

PRINT OF RESOLUTIONS FOR FILING AT COMPANIES HOUSE

Company Number 07866175

COMPANY LIMITED BY SHARES

WRITTEN RESOLUTIONS

of

DEPOSIT SENSE LIMITED (the "Company")

passed on 26th March 2013

FRIDAY



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05/04/2013

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COMPANIES HOUSE

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006, the following ordinary and special resolutions (as indicated) were duly passed as written resolutions of the Company

SPECIAL RESOLUTION

- 1 That the articles of association contained in the document attached to these written resolutions be adopted as the articles of association of the Company to the exclusion of, and in substitution for, the existing articles of association of the Company and (for the avoidance of doubt) to the exclusion of, and in substitution for, the relevant provisions of the memorandum of association that would otherwise be treated as provisions of the articles under section 28 of the Companies Act 2006 (the "Act")

ORDINARY RESOLUTION

- 2 That the directors be and they are hereby generally and unconditionally authorised, for the purposes of section 551 of the Act to exercise all powers of the Company to allot shares in the Company up to an aggregate maximum nominal amount of £337,412 66 provided that this authority shall, unless renewed, varied or revoked by the Company, expire on the fifth anniversary of the date of this resolution save that the Company may, before such expiry, make an offer or agreement which would or might require shares in the Company to be allotted after such expiry and the directors may allot shares in the Company in pursuance of such offer or agreement as if such authority had not expired

This authority is in substitution for all previous authorities conferred on the directors in accordance with section 80 of the Companies Act 1985 or section 551 of the Act but without prejudice to any allotment of shares already made or offered or agreed to be made pursuant to such authorities

SPECIAL RESOLUTION

- 3 That, subject to the passing of resolution 2 and in accordance with section 570 of the Act, the directors be and they are hereby generally empowered to allot equity securities (as defined in section 560 of the Act) pursuant to the authority conferred by resolution 2 above, as if section 561(1) of the Act did not apply to any such allotment provided that this power shall
- 3 1 be limited to the allotment of equity securities up to an aggregate nominal amount of £337,412 66 as follows

- 3 1 1 300,000 preference shares of £1 each (having the rights and being subject to the restrictions set out in the articles of association to be adopted pursuant to resolution 1 above),
 - 3 1 2 5,833 A ordinary shares of £0 01 each (having the rights and being subject to the restrictions set out in the articles of association to be adopted pursuant to resolution 1 above),
 - 3 1 3 833 ordinary shares of £0 01 each (having the rights and being subject to the restrictions set out in the articles of association to be adopted pursuant to resolution 1 above),
 - 3 1 4 37,346 deferred shares of £1 each (having the rights and being subject to the restrictions set out in the articles of association to be adopted pursuant to resolution 1 above), and
- 3 2 expire on the fifth anniversary of the date of this resolution (unless renewed, varied or revoked by the Company prior to or on that date) save that the Company may, before such expiry, make an offer or agreement which would or might require equity securities to be allotted after such expiry and the directors may allot equity securities in pursuance of any such offer or agreement notwithstanding that the power conferred by this resolution has expired

This power is in substitution for all previous powers conferred on the directors in accordance with section 89 of the Companies Act 1985 or section 570 of the Act but without prejudice to any allotment of shares already made or offered or agreed to be made pursuant to such powers



Director

BA
PA
JD

**THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF**

DEPOSIT SENSE LIMITED

(Adopted by special resolution passed on 26th March 2013)

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 Shares"	the 'A' ordinary shares of £0.01 each in the capital of the Company,
"Articles"	the Company's articles of association from time to time in force,
"Available Profits"	profits available for distribution within the meaning of part 23 of the Act,
"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,
"Call"	has the meaning given to it in Article 24.8,
"Call Notice"	has the meaning given to it in Article 24.8,
"Chairman"	has the meaning given to it in Article 6.6,
"Companies Acts"	has the meaning given to it in the Act,
"Company"	means Deposit Sense Limited a private company limited by shares (incorporated under company number 07866175) the registered office of which is at St Mary's House, Crewe Road, Alsager, Stoke-on-Trent, England, ST7 2EW,
"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,
"Deemed Transfer Notice"	a Transfer Notice which is deemed to have been served by any of the provisions of these Articles,
"Default Event"	any member of the Group or any Shareholder having been, being, or, in the opinion of the Investor (acting by Investor Consent, acting reasonably) having no reasonable prospect of avoiding becoming in breach of any of the material provisions of the Articles or the Investment Agreement or both,
"Deferred Shares"	the deferred shares of £1 each in the capital of the Company,
"Departing Employee Shareholder"	an Employee Shareholder who ceases to be a director or employee of, or consultant to, any Group Company and who does not continue as, or become, a director or employee of, or consultant to, any other Group Company,
"Directors"	the 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 to a bona fide

	unconnected third party purchaser on an arms length basis,
"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 (other than James Duffy) who is, or has been, a director and/or an employee of, or consultant to, any Group Company,
"Employee Trust"	a trust, the terms of which are approved by the Investor, whose beneficiaries are the bona fide employees of the Group,
"Equity Shares"	the 'A' Ordinary Shares and the Ordinary Shares,
"Exit"	a Share Sale, a Disposal or a Listing,
"Fair Value"	has the meaning given in <i>Article 19 2</i> ,
"Financial Year"	an accounting reference period (as defined in section 391 of the Act) of the Company,
"First Offer Shareholders"	in respect of <ul style="list-style-type: none"> (a) an offer of Preference Shares, the holders of Preference Shares, (b) an offer of 'A' Ordinary Shares, the holders of 'A' Ordinary Shares, and (c) an offer of Ordinary Shares, in accordance with <i>Article 18 8 1</i>,
"Fund Manager"	a person whose principal business is to make, manage or advise upon investments in securities,
"Group"	the Company and its subsidiaries (if any) from time to time and " Group Company " shall be construed accordingly,
"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 are not permitted to act under any professional conduct rules or guidance, an independent firm of accountants appointed by the Company and the Seller or, in the absence of agreement between the Company and the Seller (and the Investor, 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 <i>Article 19 2</i> , 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),
"Investment Agreement"	the investment agreement dated on or around the Adoption Date between, amongst others, the Company and the Investor (as the same may have been varied, supplemented, adhered to or superseded in accordance with its terms (or these Articles)),
"Investor"	NWF (Venture Capital) LP a limited partnership (registered under number LP014162) whose principal place of business is at Preston Technology Management Centre, Marsh Lane, Preston, Lancashire, PR1 8UQ,
"Investor Consent"	the prior consent in writing of the Investor acting through its manager from time to time which at the Adoption Date is Enterprise Ventures Limited,
"Investor Director"	has the meaning given in <i>Article 6 1</i> ,
"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 <i>Article 24 4</i> ,
"Listing"	the successful application and admission of all or any of the Shares, or securities representing such Shares (including American depositary receipts, American depositary shares and/or other instruments) to the Official List of the UK Listing Authority or on the AIM market operated by London Stock Exchange plc, or the Nasdaq National Stock Market of the Nasdaq Stock Market Inc., or to any recognised investment exchange (as defined in section 285 of the Financial Services and Markets Act 2000),
"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,
"Member of the Same Fund Group"	if the Shareholder is a fund, partnership, company, syndicate or other entity whose business is managed by a Fund Manager (an "Investment Fund") or a nominee of that person <ul style="list-style-type: none"> (a) any participant or partner in or member of any such Investment Fund or the holders of any unit trust which is a participant or partner in or member of any Investment Fund (but only in connection with the dissolution of the Investment Fund or any distribution of assets of the Investment Fund pursuant to the operation of the Investment Fund in the ordinary course of business), (b) any Investment Fund managed by that Fund Manager or a Fund Manager which is a Member of the Same Group as that Fund Manager, (c) any trustee, nominee or custodian of such Investment Fund and vice versa, (d) the Fund Manager of that Investment Fund or a Fund Manager of any other Investment Fund which is a Member of the Same Fund Group as that Investment Fund (or a nominee of any such Fund Manager) and vice versa, or (e) any Member of the same Group as that Fund Manager,
"Model Articles"	the model articles for private companies limited by shares contained in Schedule 1 to The Companies (Model Articles) Regulations 2008 as amended prior to the Adoption Date,
"Ordinary Shares"	the ordinary shares of £0.01 each in the capital of the Company,
"Original Shareholder"	has the meaning given in <i>Article 17 1</i> ,
"Permitted Transfer"	a transfer of Shares made in accordance with <i>Article 17</i> ,
"Permitted Transferee"	in relation to <ul style="list-style-type: none"> (a) the Investor, to (i) a Member of the Same Fund Group as the Investor, or (ii) a Member of the Same Group as the Investor, or (iii) any nominee of the Investor (or of a Member of the Same Fund Group as the Investor), and (b) subject to (c), any Shareholder (which is not the Investor), to any person as has been approved by Investor Consent, (c) any Deferred Shares, to any person as has been approved by the board of Directors,
"Preference Dividend"	shall have the same meaning set out in <i>Article 10 2</i> ,
"Preference Shares"	the preference shares of £1.00 each in the capital of

<p>"Preferential Dividend" "Pre-Tax Operating Profit"</p>	<p>the Company, shall have the same meaning set out in <i>Article 10 11</i>, the amount of profit of the Company for the Financial Year in question after deduction of interest, the Preference Dividend payable in respect of that Financial Year and exceptional items but before deduction of tax as shown in the accounts for that Financial Year,</p>
<p>"Relevant Securities"</p>	<p>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</p> <ul style="list-style-type: none"> (a) the grant of any options under a Share Option Scheme (and the issue of Shares on the exercise of any such options), (b) 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 Investment Agreement, and (c) 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,
<p>"Relevant Shares"</p>	<p>in relation to an Employee Shareholder means all Shares (other than Deferred Shares) held by</p> <ul style="list-style-type: none"> (a) the Employee Shareholder in question, and (b) any Permitted Transferee of that Employee Shareholder (other than those Shares held by those persons that the Investor declares itself satisfied were not acquired directly or indirectly from the Employee Shareholder or by reason of his/her relationship with the Employee Shareholder)
<p>"Restricted Shares"</p>	<p>and including any Shares (other than Deferred 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,</p>
<p>"Sale Shares"</p>	<p>has the meaning given in <i>Article 20 6</i>,</p>
<p>"Second Offer"</p>	<p>has the meaning given in <i>Article 18 2</i>,</p>
<p>"Shareholders"</p>	<p>in respect of</p> <ul style="list-style-type: none"> (a) an offer of Preference Shares, the holders of A Ordinary Shares, (b) an offer of 'A' Ordinary Shares, the holders of Preference Shares, and (c) an offer of Ordinary Shares, the holders of Ordinary Shares,
<p>"Seller"</p>	<p>has the meaning given in <i>Article 18 2</i>,</p>
<p>"Shareholder"</p>	<p>a holder for the time being of any Share or Shares,</p>
<p>"Share Option Scheme"</p>	<p>any share option scheme of the Company which the Investor identifies in writing as being a Share Option Scheme for the purposes of these Articles,</p>
<p>"Shares"</p>	<p>shares (of any class) in the capital of the Company and "Share" shall be construed accordingly,</p>
<p>"Share Sale"</p>	<p>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</p>

"subsidiary"	the Company immediately before the sale, in relation to a holding company wherever incorporated, means a "subsidiary" (as defined in section 1159 of the Act) and any other company which is itself a subsidiary (as so defined) of a company which is itself a subsidiary of such holding company,
"Termination Date"	<ul style="list-style-type: none"> (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,
"Third Offer Shareholders"	in respect of <ul style="list-style-type: none"> (a) an offer of Preference Shares, the holders of Ordinary Shares, (b) an offer of 'A' Ordinary Shares, the holders of Ordinary Shares, and (c) an offer of Ordinary Shares, the holders of A Ordinary Shares and Preference Shares,
"Transfer Notice"	has the meaning given in <i>Article 18 2</i> ,
"Transfer Price"	has the meaning given in <i>Article 19</i>

- 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 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), 12, 14(1) to (4) (inclusive), 21, 22, 26(5), 38, 39, 50 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 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 exceed five but 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*) 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 Each Eligible Director shall have one vote except that, upon the occurrence of a Default Event, an Investor Director appointed pursuant to *Article 6 1* shall have such number of votes as is necessary to amount to a majority of votes and to carry such resolutions ("**Weighted Voting Rights**") The Weighted Voting Rights shall continue for so long as such Default Event is occurring
- 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 directors" in such model articles
- 4 6 Meetings of the Directors shall take place at least 6 times in each year, with a period of not more than 12 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 5

Business Days' advance notice of each such meeting shall be given to each Director (except with the prior consent in writing of an Investor Director, when meetings of the Directors may take place less frequently or emergencies when meetings of the Directors may take place on shorter notice)

- 4 7 The quorum for any meeting (or, where specified below, part of a meeting) of the Directors shall be two Eligible Directors, which must include the Investor Director in office for the time being, unless

4 7 1 there is no Investor Director in office for the time being, or

4 7 2 such Investor Director has, in respect of any particular meeting (or part of a meeting), otherwise agreed in writing ahead of such meeting, or

4 7 3 such Investor Director is not, in respect of any particular meeting (or part of a meeting), an Eligible Director,

in which case, subject to *Article 4 8*, the quorum for such meeting (or part of the meeting, as the case may be) shall be any two 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 Chairman determines. 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 8* to authorise a Conflict (as defined in *Article 8 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

4 9 1 appoint further Directors, or

4 9 2 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 not 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 Notwithstanding any other provision of these Articles, 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 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 of these Articles"

- 5 2 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

5 2 1 he is convicted of a criminal offence (other than a minor motoring offence) and a majority of the other Directors resolve that he shall cease to be a Director, and

5 2 2 in the case of an executive Director only, he shall cease to be employed by the Company or other Group Company (as appropriate) and does not continue as an employee of any other Group Company.

6. Investor Director, Chairman and observer

- 6 1 Subject to *Article 6 7*, the Investor shall from time to time have the right for so long as it holds Equity Shares (whether directly or indirectly) to appoint, by notice in writing addressed to the Company, and to maintain in office, one person as a Director (an "Investor Director") and to remove any such Investor Director and to appoint any replacement
- 6 2 Any appointment or removal of an Investor Director made in accordance with *Article 6 1* and *Article 6 7* shall take immediate effect upon receipt (or deemed receipt) by the Company of such notice in writing, or the production of such notice at a meeting of the Directors or, if later, the date (if any) specified in such notice
- 6 3 Upon the appointment of an Investor Director in accordance with *Article 6 1*, an Investor Director shall be entitled to be appointed to any committee of the Directors established from time to time. On the receipt of the request in writing of the Investor, the Company shall procure that an Investor Director shall be appointed as a director of any other Group Company, to the extent specified in such request (but such Investor Director shall not be entitled to any additional fee)
- 6 4 The Investor shall from time to time have the right to nominate one person to be an observer, who shall be entitled to receive notice of all meetings of directors (and committees of the directors) of each Group Company and copies of all board papers as if he were a director of each such Group Company and to attend, propose resolutions and speak at, but not vote at, any meeting of the directors (and committees of the directors) of each Group Company
- 6 5 The reasonable expenses of each Investor Director appointed pursuant to *Article 6 1* or otherwise and each observer shall be payable by the Company
- 6 6 The Directors may, with Investor Consent, appoint any person as chairman of the board of Directors ("**Chairman**") and may, with Investor Consent, remove and replace any such Chairman. If the Chairman has not been appointed within 3 calendar months of the Adoption Date, or within 3 months of the Chairman's resignation or removal, the Investor shall be entitled to appoint a Chairman by notice in writing addressed to the Company. If there is no Chairman in office for the time being, or the Chairman is unable to attend any meeting of the Directors, the Directors present at the meeting must appoint another Director present at the meeting to chair the meeting and the appointment of the chairman of the meeting must be the first business of the meeting
- 6 7 If at any time a Default Event has occurred, the Investor shall have the right (for so long as it holds Equity Shares (whether directly or indirectly)) to appoint, by notice in writing addressed to the Company, and to maintain in office, such number Investor Directors and to remove any such Investor Directors and to appoint any replacements as it deems fit
- 6 8 The provisions of *Article 6 7* shall continue for so long as such Default Event is occurring

7. Transactions or other arrangements with the Company

- 7 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
- 7 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,

- 7 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,
- 7 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,
- 7 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,
- 7 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
- 7 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

8. Directors' conflicts

- 8 1 The Directors may, in accordance with the requirements set out in this *Article 8*, 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**")
- 8 2 Any authorisation under this *Article 8* will be effective only if
 - 8 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 or in such other manner as the Directors may reasonably determine,
 - 8 2 2 any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director, and
 - 8 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
- 8 3 Any authorisation of a Conflict under this *Article 8* may (whether at the time of giving the authorisation or subsequently)
 - 8 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,
 - 8 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,
 - 8 3 3 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,
 - 8 3 4 impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the Directors think fit,

- 8 3 5 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
- 8 3 6 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
- 8 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
- 8 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
- 8 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) (or any Permitted Transferee of such appointor(s)) and no authorisation under Article 8 1 shall be necessary in respect of any such interest
- 8 7 An Investor Director (to the extent appointed) shall be entitled from time to time to disclose to the Investor (and to any Permitted Transferee of an Investor) such information concerning the business and affairs of the Company as he shall at his discretion see fit
- 8 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 9 The Shareholders hereby authorise any Conflict which arises solely by virtue of the relevant Interested Director being
- 8 9 1 a Shareholder of the Company,
- 8 9 2 an employee or consultant of
- 8 9 2 1 the Company,
- 8 9 2 2 any company which is a subsidiary of the Company from time to time, or
- 8 9 2 3 any company of which the Company is a subsidiary from time to time (its holding company) or any other subsidiaries of any such holding company from time to time,
- and as a result, being a potential beneficiary under any employee benefit trust established by any Group Company, and/or
- 8 9 3 a director of any Group Company which is acting as the trustee of any employee benefit trust established by any other Group Company,
- and the provisions of Article 8 3 shall apply as if he had received an authorisation with no conditions attaching to it

9. 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

10. Dividends

10 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 10*

10 2 Subject to *Article 10 4*, 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 ("**Preference Dividend**") at a rate of 8% (net) per annum per Preference Share to the person registered as its holder which shall accrue daily and be calculated on the basis of a 365 day year on the due date (being such date determined in accordance with this *Article 10 2*)

10 3 Subject to *Article 10 4*, the Preference Dividend shall be deemed to accrue from day to day after as well as before the commencement of winding-up and shall therefore be payable by a liquidator in respect of any period after such commencement in priority to other claims or rights of Shareholders in respect of share capital

10 4 The Preference Dividend shall accrue from the second anniversary of the Adoption Date but no payment in respect of any Preference Dividend shall, subject to *Article 10 6*, be made until the last to occur of

10 4 1 30 June 2015, or

10 4 2 the date on which the Company first has Available Profits,
(the "**Condition**")

10 5 Subject to *Article 10 4*, the Preference Dividend shall be paid in cash quarterly in arrears, the first such payment being made on the date of fulfilment of the Condition

10 6 All unpaid arrears and accruals of the Preference Dividend shall be paid on the date of an Exit or, if earlier, on the date of redemption of all Preference Shares in accordance with *Article 13*

10 7 The Company shall not declare or pay any further dividend unless and until all arrears and accruals of the Preference Dividend have been paid

10 8 Unless the Company has insufficient Available Profits, the Preference Dividend shall, notwithstanding that such dividend is expressed to be cumulative, be paid immediately on the due date

10 9 If, following fulfilment of the Condition and as a result of not having sufficient Available Profits, the Company is not lawfully permitted to pay the Preference Dividend in full on the due date, it shall pay the Preference Dividend to the extent it is lawfully able to do so. The unpaid amount shall be a debt due from the Company

10 10 If the Company is in arrears in paying the Preference Dividend, the first Available Profits arising shall be applied in the following order of priority

10 10 1 first, in or towards paying off any arrears of Preference Dividend, and

- 10 10 2 second, in or towards redeeming all Preference Shares that have not been redeemed on or by the due date for redemption in accordance with *Article 13*
- 10 11 Subject always to all amounts having been paid pursuant to *Articles 10 2 to 10 10* and *Article 13*, in any Financial Year following the fifth anniversary of the Adoption Date, 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 the issued A Ordinary Shares a cumulative preferential dividend of an aggregate sum equal to 10% of Pre-Tax Operating Profits of the Company for such Financial Year ("**Preferential Dividend**") The Preferential Dividend (if any) shall be payable on the third Business Day after the date of the auditor's report relating to the accounts for the relevant Financial Year and shall be payable to, and apportioned among, the holders (on the due date for payment) of A Ordinary Shares according to such number of A Ordinary Shares held by them Each Preferential Dividend shall accrue daily and be calculated on the basis of a 365 day year on the due date (being such date determined in accordance with this *Article 10 12*)
- 10 12 The Preferential Dividend shall be deemed to accrue from day to day after as well as before the commencement of winding-up and shall therefore be payable by a liquidator in respect of any period after such commencement in priority to other claims or rights of Shareholders in respect of share capital
- 10 13 All unpaid arrears and accruals of the Preferential Dividend shall be paid on the date of an Exit
- 10 14 The Company shall not declare or pay any further dividend unless and until all arrears and accruals of the Preferential Dividend have been paid
- 10 15 Save as provided in the foregoing provisions of this *Article 10* and subject to any restrictions set out therein, unless we otherwise agree, no dividends shall be made prior to the financial year following the third anniversary of the Adoption Date Following such date and subject to there being sufficient distributable reserves being available for the purpose and Board approval, a minimum of 30% of Pre-Tax Operating Profits in any Financial Year will be distributed among the holders of the Equity Shares (pari passu as if they constituted shares of the same class) pro rata to their respective holdings of Equity Shares and the Company shall further make appropriate capital distributions in any such financial year (reserves permitting) in the event that the Company generates cash reserves in excess of 12 months budgeted overheads as set out in the annual budget for that particular Financial Year
- 10 16 Subject to the Companies Acts, and *Article 10 17*, the Directors may pay interim dividends provided that
- 10 16 1 the Available Profits of the Company justify the payment, and
- 10 16 2 the Company obtains Investor Consent to any such interim dividend
- 10 17 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
- 10 18 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 Preference Dividend and the Preferential Dividend
- 10 19 For the avoidance of doubt, the holder(s) of the Deferred Shares shall not be entitled to receive any dividends

11 Liquidation preference

- 11 1 Subject always to the provisions of *Article 12 4*, on a return of assets on liquidation, capital reduction or otherwise (other than a redemption 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) in the following order of priority
- 11 1 1 first, in paying to the holders of the Preference Shares in respect of each Preference Share held the Issue Price of that Preference Share, together with a sum equal to any arrears and accruals of the Preference Dividend in respect of that Preference Share calculated down to (and including) the date of the return of capital and, if there is a shortfall of assets remaining to satisfy such payments in full, the proceeds shall be distributed to the holders of the Preference Shares pro rata to the aggregate amounts due under this *Article 11 1 1* to each such Preference Share held,
- 11 1 2 second, in paying to the holders of the 'A' Ordinary Shares in respect of each 'A' Ordinary Share held the Issue Price of that 'A' Ordinary Share, together with a sum equal to any arrears and accruals of dividend in respect of that 'A' Ordinary Share calculated down to (and including) the date of the return of capital and, if there is a shortfall of assets remaining to satisfy such payments in full, the proceeds shall be distributed to the holders of the 'A' Ordinary Shares pro rata to the aggregate amounts due under this *Article 11 1 2* to each such 'A' Ordinary Share held,
- 11 1 3 third, in paying to the holders of the Ordinary Shares in respect of each Ordinary Share held the Issue Price of that Ordinary Share, together with a sum equal to any arrears and accruals of dividend in respect of that Ordinary Share and, if there is a shortfall of assets remaining to satisfy such payments in full, the proceeds shall be distributed to the holders of the Ordinary Shares pro rata to the aggregate amounts due under this *Article 11 1 3* to each such Ordinary Share held,
- 11 1 4 fourth, in paying to the holders of the Deferred Shares in respect of each Deferred Share held the Issue Price of that Deferred Share and, if there is a shortfall of assets remaining to satisfy such payments in full, the proceeds shall be distributed to the holders of the Deferred Shares pro rata to the aggregate amounts due under this *Article 11 1 4* to each Deferred Share held, and
- 11 1 5 thereafter, in distributing the balance among the holders of the Equity Shares pro rata to the number of Equity Shares held, as if they all constituted shares of the same class

12 Exit Provisions

- 12 1 Save in the event where an Exit occurs prior to the fifth anniversary of the Adoption Date and the gross consideration payable to the holders of the Equity Shares exceeds £5 million, the proceeds of a Share Sale shall be distributed in the order of priority set out in *Article 11*
- 12 2 In the event where an Exit occurs prior to the fifth anniversary of the Adoption Date where and the gross consideration payable to the holders of the Equity Shares exceeds £5 million, the proceeds of a Share Sale shall be distributed in the order of priority set out in *Article 11* except that the provisions of *Article 11 1 5* shall be varied so as to provide for an adjustment to the allocation receivable as between the holders of the A Ordinary Shares and the Ordinary Shares as follows

Gross consideration payable to holders of Equity Shares (£)	Percentage of gross consideration payable to holders of A Ordinary Shares (%)	Percentage of gross consideration payable to holders of Ordinary Shares (%)
6,000,000	34	66
7,000,000	33	67
8,000,000	32	68
9,000,000	31	69
10,000,000+	30	70

provided that there is a cash alternative for the Fund with the value of any non-cash consideration determined by reference to the gross value for the Fund

12 3 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 the manner provided in either *Article 12 1* or *Article 12 2* (as the case may be) that, if the Sale Proceeds are not settled in their entirety upon completion of the Share Sale

12 3 1 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 either *Article 12 1* or *Article 12 2* (as the case may be), and

12 3 2 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 either *Article 12 1* or *Article 12 2* (as the case may be)

12 4 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)

12 4 1 save in the event where an Exit occurs prior to the fifth anniversary of the Adoption Date and the gross consideration payable to the holders of the Equity Shares exceeds £5 million, in the order of priority set out in *Article 11*, and

12 4 2 in the event where an Exit occurs prior to the fifth anniversary of the Adoption Date and the gross consideration payable to the holders of the Equity Shares exceeds £5 million, the proceeds of a Share Sale shall be distributed in the order of priority set out in *Article 12 2*,

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 as a Shareholder of the Company) take any reasonable action required by the Investor (including, but without prejudice to the generality of this *Article 12 4*, such action as may be necessary to put the Company into voluntary liquidation) save that any such distribution shall be in the manner provided in either *Article 12 1* or *Article 12 2* (as the case may be)

12 5 Immediately before a Listing, the Company shall issue to each holder for the time being of Preference Shares and of 'A' Ordinary Shares, by way of automatic capitalisation of reserves, such number of Ordinary Shares which shall result in that holder holding, when aggregated with its existing shareholding (and following every issue of Ordinary Shares to Shareholders pursuant to this *Article 12 5*), the same proportion of the total number of Equity Shares in issue as the proportion that its entitlement to the surplus assets of the Company under either *Article 12 1* or *Article 12 2* (as the case may be) (including by way of arrears and accruals of dividend) bears to the total of the surplus assets available for distribution to the Shareholders under either *Article 12 1* or *Article 12 2* (as the case may be)

- 12.6 All Ordinary Shares to be issued in accordance with *Article 12.5* shall be paid up by the automatic capitalisation of any amount standing to the credit of the share premium account or any other available reserve of the Company as determined by the Directors and shall be credited as fully paid at par. Such a capitalisation shall be automatic and shall not require any action on the part of the Shareholders and the Directors shall allot the Ordinary Shares arising on the capitalisation to the Shareholders entitled to them in accordance with *Article 12.5*. If and to the extent that the Company is not lawfully permitted to carry out the capitalisation required by *Article 12.5* in full (whether by virtue of the Act or otherwise), the entitlement of each holder of Preference Shares and of 'A' Ordinary Shares to such an issue of Ordinary Shares shall be reduced in the same proportion that its holding of Preference Shares or 'A' Ordinary Shares (as the case may be) bears to the total number of Preference Shares or 'A' Ordinary Shares (as the case may be) then in issue and each such holder shall be entitled to subscribe in cash at par for the balance of that number of additional Ordinary Shares as would otherwise have been issued pursuant to *Article 12.5*. The Shareholders shall procure (so far as they are lawfully able) that the Directors shall have sufficient authorisations required to issue the Ordinary Shares which may fail to be issued under *Article 12.5* or this *Article 12.5*.
- 12.7 In the event of an Exit approved by the Directors (acting with Investor Consent) ("**Proposed Exit**"), all Shareholders shall consent to, vote for, raise no objections to and waive any applicable pre-emption rights in their capacity as a Shareholder 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 and, so far as they are able in their capacity as a Shareholder, to facilitate the Proposed Exit. If any Shareholder fails to comply with the provisions of this *Article 12.7*
- 12.7.1 the Company shall be constituted the agent of each defaulting Shareholder for taking such actions as are necessary to effect the Proposed Exit,
- 12.7.2 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
- 12.7.3 the Company may receive any purchase money and/or other consideration due to the defaulting Shareholder in trust for each of the defaulting Shareholders (without any obligation to pay interest)

13. Redemption of Preference Shares

- 13.1 Subject to the Companies Acts, the Preference Shares shall be redeemed in 4 equal instalments of £75,000 on the following dates (each a "**Redemption Date**")
- 13.1.1 31 March 2017,
- 13.1.2 31 March 2018,
- 13.1.3 31 March 2019,
- 13.1.4 31 March 2020
- 13.2 On each Redemption Date and subject to the Companies Acts, the Company shall pay an amount equal to the Issue Price on each of the Preference Shares to be redeemed. At the same time and subject to the Companies Acts, it shall pay any arrears or accruals of the Preference 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 Preference Dividend. The Preference 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 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 shares that are not redeemable at that time, the Company shall issue a new share certificate for the balance of the shares not redeemable to the holder. If there is more than one holder of Preference Shares, any redemption shall be made among such holders pro rata (as nearly as possible) to their respective holdings.

- 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 and it is lawfully able to do so.
- 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 Preference Dividend shall, notwithstanding the other provisions of these Articles, continue to accrue down to and including the date on which such 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. Variation of class rights

- 14.1 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 75% in nominal value of the issued Shares of that class (excluding any holder(s) of Restricted Shares), save that the special rights attached to the Preference Shares and the 'A' Ordinary Shares may only be varied or abrogated with Investor Consent.
- 14.2 Without prejudice to the generality of *Article 14.1*, the special rights attaching to the Preference Shares and the 'A' Ordinary Shares shall be deemed to be varied by the occurrence of any of the following events:
- 14.2.1 the amendment or repeal of any provision of, or addition of any provision to, the constitution of any Group Company,
 - 14.2.2 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 any Group Company but excluding the issue of any shares or other securities
 - 14.2.2.1 as envisaged by the Investment Agreement, or
 - 14.2.2.2 on the exercise of any option, warrant or other right to acquire or subscribe for shares or other securities referred to in *Article 14.2.3*, or
 - 14.2.2.3 otherwise approved by the Investor, or
 - 14.2.2.4 the creation by any Group Company of any shares or other securities (save as expressly provided otherwise in these Articles),
 - 14.2.3 save as envisaged by the Investment Agreement, the grant of any option, warrant or other right to acquire or subscribe for shares in or other securities of any Group Company (whether or not pursuant to a Share Option Scheme),
 - 14.2.4 the approval of any merger, liquidation, dissolution or acquisition of any Group Company or the sale of all or any part of the business, undertaking or assets of any Group Company,

- 14 2 5 the purchase by any Group Company of any Shares or the redemption of any shares or other securities of any Group Company,
- 14 2 6 the acquisition by any Group 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),
- 14 2 7 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 any Group 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 any Group Company,
- 14 2 8 the entering into by any Group Company of a voluntary winding up,
- 14 2 9 the transferring of any profits to reserves or otherwise and the taking of any action (excluding payment of dividends) otherwise than in the ordinary course of business which will raise or may reduce the amount of the profits of any Group Company available for distribution (unless such transfer or action is otherwise permitted under or approved by the Investor pursuant to the Investment Agreement),
- 14 2 10 the appointment or removal of any director of any Group Company, other than the appointment or removal of an Investor Director made in accordance with Article 6 and save as provided by law,
- 14 2 11 the redenomination of any of the issued share capital of any Group Company, and
- 14 2 12 any Group Company incurring any obligation (whether or not conditional) to do any of the foregoing

15. Pre-emption rights on the issue of shares

- 15 1 Save to the extent authorised by these Articles, the Directors shall not, save with Investor Consent, exercise any power to allot Shares or to grant rights to subscribe for, or to convert any security into, any Shares
- 15 2 Subject to the remaining provisions of this *Article 15*, the Directors are generally and unconditionally authorised, for the purposes of section 551 of the Act, to exercise any power of the Company to
 - 15 2 1 offer or allot,
 - 15 2 2 grant rights to subscribe for or to convert any security into, and
 - 15 2 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 person, at any time and subject to any terms and conditions as the Directors think proper
- 15 3 The authority referred to in *Article 15 2*
 - 15 3 1 shall be limited to a maximum nominal amount of £300,000 of Preference Shares, £58 33 of 'A' Ordinary Shares, £18 33 of Ordinary Shares and £37,346 Deferred Shares,
 - 15 3 2 shall only apply insofar as the Company has not, subject to these Articles, renewed, waived or revoked it by ordinary resolution, and

- 15 3 3 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)
- 15 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
- 15 5 Subject to *Article 15 10*, 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 (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 (as the case may be) held by each such holder bears to the total number of Equity Shares (as the case may be) 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
- 15 6 An offer made under *Article 15 5* shall
- 15 6 1 be in writing and give details of the number, class and subscription price (including any share premium) of the Relevant Securities being offered,
- 15 6 2 remain open for a period of at least 20 Business Days from the date of service of the offer, and
- 15 6 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 15 5* shall, in his acceptance, state the number of excess Relevant Securities ("**Excess Securities**") for which he wishes to subscribe
- 15 7 If, on the expiry of an offer made in accordance with *Article 15 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
- 15 8 Any Relevant Securities not accepted by Offerees pursuant to an offer made in accordance with *Article 15 5* shall be used to satisfy any requests for Excess Securities made pursuant to *Article 15 7*. 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 Equity Shares (as the case may be) held by each such applicant bears to the total number of such Equity Shares (as the case may be) 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)
- 15 9 If, after completion of the allotments referred to in *Article 15 7* and *Article 15 8*, not all of the Relevant Securities have been allotted, the balance of such Relevant Securities shall, subject to *Article 15 10*, be offered to any other person(s) as the Directors may, with Investor Consent, determine, at the same price and on the same terms as the offer to the holder(s) of Equity Shares. Such offer shall be made in accordance with *Article 15 6* and the provisions of *Article 15 7* and *Article 15 8* shall, with necessary modifications, apply to such offer
- 15 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

16. Transfers of shares: general

- 16 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
- 16 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 16 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
- 16 3 If a Shareholder transfers (or purports to transfer) a Share other than in accordance with these Articles, he shall, save with Investor Consent to the contrary, be deemed to have immediately served a Transfer Notice in respect of all Shares held by him
- 16 4 Any transfer of a Share by way of sale which is required to be made under *Article 20*, shall be deemed to include a warranty that the transferor sells the Share with full title guarantee
- 16 5 The Directors may (and shall, if requested by the Investor), 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 and the Investors agreeing to be bound by the terms of the Investment Agreement (or similar document) in force between any of the Shareholders and the Company, in such form as the Directors (acting with Investor Consent) 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 16 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
- 16 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 an Investor Director, require
- 16 6 1 any holder (or the legal representatives of a deceased holder), or
- 16 6 2 any person named as a transferee in a transfer lodged for registration, or
- 16 6 3 such other person as the Directors or an Investor 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
- 16 7 If any such information or evidence referred to in *Article 16 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 (including an Investor Director) within 10 Business Days of receipt of such written notice, then, unless otherwise directed in writing by the Investor
- 16 7 1 the relevant Shares shall cease to confer on the holder of them any rights
- 16 7 1 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,

16 7 1 2 to receive dividends or other distributions (other than the amount to which they may be entitled pursuant to the application of *Article 10 2*) otherwise attaching to those Shares, or

16 7 1 3 to participate in any future issue of Shares, and

16 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 (with Investor Consent) reinstate the rights referred to in *Article 16 7 1* at any time and, in any event, such rights shall be reinstated in respect of any Shares transferred pursuant to *Article 16 7 2* on completion of such transfer

16 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

16 8 1 it does not contain a Minimum Transfer Condition, and

16 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)

16 9 Any Transfer Notice served in respect of the transfer of any Share which has not completed before the date of service of a Deemed Transfer Notice shall (save with Investor Consent to the contrary) automatically be revoked by the service of a Deemed Transfer Notice

17. Permitted transfers of shares

17 1 A Shareholder (the "**Original Shareholder**") may transfer all or any of his or its Shares to a Permitted Transferee

17 2 If a Permitted Transfer has been made in respect of the Investor, the Permitted Transferee shall, within 10 Business Days of ceasing to be a Member of the Same Fund Group and/or Member of the Same Group as the Original Shareholder, transfer the Shares held by it to

17 2 1 the Original Shareholder, or

17 2 2 a Member of the Same Fund Group and/or 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 17 2*, 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 17 2*

17 3 Notwithstanding any other provision of this *Article 17*, a transfer of any Shares to a Permitted Transferee or otherwise approved by the Directors (acting with Investor Consent) may be made without any price or other restriction and any such transfer shall be registered by the Directors

18 Pre-emption rights on the transfer of shares

18 1 Except where the provisions of *Article 17* apply, any transfer of Shares by a Shareholder shall be subject to the pre-emption rights in this *Article 18*

- 18 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
- 18 2 1 subject to *Article [16 8]*, the number of Shares he wishes to transfer ("**Sale Shares**"),
 - 18 2 2 the name of the proposed transferee, if any,
 - 18 2 3 subject to *Article 20 4*, the price per Sale Share (in cash), if any, at which he wishes to transfer the Sale Shares (the "**Proposed Sale Price**"), and
 - 18 2 4 subject to *Article 16 8 1*, whether the Transfer Notice is conditional on all or a specific number of the Sale Shares being sold (a "**Minimum Transfer Condition**")
- 18 3 Once given, a Transfer Notice may only be withdrawn with Investor Consent
- 18 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
- 18 5 As soon as practicable following the later of
- 18 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
 - 18 5 2 the determination of the Transfer Price,
- the Directors shall (unless the Transfer Notice is withdrawn in accordance with *Article 18 3*) offer the Sale Shares for sale in the manner set out in the remaining provisions of this *Article 18* at the Transfer Price. Each offer shall be in writing and give details of the number and Transfer Price of the Sale Shares offered
- 18 6 If the Sale Shares are Preference Shares, the Company shall, subject to *Article 20*, offer them in the following order of priority
- 18 6 1 first, to the holders of Preference Shares,
 - 18 6 2 second, to the holders of 'A' Ordinary Shares, and
 - 18 6 3 third, to the holders of Ordinary Shares
- in each case on the basis set out in *Article 18 10* to *Article 18 21* (inclusive)
- 18 7 If the Sale Shares are 'A' Ordinary Shares, the Company shall, subject to *Article 20*, offer them in the following order of priority
- 18 7 1 first, to the holders of 'A' Ordinary Shares,
 - 18 7 2 second, to the holders of Preference Shares, and
 - 18 7 3 third, to the holders of Ordinary Shares
- in each case on the basis set out in *Article 18 10* to *Article 18 21* (inclusive)
- 18 8 If the Sale Shares are Ordinary Shares, the Company shall offer them in the following order of priority
- 18 8 1 first, to (i) any Employee Trust that the Directors (acting with Investor Consent) may nominate for the purpose or to a person or persons agreed between the Directors and the Investor conditionally on that person commencing their

employment and/or office with the Company (or other Group Company) and/or (ii) subject to the Act and Investor Consent, the Company,

18 8 2 second, to the holders of Ordinary Shares,

18 8 3 third, to the holders of 'A' Ordinary Shares and Preference Shares, and

in each case on the basis set out in *Article 18 10* to *Article 18 21* (inclusive)

18 9 An offer of Sale Shares made in accordance with *Article 18 5* shall remain open for acceptance for a period from the date of the offer to the date 15 Business Days after the offer (both dates inclusive) Any Sale Shares not allocated within that period shall be dealt with in accordance with *Article 18 10* and *Article 18 11*

18 10 Subject to *Article 18 9*, the Directors shall offer the Sale Shares in the order of priority referred to in *Article 18 6*, *Article 18 7* or *Article 18 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 15 Business Days after the offer (both dates inclusive) (the "**First Offer Period**") for the maximum number of Sale Shares they wish to buy

18 11 If

18 11 1 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,

18 11 2 not all Sale Shares are allocated following allocations in accordance with *Article 18 11 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 18 11 1* The procedure set out in this *Article 18 11 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

18 11 3 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 18 12*

18 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 15 Business Days after the offer (both dates inclusive) (the "**Second Offer Period**") for the maximum number of Initial Surplus Shares they wish to buy

18 13 If

18 13 1 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,

18 13 2 not all Initial Surplus Shares are allocated following allocations in accordance with *Article 18 13 1*, 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 18 13 1* The procedure set out in this *Article 18 13 2* 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

18 13 3 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 be dealt with in accordance with *Article 18 14*

18 14 At the end of the Second Offer Period, the Directors shall offer the Second Surplus Shares (if any) to the Third Offer Shareholders (other than the Seller), inviting them to apply in writing within the period from the date of the offer to the date 15 Business Days after the offer (both dates inclusive) (the "Third Offer Period") for the maximum number of Second Surplus Shares they wish to buy

18 15 If

18 15 1 at the end of the Third Offer Period, the number of Second Surplus Shares applied for is equal to or exceeds the number of Second Surplus Shares, the Directors shall allocate the Second Surplus Shares to each Third Offer Shareholder who has applied for Second Surplus Shares in the proportion which his existing holding of Shares of the class held by Third Offer Shareholders bears to the total number of Shares of the class held by all Third 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 Second 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 Second Surplus Shares which he has stated he is willing to buy,

18 15 2 not all Second Surplus Shares are allocated following allocations in accordance with *Article 18 15 1*, but there are applications for Second Surplus Shares that have not been satisfied, the Directors shall allocate the remaining Second Surplus Shares to such applicants in accordance with the procedure set out in *Article 18 15 1* The procedure set out in this *Article 18 15 2* shall apply on any number of consecutive occasions until either all Second Surplus Shares have been allocated or all applications for Second Surplus Shares have been satisfied, and

18 15 3 at the end of the Third Offer Period, the total number of Second Surplus Shares applied for is less than the number of Second Surplus Shares, the Directors shall allocate the Second Surplus Shares to the Third Offer Shareholders in accordance with their applications The balance (the "Third Surplus Shares") shall, subject to *Article 18 16*, be offered to any other person in accordance with *Article 18 20*

18 16 Where the Transfer Notice contains a Minimum Transfer Condition

18 16 1 any allocation made under *Article 18 9* to *Article 18 15* (inclusive) shall be conditional on the fulfilment of the Minimum Transfer Condition, and

18 16 2 if the total number of Sale Shares applied for under *Article 18 9* to *Article 18 15* (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

18 17 Where either

18 17 1 the Transfer Notice does not contain a Minimum Transfer Condition, or

18 17 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 18 9* to *Article 18 15* (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)

18 18 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

18 19 If the Seller fails to comply with *Article 18 16*

18 19 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)

18 19 1 1 complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Applicants,

18 19 1 2 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

18 19 1 3 (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

18 19 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

18 20 Where a Transfer Notice lapses pursuant to *Article 18 16 2* or an Allocation Notice does not relate to all the Sale Shares, then, subject to *Article 18 20*, the Seller may, at any time during the 15 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 Third 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 18 20* shall continue to be subject to any Minimum Transfer Condition

18 21 The Seller's right to transfer Shares under *Article 18 20* does not apply if the Directors reasonably consider that

18 21 1 the transferee is a person (or a nominee for a person) which the Investor determines to be a competitor (or a Member of the Same Group as a competitor) of the business of any Group Company,

18 21 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

18 21 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 16 6*

19 Valuation

19 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, 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

19 2 The Fair Value shall be the price per Sale Share determined by the Independent Expert on the following bases and assumptions

19 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),

19 2 2 if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so,

19 2 3 that the Sale Shares are capable of being transferred without restriction,

19 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, and

19 2 5 reflecting any other factors which the Independent Expert reasonably believes should be taken into account

19 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

19 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

19 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

19 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)

19 7 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

19 8 The cost of obtaining the Independent Expert's certificate shall be borne by the parties in such proportions as the Independent Expert directs unless

19 8 1 the Seller withdraws the relevant Transfer Notice in accordance with *Article 18 3*, or

19 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

20. Compulsory transfers

20 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

20 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

20 3 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 particular Relevant Shares prior to or within 10 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

20 4 Notwithstanding any other provisions of these Articles, the Transfer Price in respect of a Compulsory Employee Transfer shall be the aggregate Fair Value of such Relevant Shares

20 5 Notwithstanding the provisions of *Article 20 4*, the Investor 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 Relevant Shares which would otherwise be subject to *Article 20 4* (provided always that this *Article* and *Article 20 4* shall not apply to any transfer of Shares held by the Investor or any person connected with the Investor)

20 6 Forthwith upon a Transfer Notice being deemed to be served under article this *Article 20*, the Relevant Shares subject to the relevant Deemed Transfer Notice ("**Restricted Shares**") shall cease to confer on the holder of them any rights

20 6 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 Relevant Shares,

20 6 2 to receive dividends or other distributions otherwise attaching to those Relevant Shares, or

20 6 3 to participate in any future issue of Shares issued in respect of those Relevant Shares

The Directors may (with Investor Consent) reinstate the rights referred to in this *Article 20* at any time and, in any event, such rights shall be reinstated in respect of any Shares transferred pursuant to *Article 20* on completion of a transfer made pursuant to *Articles 17, 18, 20 or 21* or as part of an Exit

21. Tag along

21 1 If one or more persons proposing to transfer any shares in the capital of the Company ("**Proposed Sellers**") propose to transfer in one or a series of related transactions any Equity Shares (the "**Proposed Transfer**") which would, if put into effect, result in any person whether alone or with persons acting in concert or connected with him (the "**Proposed Purchaser**") acquiring a Controlling Interest in the Company then

21 1 1 the Proposed Sellers must, before making the Proposed Transfer procure the making by the Proposed Purchaser of an offer (the "**Offer**") to the other Shareholders to acquire all of the Company's Equity Shares for a consideration per share the value of which is at least equal to the Specified Price (as defined in *Article 21 1 6*),

21 1 2 the Offer must be given by written notice (a "**Proposed Sale Notice**") at least 10 Business Days (the "**Offer Period**") prior to the proposed sale date ("**Proposed Sale Date**") The Proposed Sale Notice must set out, to the extent not described in any accompanying documents, the identity of the Proposed Purchaser, the purchase price and other terms and conditions of payment, the Proposed Sale Date and the number of Shares proposed to be purchased by the Proposed Purchaser (the "**Proposed Sale Shares**"),

21 1 3 if any other holder of Equity Shares is not given the rights accorded him by this Article, the Proposed Sellers will not be entitled to complete their sale and the Company will not register any transfer intended to carry that sale into effect,

21 1 4 if the Offer is accepted by any Shareholder (an "**Accepting Shareholder**") within the Offer Period, the completion of the Proposed Transfer will be conditional upon the completion of the purchase of all the Shares held by Accepting Shareholders,

21 1 5 the Proposed Transfer is subject to the pre-emption provisions of *Article 18* but the purchase of the Accepting Shareholders' shares shall not be subject to *Article 18*

21 1 6 For the purpose of this Article

21 1 6 1 the expression "transfer" and "purchaser" shall include the renunciation of a renounceable letter of allotment and the renouncee under any such letter of allotment respectively,

21 1 6 2 the expression "**Specified Price**" shall mean in respect of each Share a sum in cash equal to the highest price per Share offered or paid by the Proposed Purchaser

(a) in the Proposed Transfer, or

(b) in any related or previous transaction by the Proposed Purchaser or any person acting in concert with the Proposed Purchaser in the 6 months preceding the date of the Proposed Transfer,

plus an amount equal to any other consideration (in cash or otherwise) paid or payable by the Proposed Purchaser or any other person acting in concert with the Proposed Purchaser, which having regard to the substance of the transaction as a whole, can reasonably be regarded as an addition to the price paid or payable for the Shares, provided however that in the case of the A Ordinary Shares the "Specified Price" shall not be less per share than the amount due under *Article 12 1*

DECISION-MAKING BY SHAREHOLDERS

22 General meetings

- 22 1 No business other than, subject to *Article 22 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
- 22 2 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

23. Voting

- 23 1 Subject to any other provisions in these Articles concerning voting rights
- 23 1 1 each Ordinary Share shall carry the right to receive notice of and to attend, speak and vote at all general meetings of the Company and to vote on all written resolutions of the Company,
- 23 1 2 each 'A' Ordinary Share shall carry the right to receive notice of and to attend, speak and vote at all general meetings of the Company and to vote on all written resolutions of the Company, and
- 23 1 3 each Preference Share shall carry the right to receive notice of and to attend and speak at all general meetings of the Company. The Preference Shares shall not carry the right to vote at any general meeting of the Company or on any written resolutions of the Company
- For the avoidance of doubt, the Deferred Shares shall not carry any rights to receive notice of, attend or speak at any general meeting or to vote on any written resolutions of the Company
- 23 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
- 23 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
- 23 4 Model article 45(1) shall be amended by
- 23 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
- 23 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

24. Lien, calls on shares and forfeiture

- 24 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

24 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)

24 3 Subject to the provisions of this *Article 24 3*, if

24 3 1 a Lien Enforcement Notice has been given in respect of a Share, and

24 3 2 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

24 4 A Lien Enforcement Notice

24 4 1 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,

24 4 2 must specify the Share concerned,

24 4 3 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),

24 4 4 must be addressed either to the holder of the Share or to a transmittee of that holder, and

24 4 5 must state the Company's intention to sell the Share if the notice is not complied with

24 5 Where Shares are sold under this *Article 24 5*

24 5 1 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

24 5 2 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

24 6 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

24 6 1 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

24 6 2 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

24 7 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

- 24 7 1 is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share, and
- 24 7 2 subject to compliance with any other formalities of transfer required by the Articles or by law, constitutes a good title to the Share
- 24 8 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
- 24 9 A Call Notice
 - 24 9 1 may not require a Shareholder to pay a Call which exceeds the total amount of his indebtedness or liability to the Company,
 - 24 9 2 must state when and how any Call to which it relates is to be paid, and
 - 24 9 3 may permit or require the Call to be made in instalments
- 24 10 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
- 24 11 Before the Company has received any Call due under a Call Notice the Directors may
 - 24 11 1 revoke it wholly or in part, or
 - 24 11 2 specify a later time for payment than is specified in the notice,
 - 24 11 3 by a further notice in writing to the Shareholder in respect of whose Shares the Call is made
- 24 12 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
 - 24 12 1 on allotment,
 - 24 12 2 on the occurrence of a particular event, or
 - 24 12 3 on a date fixed by or in accordance with the terms of issue
- 24 13 If a person is liable to pay a Call and fails to do so by the Call payment date
 - 24 13 1 the Directors may issue a notice of intended forfeiture to that person, and
 - 24 13 2 until the Call is paid, that person must pay the company interest on the Call from the Call payment date at the relevant rate
- 24 14 A notice of intended forfeiture
 - 24 14 1 may be sent in respect of any Share in respect of which a Call has not been paid as required by a Call Notice,
 - 24 14 2 must be sent to the holder of that Share (or all the joint holders of that Share) or to a transferee of that holder,
 - 24 14 3 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),

24 14 4 must state how the payment is to be made, and

24 14 5 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

25. Notices

25 1 Any notice, document or other information shall be deemed served on or delivered to the intended recipient

25 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),

25 1 2 if properly addressed and delivered by hand, when it was given or left at the appropriate address,

25 1 3 if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied, and

25 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

For the purposes of this *Article* 25, no account shall be taken of any part of a day that is not a working day

25 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

26. Indemnity and insurance

26 1 Subject to *Article* 26 2, but without prejudice to any indemnity to which a Relevant Officer is otherwise entitled

26 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

26 1 1 1 in the actual or purported execution and/or discharge of his duties, or in relation thereto, and

26 1 1 2 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

- 26 1 2 the Company may provide any Relevant Officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in *Article 26 1* and otherwise may take any action to enable such Relevant Officer to avoid incurring such expenditure
- 26 2 This *Article 26* 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
- 26 3 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
- 26 4 In this *Article 26*
 - 26 4 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
 - 26 4 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

27. Data protection

- 27 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
- 27 2 The personal data that may be processed for such purposes under this Article 27 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
 - 27 2 1 a Member of the Same Group as the Recipient (each a "Recipient Group Company"),
 - 27 2 2 employees, directors and professional advisers of that Recipient or any Recipient Group Company, and
 - 27 2 3 funds managed by any of the Recipient Group Companies
- 27 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