Unless, by 31 JANUARY 2011, sufficient agreement has been received for the Resolutions to pass, they will lapse. If you agree to the Resolutions, please ensure that your agreement reaches us before or during this date.

PALMERS AT ULLESTHORPE LIMITED

(COMPANY NUMBER 07759445)

ARTICLES OF ASSOCIATION

(Adopted by special resolution dated 10 JANUARY 2012)

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REF C/JZV/PAL192/1

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**THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES**

**ARTICLES OF ASSOCIATION
OF
PALMERS AT ULLESTHORPE LIMITED**

(Adopted by special resolution passed on 10 JANUARY 2012)

INTRODUCTION

1 INTERPRETATION

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

A Director a Director appointed by a holder of the A Ordinary Shares in accordance with Article 5 1,

A Director Consent the written consent or approval by or on behalf of the A Director(s) for the time being,

A Ordinary Shares the A ordinary shares of £1 00 each in the capital of the Company,

A Shareholder a holder of A Ordinary Shares,

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,

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

B Ordinary Shares the B ordinary shares of £1 00 each in the capital of the Company,

B Shareholder a holder of B Ordinary Shares,

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 the C ordinary shares of £1 00 each in the capital of the Company,

C Shareholder a holder of C Ordinary Shares,

Call has the meaning given to it in Article 22 4,

Call Notice has the meaning given to it in Article 22 4,

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

Company Palmers at Ullesthorpe Limited (Company number 07759445),

connected has the meaning given in section 1122 of the CTA,

Control has the meaning given in section 719 of the Income Tax (Earnings and Pensions) Act 2003,

CTA the Corporation Tax Act 2010,

D Ordinary Shares the D ordinary shares of £1.00 each in the capital of the Company,

D Shareholder a holder of D Ordinary Shares,

Deed of Adherence a deed of adherence in the form required by the Board,

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

Departing Shareholder a B Shareholder who ceases to be a director and employee of the Company,

Directors the directors of the Company from time to time,

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

Eligible Director 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),

EMI Option Agreement the agreement made between Caroline Frances Jane Jackson, Robert Brian Palmer, Ian Colledge and the Company dated on or around the same date as the Adoption Date

Fair Value has the meaning given in Article 16.2,

Family Trust as regards any particular individual Shareholder (or deceased or former individual Shareholder), except any B Shareholder, trusts (whether arising under a settlement, declaration of trust or other instrument by whomsoever or wheresoever made, or under a testamentary disposition or on an intestacy) under which no immediate beneficial interest in any of the Shares in question is for the time being vested in any person other than the particular Shareholder and/or any of the Privileged Relations of that Shareholder (and so that for this purpose a person shall be considered to be beneficially interested in a Share if such Share or the income thereof is liable to be transferred or paid or applied or appointed to or for the benefit of any such person or any voting or other rights attaching thereto are exercisable by or as directed by any such person pursuant to the terms of the relevant trusts or in consequence of an exercise of a power or discretion conferred thereby on any person or persons),

Forced Leaver any person who becomes a Departing Shareholder and is not a Good Leaver,

Good Leaver a person who becomes a Departing Shareholder as a result of death or retirement through disability or serious illness or the dismissal of such person where such dismissal is found to have been unfair by an employment

tribunal or any appellate body thereof or as a result of the Option Holder's (as defined in the EMI Option Agreement) employer ceasing to be a Group company,

Group the Company and its subsidiaries (if any) from time to time and Group Company means the Company or any of its subsidiaries (if any) from time to time,

holding company has the meaning given in section 1159 of the Act,

Independent Expert the auditors for the time being of the Company or, if they decline the instruction or the Seller or the Company object to their appointment, an independent firm of accountants appointed by the Company and the Seller or, in the absence of agreement between the Company and the Seller on the identity of the expert or its terms of appointment within 5 Business Days of the expiry of the 10 Business Day period referred to in Article 16 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),

Lien Enforcement Notice a notice in writing which complies with the requirements of article 22 3 2,

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,

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 Shareholder has the meaning given in Article 14 1,

Permitted Transfer a transfer of Shares made in accordance with Article 14,

Permitted Transferee in relation to

- (a) a Shareholder who is an individual, any of his Privileged Relations or the trustee(s) of a Family Trust, and
- (b) a Shareholder which is a company, a Member of the Same Group as that company

Privileged Relation in relation to a Shareholder, except any B Shareholder, who is an individual Shareholder (or a deceased or former individual Shareholder) means any child, grandchild or other issue, father, mother, brother, sister, nephew or niece or other blood-relative of such Shareholder,

Relevant Shares in relation to a Shareholder means all Shares held by

- (a) the Shareholder in question, and
- (b) any Permitted Transferee of that Shareholder (other than those Shares held by those persons that the Directors declare themselves satisfied were not acquired directly or indirectly from the Shareholder or by reason of his/her relationship with the Shareholder),

and including any Shares acquired by any such person 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 17 8,

Sale Shares has the meaning given in Article 15 2 1,

Seller has the meaning given in Article 15 2,

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

Shareholder Consent the unanimous written consent or approval of the holders of the A Ordinary Shares,

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

subsidiary in relation to a holding company wherever incorporated, means a "subsidiary" (as defined in section 1159 of the Act) for the time being and any other company which for the time being is itself a subsidiary (as so defined) of a company which is itself a subsidiary of such holding company,

Transfer Notice has the meaning given in Article 15 2, and

Transfer Price has the meaning given in Article 16

1.2 A reference in these Articles to

1 2 1 an **Article** is a reference to the relevant numbered article of these Articles, and

1.2.2 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

1 6 1 any subordinate legislation from time to time made under it, and

1 6 2 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 (together with those provisions of Schedule 3 to The Companies (Model Articles) Regulations 2008 (SI 2008/3229) referred to in Article 22) 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 8, 9(1), 11(2), 13, 14(1) to (4) (inclusive), 26(5), 38, 39, 44(2), 52 and 53 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** In Model Article 25(2)(c), the words "evidence, indemnity and the payment of a reasonable fee" shall be deleted and replaced with the words "evidence and indemnity"
- 2.5** 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 transmittee's name"

DIRECTORS

3 NUMBER OF DIRECTORS

Unless otherwise determined by ordinary resolution, the number of Directors shall not be less than two

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) Subject to article 9.3, 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 Subject to article 4.6, such majority of votes must include the vote and consent of any A Directors of the Company from time to time
- 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** Any Director may call a meeting of the Directors, or authorise the company secretary (if any) to give such notice. At least 5 Business Days' advance notice in writing of each such meeting shall be given to each Director unless all the Directors agree to convene a meeting on shorter notice
- 4.6** The quorum for any meeting (or, where specified below, part of a meeting) of the Directors shall, subject to Article 4.8, be two Eligible Directors which must include one A Director unless
- 4.6.1** an A Director Consent in respect of any particular meeting (or part of a meeting), has been given ahead of such meeting, or
- 4.6.2** the A Director(s) is not, in respect of any particular meeting (or part of a meeting), an Eligible Director,
- in which case, subject to Article 4.7, the quorum for such meeting (or part of the meeting, as the case may be) shall be any three Eligible Directors. 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
- 4.7** 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
- 4.8** 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
- 4.8.1** appoint further Directors, or
- 4.8.2** call a general meeting so as to enable the Shareholders to appoint further Directors
- 4.9** Questions arising at any meeting of the Directors shall be decided by a majority of votes. Pursuant to article 4.1, the A Director (or if an A Director has not been appointed then the holders of the A Ordinary Shares) shall appoint a chairman from time to time. If there is an equality of votes, the chairman shall have a casting vote in addition to any other vote he may have
- 4.10** 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

5 APPOINTMENT AND REMOVAL OF DIRECTORS

- 5.1** Subject to and in accordance with the following provisions of this Article for the period during which any Shareholder on his own or together with any of his Permitted Transferees holds 50% or more of the A Ordinary Shares, such Shareholder shall be entitled to appoint an A Director and to remove such A Director. Following the removal of an A Director under this Article or Article 5.2

below such Shareholder shall be entitled to appoint a replacement A Director Every appointment or removal effected in accordance with this Article shall be in writing signed by the relevant Shareholder and shall take effect upon delivery at the registered office of the Company or at any meeting of the Directors wherever held

5.2 No A Director shall be removed from office without Shareholder Consent except where the reason for such removal is

5.2.1 a breach by such Director of any of his statutory or fiduciary director's duties owed to the Company,

5.2.2 by reason of such Director being convicted of a criminal offence (other than under any road traffic legislation for which a fine or non-custodial sentence is imposed),

5.2.3 by reason of such Director being the subject of an application for an interim order (within the meaning of the Insolvency Act 1986) or enters into an individual voluntary arrangement or is made bankrupt or makes an arrangement or composition with his creditors,

5.2.4 by reason of such Director no longer being permitted by law to act as a director of any company,

in which case the Shareholders may by ordinary resolution resolve to effect such removal from office

5.3 Model Article 18 shall be modified by the addition of the following event upon the occurrence of which a person shall cease to be a Director

"he is convicted of a criminal offence (other than a motoring offence for which a fine or non-custodial sentence is imposed) and a majority of the other Directors resolve that he cease to be a Director"

6 TRANSACTIONS OR OTHER ARRANGEMENTS WITH THE COMPANY

6.1 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

6.1.1 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,

6.1.2 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,

6.1.3 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,

- 6 1 4 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,
- 6 1 5 may be a Director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is otherwise (directly or indirectly) interested, and
- 6 1 6 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
 - 7 2 1 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,
 - 7 2.2 any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director, and
 - 7 2.3 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)
 - 7.3.1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised,
 - 7 3.2 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,
 - 7 3.3 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,
 - 7 3 4 impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the Directors think fit, and

7.3.5 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 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 For dividend purposes, the A Ordinary Shares shall rank *pari passu* within that class, the B Ordinary Shares shall rank *pari passu* within that class, the C Ordinary Shares shall rank *pari passu* within that class, the D Ordinary Shares shall rank *pari passu* within that class, but the A Ordinary Shares, B Ordinary Shares, C Ordinary Shares and D Ordinary Shares shall not rank *pari passu* for the purpose of any dividend declarations

9.2 The Shareholders shall be entitled to receive all cash dividends that may be declared from time to time by the Company, subject to the prior resolution of the Board (pursuant to article 9.3 below) to approve and declare the dividend in accordance with sections 829 to 853 (inclusive) of the Act, in any way which the Board deems fit

9.3 Notwithstanding any other provision of these Articles, only the A Director from time to time shall be entitled to vote in respect of any resolution relating to the declaration of dividends by the Company

10 SHARE CAPITAL

- 10.1** Except as otherwise provided in these Articles generally the A Ordinary Shares, B Ordinary Shares, C Ordinary Shares and D Ordinary Shares shall rank *pari passu* in all respects but shall constitute separate classes of shares
- 10.2** On the transfer of any Share as permitted by these Articles
- 10.2.1** a Share transferred to a non-Shareholder shall remain of the same class as before the transfer unless determined otherwise, and
- 10.2.2** a Share transferred to a Shareholder shall automatically be redesignated on transfer as a Share of the same class as those Shares already held by the Shareholder
- 10.3** If no Shares of a class remain in issue following a redesignation under this article, these Articles shall be read as if they do not include any reference to that class or to any consents from, or attendance at any meetings or votes to be cast by, Shareholders of that class or directors appointed by that class

11 PRE-EMPTION RIGHTS ON THE ISSUE OF FURTHER SHARES

- 11.1** Subject to the remaining provisions of this Article 11, the Directors are generally and unconditionally authorised, for the purposes of section 551 of the Act, to exercise any power of the Company to
- 11.1.1** offer or allot,
- 11.1.2** grant rights to subscribe for or to convert any security into, and
- 11.1.3** 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 Shareholder or Permitted Transferee at the Adoption Date pursuant to these Articles, at any time, unless otherwise determined and subject to any terms and conditions as the Directors think proper
- 11.2** The authority referred to in Article 11.1
- 11.2.1** shall only apply insofar as the Company has not, subject to these Articles, renewed, waived or revoked it by ordinary resolution, and
- 11.2.2** 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)
- 11.3** 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
- 11.4** 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 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 Shares held by each such holder bears to the total number of 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

11.5 An offer made under Article 11 4 shall

11 5 1 be in writing and give details of the number, class and subscription price (including any share premium) of the relevant securities being offered,

11 5 2 remain open for a period of 15 Business Days from the date of service of the offer, and

11 5 3 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 11 4 shall, in his acceptance, state the number of excess relevant securities ("**Excess Securities**") for which he wishes to subscribe

11.6 If, on the expiry of an offer made in accordance with Article 11 4, 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

11.7 Any relevant securities not accepted by Offerees pursuant to an offer made in accordance with Article 11 4 shall be used to satisfy any requests for Excess Securities made pursuant to Article 11 5 3. 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 of Shares held by each such applicant bears to the total number of such 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 11 9, be offered only to any other Permitted Transferee as the Directors may determine, at the same price and on the same terms as the offer to the Shareholders

11.8 If, after completion of the allotments referred to in Articles 11 6 and Article 11 7, not all of the relevant securities have been allotted, the balance of such Relevant securities shall, subject to Article 11 9 be offered only to any other Permitted Transferee as the Directors may determine, at the same price and on the same terms as the offer to the Shareholders

11.9 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

11.10 No Shares shall be allotted to any person who is not an existing Shareholder unless the proposed allottee has entered into a Deed of Adherence

11.11 Any Share allotted to a person who is

11.11 1 an A Shareholder will automatically without resolution of the Board or the Shareholders be designated as an A Ordinary Share,

- 11.11 2 a B Shareholder will automatically without resolution of the Board or the Shareholders be designated as a B Ordinary Share,
- 11 11 3 a C Shareholder will automatically without resolution of the Board or the Shareholders be designated as a C Ordinary Share,
- 11 11 4 a D Shareholder will automatically without resolution of the Board or the Shareholders be designated as a D Ordinary Share, and
- 11 11 5 not an existing Shareholder shall be of such class as determined by the Board acting with Shareholder Consent

11.12 No such offer pursuant to Article 11 4 shall be made to any Shareholder in the event that such issue of further relevant securities are to be made on a non-cash basis

12 RETURN OF ASSETS

12.1 On

12 1 1 a return of assets on liquidation, capital reduction or otherwise (other than a conversion or purchase of Shares), or

12 1 2 on a Disposal,

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) in distributing the balance among the holders of the Shares pro rata to the number of Shares held, subject to approval of the Directors

13 TRANSFERS OF SHARES: GENERAL

- 13.1 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
- 13.2 No Share shall be transferred to any person other than a Shareholder or a Permitted Transferee, pursuant to these Articles (subject to articles 18 and 19), and the Directors shall refuse to register a transfer of any Share, unless it is made in accordance with these Articles and unless the proposed transferee has entered into a Deed of Adherence
- 13.3 Subject to Article 13 2, the Directors shall register any duly stamped transfer made in accordance with these Articles, unless they suspect that the proposed transfer may be fraudulent
- 13.4 If a Shareholder transfers (or purports to transfer) a Share other than in accordance with these Articles, he shall, save with the consent of the Directors to the contrary be deemed to have immediately served a Transfer Notice in respect of all Shares held by him

13.5 Any transfer of a Share by way of sale which is required to be made under Article 17, Article 18 or Article 19 shall be deemed to include a warranty that the transferor sells the Share with full title guarantee

13.6 To enable the Directors to determine whether or not there has been any transfer (or purported transfer) of Shares the Directors may, require

13.6.1 any holder (or the legal representatives of a deceased holder), or

13.6.2 any person named as a transferee in a transfer lodged for registration, or

13.6.3 such other person as the Directors 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

13.7 If any such information or evidence referred to in Article 13.6 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, if the holder fails to remedy that situation to the reasonable satisfaction of the Directors within 28 days of receipt of such written notice, then, unless otherwise directed in writing by the Directors

13.7.1 the Relevant 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 issued in respect of those Shares, and

13.7.2 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 reinstate the rights referred to in Article 13.7.1 at any time and, in any event, such rights shall be reinstated in respect of any Shares transferred pursuant to Article 13.7.2 on completion of such transfer

13.8 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

13.8.1 it does not contain a Minimum Transfer Condition as defined in Article 15.2.4, and

13.8.2 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)

- 13.9** Any Transfer Notice (but not an Offer Notice (as defined in Article 18) or a Drag Along Notice (as defined in Article 19)) 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
- 13.10** Subject to articles 17, 18 and 19, any B Shareholder may only transfer any such Shares registered in his name pursuant to these Articles, after the expiry of 5 years, commencing on the Adoption Date. Any transfer by a B Shareholder pursuant to this article, must be a transfer of all the Shares registered in his name at the time of the proposed transfer

14 PERMITTED TRANSFERS OF SHARES

- 14.1** A Shareholder, except for any B Shareholder (notwithstanding article 13.10), (the "Original Shareholder") may transfer all or any of his or its Shares to a Permitted Transferee
- 14.2** Where Shares are held by the trustee(s) of a Family Trust, the trustee(s) may transfer Shares to
- 14.2.1** the Original Shareholder,
 - 14.2.2** any Privileged Relation(s) of the Original Shareholder,
 - 14.2.3** subject to Article 14.3, the trustee(s) of another Family Trust of which the Original Shareholder is the settlor, or
 - 14.2.4** subject to Article 14.3, to the new (or remaining) trustee(s) upon a change of trustee(s) of a Family Trust,
- without any price or other restriction
- 14.3** A transfer of Shares may only be made to the trustee(s) of a Family Trust if the Directors, acting reasonably, are satisfied
- 14.3.1** with the terms of the trust instrument and, in particular, with the powers of the trustee(s),
 - 14.3.2** with the identity of the proposed trustee(s),
 - 14.3.3** that the proposed transfer will not result in 50% or more of the aggregate of the Company's equity share capital being held by trustees of that and any other trusts, and
 - 14.3.4** that no costs incurred in connection with the setting up or administration of that Family Trust are to be paid by the Company
- 14.4** If the Original Shareholder is a company, and a Permitted Transfer has been made, the Permitted Transferee shall, within 10 Business Days of ceasing to be a Member of the Same Group as the Original Shareholder, transfer the Shares held by it to
- 14.4.1** the Original Shareholder, or

14.4.2 a Member of the Same Group as the Original Shareholder,

(which in either case is not in liquidation), without any price or other restriction. If the Permitted Transferee fails to make a transfer in accordance with this Article 14.4, a Transfer Notice shall be deemed to have been given in respect of such Shares on the expiry of the period set out in this Article 14.4.

14.5 If the Original Shareholder is an individual and a Permitted Transfer has been made to a Privileged Relation or Family Trust of the Original Shareholder, the Permitted Transferee (or the transmittee(s) of any such person), shall within 10 Business Days of ceasing to be a Privileged Relation or Family Trust (as the case may be) of the Original Shareholder (whether by reason of death, divorce or otherwise) either

14.5.1 execute and deliver to the Company a transfer of the Shares held by him to the Original Shareholder (or to any Permitted Transferee of the Original Shareholder) for such consideration as may be agreed between them, or

14.5.2 give a Transfer Notice to the Company in accordance with Article 15,

14.5.3 failing which a Transfer Notice shall be deemed to have been given in respect of such Shares on the expiry of the period set out in this Article 14.5. This Article 14.5 shall not apply to a transmittee of a Permitted Transferee if that transmittee is also a Permitted Transferee of the Original Shareholder, to the extent that such transmittee is legally or beneficially entitled to those Shares.

14.6 Notwithstanding any other provision of this Article 14, a transfer of any Shares approved by the Directors may be made without any price or other restriction and any such transfer shall be registered by the Directors.

15 PRE-EMPTION RIGHTS ON THE TRANSFER OF SHARES

15.1 Except where the provisions of Article 14, Article 18 or Article 19 apply and subject to the exercise of any options pursuant to the EMI Option Agreement, any transfer of Shares by a Shareholder shall be subject to the pre-emption rights in this Article 15.

15.2 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

15.2.1 subject to Article 13.8.2, the number of Shares he wishes to transfer (the "**Sale Shares**"),

15.2.2 the name of the proposed transferee, if any,

15.2.3 the price per Sale Share (in cash), if any, at which he wishes to transfer the Sale Shares (the "**Proposed Sale Price**"), and

15.2.4 subject to Article 13.8.1, whether the Transfer Notice is conditional on all or a specific number of the Sale Shares being sold (a "**Minimum Transfer Condition**").

- 15.3** Except in the case of a Deemed Transfer Notice (which may not be withdrawn), a Transfer Notice may only be withdrawn with the consent of the Directors
- 15.4** 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
- 15.5** As soon as practicable following the later of
- 15.5.1** receipt of a Transfer Notice (or in the case of a Deemed Transfer Notice, the date such notice is deemed to be served), and
 - 15.5.2** the determination of the Transfer Price,
- the Directors shall (unless the Transfer Notice is withdrawn in accordance with Article 15.3) offer the Sale Shares for sale in the manner set out in the remaining provisions of this Article 15 at the Transfer Price. Each offer shall be in writing and give details of the number and Transfer Price of the Sale Shares offered
- 15.6** The Company shall offer the Sale Shares in the following order of priority
- 15.6.1** first, subject to the Act, to the Company,
 - 15.6.2** second, to all holders of Shares (other than the Seller and any B Shareholder), and
 - 15.6.3** third, to the holder(s) of B Shares,
- in each case on the basis set out in Article 15.7 to Article 15.14 (inclusive)
- 15.7** An offer of Sale Shares made in accordance with Article 15.6.1 shall remain open for acceptance for a period from the date of the offer to the date 21 days after the offer (both dates inclusive) (the "**First Offer Period**") Any Sale Shares not allocated within the First Offer Period shall be dealt with in accordance with Article 15.8 and Article 15.9
- 15.8** Subject to Article 15.7 the Directors shall, offer any Sale Shares which remain unsold at the end of the First Offer Period to the Shareholders in accordance with the priority as described in Articles 15.6.2 and 15.6.3 (other than the Seller), inviting them to apply in writing within the period from the date of the offer to the date 21 days after the offer (both dates inclusive) (the "**Second Offer Period**") for the maximum number of Sale Shares they wish to buy
- 15.9** If
- 15.9.1** at the end of the Second 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 Shareholder who has applied for Sale Shares in the proportion which his existing holding of Shares bears to the total number of Shares being offered held by all 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) 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,

- 15.9.2** not all Sale Shares are allocated following allocations in accordance with Article 15.9.1, 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 15.9.1. The procedure set out in this Article 15.9.2 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
- 15.9.3** at the end of the Second 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 Shareholders in accordance with their applications. The balance (the "**Surplus Shares**") shall, subject to Article 15.10, only be offered to any other Permitted Transferee in accordance with Article 15.14
- 15.10** Where the Transfer Notice contains a Minimum Transfer Condition
- 15.10.1** any allocation made under Article 15.7 to Article 15.9 (inclusive) shall be conditional on the fulfilment of the Minimum Transfer Condition, and
- 15.10.2** if the total number of Sale Shares applied for under Article 15.7 to Article 15.9 (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
- 15.11** Where either
- 15.11.1** the Transfer Notice does not contain a Minimum Transfer Condition, or
- 15.11.2** 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 15.7 to Article 15.9 (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 2 Business Days, but not more than 5 Business Days, after the date of the Allocation Notice)
- 15.12** 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
- 15.13** If the Seller fails to comply with Article 15.12
- 15.13.1** the chairman (or, failing him, any other Director or some other person nominated by a resolution of the Directors) may, as agent on behalf of the Seller)
- (a) complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Applicants,

- (b) 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
 - (c) (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
- 15 13 2 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
- 15.14 Where an Allocation Notice does not relate to all the Sale Shares or the Transfer Notice lapses pursuant to Article 15 10 2 then, subject to Article 15 15, the Seller may, at any time during the 15 Business Days following the date of service of the Allocation Notice, transfer the Sale Shares (in the case of a lapsed offer) or the Surplus Shares (as the case may be) only to any Permitted Transferee 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 15 14 shall continue to be subject to any Minimum Transfer Condition
- 15.15 The Seller's right to transfer Shares under Article 15 14 does not apply if the Directors reasonably consider that
 - 15 15 1 the transferee is a person (or a nominee for a person) whom the Directors determine to be a competitor (or a Member of the Same Group as a competitor) of the business of any Group Company,
 - 15 15 2 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
 - 15 15 3 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 15 15 2

16 VALUATION

- 16.1 Subject to Article 17, 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, and the Seller or, in default of agreement within 20 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
- 16.2 The Fair Value shall be the price per Sale Share determined by the Independent Expert on the following bases and assumptions
 - 16 2 1 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),

- 16.2.2 if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so,
 - 16.2.3 that the Sale Shares are capable of being transferred without restriction,
 - 16.2.4 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,
 - 16.2.5 taking into account the composition of the ongoing management team, and
 - 16.2.6 reflecting any other factors which the Independent Expert reasonably believes should be taken into account
- 16.3 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
- 16.4 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
- 16.5 The parties are entitled to make submissions to the Independent Expert including oral submissions and shall provide (or procure that others provide) the Independent Expert with such assistance and documents as the Independent Expert may reasonably require for the purpose of reaching a decision
- 16.6 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)
- 16.7 The Independent Expert shall be requested to determine the Fair Value within 40 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
- 16.8 The cost of obtaining the Independent Expert's certificate shall be borne by the parties equally or in such other proportions as the Independent Expert directs unless
- 16.8.1 the Seller withdraws the relevant Transfer Notice in accordance with Article 15.3, or
 - 16.8.2 in respect of a Deemed Transfer Notice, the Fair Value is less than the price per Sale Share offered to the Seller by the Directors before the appointment of the Independent Expert,
- in which case the Seller shall bear the cost

17 COMPULSORY TRANSFERS

- 17.1 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 may determine

- 17.2** 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 may determine
- 17.3** If there is a change in control (as 'control' is defined in section 1124 of the CTA) of any Shareholder which is a company, it shall be bound at any time, if and when required in writing by the Directors to do so, to give (or procure the giving in the case of a nominee) a Transfer Notice in respect of all the Shares registered in its name (or the name of its nominee(s)) save that, where that Shareholder acquired Shares as a Permitted Transferee of an Original Shareholder, it shall first be permitted to transfer those Shares back to the Original Shareholder from whom it received its Shares or to any other Permitted Transferee of that Original Shareholder before being required to serve a Transfer Notice
- 17.4** If a Family Trust ceases to qualify as a Family Trust, the trustee(s) shall be bound at any time, if and when required in writing by the Directors to do so, to give (or procure the giving in the case of a nominee) a Transfer Notice in respect of all the Shares registered in its name (or the name of its nominee(s)) save that, where the Family Trust acquired Shares as a Permitted Transferee of an Original Shareholder, it shall first be permitted to transfer those Shares back to the Original Shareholder from whom it received its Shares or to any other Permitted Transferee of that Original Shareholder before being required to serve a Transfer Notice
- 17.5** If a Shareholder who is an individual dies, the transmittee(s) of such Shareholder shall be bound at any time, if and when required in writing by the Directors to do so, to give (or procure the giving in the case of a nominee) a Transfer Notice in respect of all the Shares registered in its name (or the name of its nominee(s)) save that, where that Shareholder acquired Shares as a Permitted Transferee of an Original Shareholder, it shall first be permitted to transfer those Shares back to the Original Shareholder from whom it received its Shares or to any other Permitted Transferee of that Original Shareholder before being required to serve a Transfer Notice
- 17.6** If a Shareholder becomes a Departing Shareholder a Transfer Notice shall, unless the Directors otherwise direct in writing in respect of any particular Relevant Shares prior to or within 10 Business Days after the date on which the Shareholder became a Departing Shareholder (the "**Termination Date**"), be deemed to have been served on the relevant Termination Date in respect of all Relevant Shares (a "**Compulsory Transfer**") and any Transfer Notice served in respect of any of such Relevant Shares before the Termination Date shall automatically lapse
- 17.7** Notwithstanding any other provisions of these Articles, the Transfer Price in respect of a Compulsory Transfer shall, where the Departing Shareholder is

- 17.7.1 a Forced Leaver, be restricted to a maximum of the lower of the aggregate nominal value of such Relevant Shares and the aggregate Fair Value of such Relevant Shares, and
- 17.7.2 a Good Leaver, be the higher of the aggregate nominal value of such Relevant Shares and the aggregate Fair Value of such Relevant Shares
- 17.8 Forthwith upon a Transfer Notice being deemed to be served under Article 17 the Shares subject to the relevant Deemed Transfer Notice ("**Restricted Shares**") shall cease to confer on the holder of them any rights
- 17.8.1 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,
- 17.8.2 to receive dividends or other distributions otherwise attaching to those Shares, or
- 17.8.3 to participate in any future issue of Shares issued in respect of those Shares

The Directors acting by majority, pursuant to article 4.1, may reinstate the rights referred to in Article 17.8 at any time and, in any event, such rights shall be reinstated in respect of any Shares transferred pursuant to Article 17 on completion of such transfer

18 TAG ALONG

- 18.1 In the event that a proposed transfer of Shares (other than a transfer of Shares made pursuant to Article 14 or Article 17, 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 or any person connected with such Shareholder (the "**Buyer**"), together with any person acting in concert with the Buyer, acquiring Shares which resulted in a change of Control of the Company then in issue the remaining provisions of this Article 18 shall apply
- 18.2 The Sellers 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 other than any holder(s) of Shares which are the subject of the Proposed Transfer, to buy all of the Shares held by such Shareholders on the date of the Offer for a consideration in cash per Share (the "**Offer Price**") which is equal to the highest price per Share offered, paid or to be paid by the Buyer, or any person acting in concert with the Buyer, for any Shares in connection with the Proposed Transfer or any transaction in the 12 calendar months preceding the date of completion of the Proposed Transfer
- 18.3 The Offer shall be made by notice in writing (the "**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
- 18.3.1 the identity of the Buyer (and any person(s) acting in concert with the Buyer),

- 18.3 2 the Offer Price and any other terms and conditions of the Offer,
 - 18.3 3 the Sale Date, and
 - 18.3.4 the number of Shares which would be held by the Buyer (and persons acting in concert with the Buyer) on completion of the Proposed Transfer
- 18.4 The completion of the Proposed Transfer shall be conditional in all respects on
- 18.4 1 the making of an Offer in accordance with this Article 18, and
 - 18 4 2 the completion of the transfer of any 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 18 4

19 DRAG ALONG

- 19.1 If the holders of 75% of the Shares in issue for the time being (the **"Selling Shareholders"**) wish to transfer all of their interest in Shares (the **"Sellers' Shares"**) to a bona fide arm's-length purchaser (the **"Proposed Buyer"**), the Selling Shareholders shall have the option (the **"Drag Along Option"**) to require all the other holders of Shares on the date of the request (the **"Called Shareholders"**) to sell and transfer all their interest in Shares with full title guarantee to the Proposed Buyer (or as the Proposed Buyer may direct) in accordance with the provisions of this Article 19
- 19.2 The Selling Shareholders may exercise the Drag Along Option by giving notice in writing to that effect to each Called Shareholder (a **"Drag Along Notice"**), at any time before the completion of the transfer of the Sellers' Shares to the Proposed Buyer A Drag Along Notice shall specify
- 19 2 1 that the Called Shareholders are required to transfer all their Shares (the **"Called Shares"**) pursuant to this Article 19,
 - 19 2 2 the identity of the Proposed Buyer (and, if relevant, the transferee(s) nominated by the Proposed Buyer),
 - 19.2.3 the consideration payable for the Called Shares calculated in accordance with Article 19 4,
 - 19 2 4 the proposed date of completion of transfer of the Called Shares
- 19.3 Once given, a Drag Along Notice may not be revoked save with the prior consent of the Directors 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 10 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
- 19.4 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 in accordance with the provisions of Article 12

- 19.5** No Drag Along Notice shall require a Called Shareholder to agree to any terms except those specifically set out in this Article 19
- 19.6** 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
- 19.6.1** all of the Called Shareholders and the Selling Shareholders otherwise agree, or
- 19.6.2** 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
- 19.7** Within 10 Business Days of the Selling Shareholders 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 19.4 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 19.4 shall be a good discharge to the Proposed Buyer. The Company shall hold the amounts due to the Called Shareholders pursuant to Article 19.4 in trust for the Called Shareholders without any obligation to pay interest.
- 19.8** 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 19.4, 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 19 in respect of their Shares.
- 19.9** 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 19.
- 19.10** 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, Shares, whether or not pursuant to a share option scheme (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 19 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

- 19.11** 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 15
- 19.12** 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
- 19.13** Article 13 5 shall apply to the transfer of any Share pursuant to this Article 19

20 GENERAL MEETINGS

- 20.1** Three Shareholders present in person or by proxy or a duly authorised representative of a corporation shall be a quorum at any general meeting provided that any such quorum must include at least one holder of A Ordinary Shares present in person or by proxy or a duly authorised representative of a corporation. If no such quorum is present then the meeting shall stand adjourned for a period of not less than 5 Business Days to such time and place as the Board shall agree and notify to the Shareholders
- 20.2** No business other than 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
- 20.3** The chairman shall chair general meetings. If there is no chairman in office for the time being, or the chairman is unable to attend any general meeting, the Directors present (or, if no Directors are present, the meeting) 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

21 VOTING

- 21.1** Subject to any other provisions in these Articles concerning voting rights (including without limitation, Articles 17 8 and 21 5), each Share in the Company shall carry the right to receive notice of and to attend, speak and vote at all general meetings of the Company
- 21.2** A poll may be demanded at any general meeting by any qualifying person (as defined in section 318 of the Act) present and entitled to vote at the meeting
- 21.3** Model Article 44(3) shall be amended by the insertion of the words "A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made" as a new paragraph at the end of that Model Article

21.4 Model Article 45(1) shall be amended by

21.4.1 the deletion of Model Article 45(1)(d) and its replacement 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

21.4.2 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 at the end of that Model Article

22 LIEN, CALLS ON SHARES AND FORFEITURE

22.1 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

22.2 The provisions of articles 52(2) and (3), 55, 56(2), 57(2), (3) and (4), 59, 60(1), (2) and (3), 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)

22.3 Enforcement of the Company's Lien

22.3.1 Subject to the provisions of this Article 22.3, if

- (a) a Lien Enforcement Notice has been given in respect of a Share, and
- (b) 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

22.3.2 A Lien Enforcement Notice

- (a) 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,
- (b) must specify the Share concerned,
- (c) 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),
- (d) must be addressed either to the holder of the Share or to a transmittee of that holder, and

- (e) must state the Company's intention to sell the Share if the notice is not complied with

22.3.3 Where Shares are sold under this Article 22.3

- (a) 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
- (b) 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

22.3.4 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

- (a) 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
- (b) 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

22.3.5 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

- (a) is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share, and
- (b) subject to compliance with any other formalities of transfer required by the Articles or by law, constitutes a good title to the Share

22.4 Call notices

22.4.1 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

22.4.2 A Call Notice

- (a) may not require a Shareholder to pay a Call which exceeds the total amount of his indebtedness or liability to the Company,
- (b) must state when (the "**Call Payment Date**") and how any Call to which it relates is to be paid, and
- (c) may permit or require the Call to be made in instalments

- 22.4.3** 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
- 22.4.4** Before a Shareholder has received any Call due under a Call Notice the Directors may
- (a) revoke it wholly or in part, or
 - (b) 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
- 22.4.5** 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
- (a) on allotment,
 - (b) on the occurrence of a particular event, or
 - (c) on a date fixed by or in accordance with the terms of issue

22.5 Forfeiture

- 22.5.1** If a person is liable to pay a Call and fails to do so by the Call Payment Date
- (a) the Directors may issue a notice of intended forfeiture to that person, and
 - (b) until the Call is paid, that person must pay the company interest on the Call from the Call Payment Date at the relevant rate
- 22.5.2** A notice of intended forfeiture
- (a) may be sent in respect of any Share in respect of which a Call has not been paid as required by a Call Notice,
 - (b) must be sent to the holder of that Share (or all the joint holders of that Share) or to a transmittee of that holder,
 - (c) must require payment of the Call and any accrued interest and all expenses that may have been incurred by the Company by reason of such non-payment 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),
 - (d) must state how the payment is to be made, and
 - (e) 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
- 22.5.3** At any time before the Company disposes of a forfeited Share, the Directors may decide to cancel the forfeiture on payment of all Calls, interest and expenses due in respect of it and on such other terms as they think fit

23 NOTICES

23.1 Any notice, document or other information shall be deemed served on or delivered to the intended recipient

- 23.1.1** 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),
- 23.1.2** if properly addressed and delivered by hand, when it was given or left at the appropriate address,
- 23.1.3** if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied, and
- 23.1.4** 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 provided that the material shall not be withdrawn from such website for any material period of time during any period to which such material is relevant

For the purposes of this Article 23.1, no account shall be taken of any part of a day that is not a Business Day

23.2 In proving that any notice, document or other information was properly addressed, it shall be sufficient to show that the notice, document or other information was delivered to an address permitted for the purpose by the Act

24 INDEMNITY AND INSURANCE

24.1 Subject to Article 24.2, but without prejudice to any indemnity to which a Relevant Officer is otherwise entitled

- 24.1.1** each Relevant Officer shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a Relevant Officer
 - (a) in the actual or purported execution and/or discharge of his duties, or in relation thereto, and
 - (b) in relation to the Company's (or other Group Company's) activities as trustee of an occupational pension scheme (as defined in section 235(6) of the Act),

including (in each case) any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted, or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part, or in connection with any

application in which the court grants him, in his capacity as a Relevant Officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company's (or other Group Company's) affairs, and

24.2 the Company may provide any Relevant Officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in Article 24.1 and otherwise may take any action to enable such Relevant Officer to avoid incurring such expenditure

24.3 This Article 24 does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law

24.4 The Directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any Relevant Officer in respect of any Relevant Loss

24.5 In this Article 24

24.5.1 **"Relevant Loss"** means any loss or liability which has been or may be incurred by a Relevant Officer in connection with that Relevant Officer's duties or powers in relation to the Company (or other Group Company) or any pension fund or employees' share scheme of the Company (or other Group Company), and

24.5.2 **"Relevant Officer"** means any director or other officer or former director or other officer of any Group Company (including any company with is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act), but excluding in each case any person engaged by a Group Company as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor