

Company No. 8008628

THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

WRITTEN RESOLUTIONS

OF

SWIFT ACQUISITIONS LIMITED



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28/07/2012

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On 18 July 2012 the following special resolutions were duly passed as written resolutions of the Company pursuant to section 288 of the Companies Act 2006

ORDINARY RESOLUTION

- 1 That the one existing issued ordinary share of £1 held by Peter Smith be re-designated as one A1 ordinary share of £1, such share having the rights and being subject to the restrictions set out in the Company's existing articles of association relating to shares, and
- 2 That the directors are generally and unconditionally authorised pursuant to section 551 of the Companies Act 2006 (the Act) to exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for or to convert any security into such shares (Allotment Rights), but so that
 - (a) the maximum amount of shares that may be allotted or made the subject of Allotment Rights under this authority are shares with an aggregate nominal value of £1,009,232,
 - (b) this authority shall expire on a date no later than 5 years from the date of this resolution,
 - (c) the Company may make any offer or agreement before such expiry which would or might require shares to be allotted or Allotment Rights to be granted after such expiry, and
 - (d) all unexercised authorities vested in the directors on the date of this resolution to allot shares or to grant Allotment Rights

SPECIAL RESOLUTIONS

- 3 That subject to the passing of resolution 2, the directors be hereby given power in accordance with section 570 of the Act to allot equity securities (within the meaning of 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 the allotment provided that such power shall expire when the authority conferred by resolution 2 is revoked or expires unless previously renewed, varied or revoked by the company in general meeting but the company may before such expiry make an offer of agreement which would or might require equity securities to be allotted after such expiry and

the directors may allot equity securities in pursuance of the offer or agreement as if the power had not expired, and

- 4 That the articles of association in the attached form, and for the purpose of identification marked "A" be approved and adopted as the articles of association of the Company in substitution for and to the exclusion of the existing Articles of Association

Director/Secretary

Company No. 8008628

The Companies Act 2006
Private Company Limited by Shares

ARTICLES OF ASSOCIATION

of

SWIFT ACQUISITIONS LIMITED

(adopted by Special Resolution on 18 July 2012)

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THE COMPANIES ACT 2006

PRIVATE COMPANY
LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

SWIFT ACQUISITIONS LIMITED

(adopted by Special Resolution passed on 18 July 2012)

1 Definitions and interpretation

1.1 In these Articles, unless the context otherwise requires

A1 Share means an A1 Share of £1 in the capital of the Company

A2 Share means an A2 Share of £1 in the capital of the Company

A2 Shareholder Majority means the holders of 50% or more in number of the A2 Shares

Acquisition Documents means the Share Purchase Agreement and the documents referred to in, or to be entered into pursuant to, or to satisfy any conditions precedent set out in the Share Purchase Agreement

acting in concert has the meaning ascribed to it by the City Code on Takeovers and Mergers as in force and construed on the date of adoption of these Articles

Asset Sale means the completion of any transaction or series of transactions whereby any person or group of persons purchases the whole or substantially the whole of the business and assets of the Group

Auditors means the auditors for the time being of the Company

B Share means a B Share of £0.0002 in the capital of the Company

Bad Leaver means a Manager who ceases to be either an employee or director

- (a) in circumstances where the Company is entitled to terminate his employment by way of summary dismissal, or
- (b) as a result of his resignation from such employment or engagement prior to the fifth anniversary of such Manager becoming a Member (other than if such resignation is as a result of permanent incapacity due to ill health)

unless the Board determines that the Manager be treated as a Good Leaver for the purposes of these Articles

Bank means HSBC Bank plc

Banking Facilities means the term loan and working capital facilities provided or to be provided to the Company and/or to any other member(s) of the Group by the Bank or any other bank or financial institution other than the Rollover Shareholders

Board means the board of directors of the Company (or the directors present at a duly convened meeting of the directors at which a quorum is present) as from time to time constituted

Board Invitees has the meaning ascribed to it in Article 14 14

Business Day means any day on which banks are open for business in London (excluding Saturdays, Sundays and public holidays)

CA 2006 means the Companies Act 2006

Called Shares has the meaning ascribed to it in Article 15 3

Called Shareholders has the meaning ascribed to it in Article 15 2

Chairman means the chairman of the Board from time to time appointed or designated as such by a Rollover Majority in accordance with clause 8 3 of the Shareholders Agreement

Change of Control means the acquisition whether by purchase, transfer, renunciation or otherwise (but excluding a transfer of Shares made in accordance with Article 10 (Lien)) by any Third Party Buyer of any interest in any Shares if, upon completion of that acquisition, the Third Party Buyer, together with persons acting in concert or connected with him, would hold more than 50% of the voting rights at a general meeting of the Company attached to the issued Shares for the time being

Commencement Date means, in relation to the Manager in question, either

- (a) the date on which he first becomes a director or employee of a Group Company, or
- (b) the Investment Date,

whichever is the later to occur

Company Communication Provisions means sections 1144 to 1148 of and Schedules 4 and 5 to the CA 2006)

connected with has the meaning ascribed to it in sections 1122 and 1123 of the Corporation Tax Act 2010 save that there shall be deemed to be control for that purpose whenever either section 450, 451 or 1124 of that act would so require

Counter Indemnity has the meaning ascribed to it in the Shareholders Agreement

Debt Service Cover has the meaning given to that term in clause **Error! Reference source not found.** of the Facility Agreement

Deed of Adherence has the meaning ascribed to it in the Shareholders Agreement

Deemed Transfer Notice has the meaning ascribed to it in Article 14 2

Deemed Transfer Shares means in relation to a Relevant Member, all Shares

- (a) held by the Relevant Member immediately before the occurrence of the Transfer Event
- (b) held immediately before the occurrence of the Transfer Event by any persons who acquired the Shares while they were Management Privileged Relations, Rollover Privileged Relations and/or Family Trusts (other than Shares which the Board is satisfied were not acquired by those persons either
 - (i) directly or indirectly from the Member, or
 - (ii) by reason of their connection with the Member,and the decision of the Board in this respect will be final), and
- (c) acquired by the Relevant Member or Management Privileged Relations, Rollover Privileged Relations and/or Family Trusts or his personal representatives after the occurrence of the Transfer Event under any Share Option Scheme, or any other option scheme or other arrangement which was made before the occurrence of the Transfer Event

Drag Sale Price means the price payable per Share equal to that offered or paid by the Third Party Buyer or its nominees for the Shares being sold resulting in the Change of Control adjusted to reflect and give effect to the provisions of Article 7 (Provisions on Realisation)

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

EBT means a trust approved in writing by a Rollover Majority and whose beneficiaries are employees of the Group

Facility Agreement means the facilities agreement made between, amongst others, the Company and the Bank dated on or about the date of these Articles

Family Trust means a trust that permits the settled property or the income from it to be applied only for the benefit of

- (a) the settler and/or a Rollover Privileged Relation of that settler, or
- (b) any charity or charities as default beneficiaries (meaning that the charity or charities have no immediate beneficial interest in any of the settled property or the income from it when the trust is created but may become so interested if there are no other beneficiaries from time to time except other charities)

in addition, under which no power of control is capable of being exercised over the votes of any Shares that are held in the trust by any person other than the trustees, the settler or the Rollover Privileged Relations of the settler

Good Leaver refers to a Manager who ceases to be a director or employee

- (a) as a result of death, or permanent disability or permanent incapacity through ill health, or
- (b) in any other circumstances where such person is not a Bad Leaver, or
- (c) where the Board determines that such person be treated as a Good Leaver for the purposes of these Articles

Group means the Company and all its subsidiaries and subsidiary undertakings for the time being and **member of the Group** shall be construed accordingly

Intercreditor Agreement means the intercreditor agreement to be entered in to between, amongst others, the Company, the holder of the Rollover Loan Notes and the Bank

Investment Date means the date of allotment of the first B Share (excluding the subscriber share)

Issue Price means the amount paid up or credited as paid up on the Shares concerned (including any premium)

Leases means the leases for

- (a) the Gate 2/3 site at Cottingham between Swift Holdings UK Limited and Swift Group Limited dated 12 June 2012,
- (b) the units at Swinton Meadows Mexborough (1,2 and 6) between Swift Holdings UK Limited and Swift Group Limited dated 12 June 2012, and
- (c) the premises at Station Road Burstwick between Swift Holdings UK Limited and Burstwick Freight Services Limited dated 12 June 2012,

Leverage has the meaning given to that term in clause **Error! Reference source not found.** of the Facility Agreement

Liquidation means the solvent liquidation or Winding Up of the Company

Listing means either

- (a) the admission by the UK Listing Authority to listing, together with admission by the London Stock Exchange to trading, on the Official List of any of the issued equity Share capital of the Company, and such admission becoming effective,
- (b) the admission by the London Stock Exchange of any of the issued equity Share capital of the Company to trading on the Alternative Investment Market, and such admission becoming effective, or
- (c) any equivalent admission to any other Recognised Investment Exchange becoming unconditionally effective in relation to any of the issued equity Share capital of the Company

Listing Shares means the issued equity share capital of the Company (excluding any equity share capital to be subscribed and issued on such Listing other than new shares to be paid up by way of capitalisation of reserves or arising from any sub-division, consolidation or conversion of shares)

Listing Value means the market value of the Listing Shares determined by reference to the price per share at which such shares are to be offered for sale, placed or otherwise marketed pursuant to the arrangements relating to the Listing, all as determined by the financial advisers to the Company or, if none, the broker appointed by the Board to advise in connection with the Listing

Management Privileged Relation means (in respect of a holder of A2 shares) their spouse or civil partner

Manager means a holder of A2 Shares for the time being including a Manager who has transferred all such A2 Shares to a Permitted Transferee

Market Value has the meaning ascribed to it in Article 14.6

Member means any registered holder of a Share for the time being

member of the same group means, in relation to a particular Member that is a body corporate, any subsidiary or holding company of that Member, or a subsidiary of such a holding company

Model Articles means the model articles for private companies limited by shares prescribed by Schedule 1 to the Companies (Model Articles) Regulations 2008 (SI 2008/3229) (including any amendments thereto) as in force on the date on which these Articles become part of the constitution of the Company

Offer Notice has the meaning ascribed to it in Article 13.6

Permitted Transfer means a transfer of a Share permitted without pre-emption under Article 12

Permitted Transferee means a person to whom a Permitted Transfer has been, or may be, made

Realisation means an Asset Sale, a Share Sale or a Listing

Realisation Value means the value of the issued Shares (which shall include shares deriving therefrom since their date of issue, including shares deriving therefrom following any capital reorganisation effected prior to and/or conditional on the Realisation) calculated as follows and on the basis that the relevant Realisation has been effected in accordance with its terms

- (a) in the event of a Listing, the Listing Value,
- (b) in the event of a Share Sale
 - (i) if the Shares of the Company are to be sold by private treaty (as distinct from a public offer) and the consideration is a fixed cash sum payable in full on completion of the Share Sale, the total amount of such cash sum,
 - (ii) if a written offer has been made for a cash consideration or, if the Share Sale is pursuant to any other public cash offer or public offer accompanied by a cash alternative, the total cash consideration or cash alternative price (regardless of whether or not the cash alternative is capable of being accepted in respect of all the Shares of the Company) for all the shares of the Company for which the offer is made,

- (iii) if the Share Sale is by private treaty or public offer and the consideration is the issue of securities (not accompanied by a cash alternative)
 - (A) if the securities will rank *pari passu* with a class of securities already admitted to the Official List maintained by the UKLA or any other Recognised Investment Exchange (in the case of a sale by private treaty) the value attributed to such consideration in the related sale agreement setting out the terms of such sale or, (in the case of a Share Sale following a public offer or failing any such attribution in the sale agreement) by reference to the value of such consideration determined by reference to the average middle market quotation of such securities over the period of five Business Days ending three days prior to the day on which the Share Sale is completed, or
 - (B) if the securities are not of such a class, the value of the relevant consideration as agreed between the holders of 75% of the A1 Shares and A2 Shares (treated as if they were one class of Share) and the holders of 75% of the B Shares, or, in the absence of such agreement prior to the Realisation, such value as is reported on by a Valuer, in a report obtained for the purpose and addressed to (and at the cost of, *pro rata* to their holdings immediately prior to the Realisation) the holders of the Shares,
 - (iv) to the extent that the Share Sale includes an element of deferred consideration, its value shall be determined in accordance with the provisions of Article 7.3 taking into account the form that the deferred consideration takes, and
 - (v) if and to the extent that any part of the consideration for the Sale Shares is not covered by the provisions of (i) to (iv) above, the value of the relevant consideration shall be that agreed between the holders of 75% of the A1 Shares and A2 Shares (treated as if they were one class of Share) and the holders of 75% of the B Shares or, in the absence of such agreement prior to the Realisation such value as it is reported on by a Valuer, in a report obtained for the purpose and addressed to (and at the cost of, *pro rata* to their holdings immediately prior to the Realisation) the holders of the Shares,
- (c) in the event of a Liquidation the return in the Liquidation on the Shares

Recognised Investment Exchange shall have the meaning ascribed to it in section 285(1)(a) of the Financial Services and Markets Act 2000

Relevant Member has the meaning ascribed to it in Article 14.2

Relevant Period has the meaning given to that term in clause **Error! Reference source not found.** of the Facility Agreement

Relevant Proportion means that proportion which is determined, by reference to the time period which has expired between the Commencement Date and the Termination Date in respect of the Manager, in accordance with the following table

Period from Commencement Date to Termination Date	Relevant Proportion
Up to 1 year	0%
More than 1 year but not more than 2 years	20%
More than 2 years but not more than 3 years	40%
More than 3 years but not more than 4 years	60%
More than 4 years but not more than 5 years	80%
More than 5 years	100%

Relevant Rollover Entity means

- (a) any Rollover Shareholder,
- (b) any body corporate in which any of the Rollover Shareholders hold for the time being or have ever held or are or may become obliged (whether or not contingently) to make or acquire any investment (whether debt, equity or otherwise), and
- (c) Swift Property (East Yorkshire) Limited, company number 8008566

Rollover Shareholders means the holders of A1 and B Shares for the time being

Rollover Director(s) has the meaning ascribed to it in Article 23 1(a)

Rollover Loan Notes means the £4,000,000 unsecured Rollover Loan Notes 2013 of the Company constituted by the Rollover Loan Notes Instrument

Rollover Majority means the holders of 50% or more in number of the A1 Shares and the B Shares when taken together (including after the death of a Rollover Shareholder the personal representatives of his estate)

Rollover Privileged Relation means (in respect of a Rollover Shareholder or deceased Rollover Shareholder) their spouse or civil partner and their children including step and adopted children of that Rollover Shareholder

Rollover Shares has the meaning ascribed to it in Article 15 1

Share Purchase Agreement means the share purchase agreement between Peter Smith and Others (1) and the Company (2) entered into on or around the date of adoption of these Articles relating to the acquisition by the Company of Swift Leisure Group Limited

Share Sale means the completion of any transaction or series of transactions resulting in a Change of Control, including in accordance with the provisions of Articles 15 (Drag Along) and 16 (Tag Along) of the Articles,

Share Option Scheme means any share option scheme of the Company or any other Member of the Group that has been established with the written consent of the Rollover Majority

Shareholders Agreement means the shareholders agreement dated the same date as the date of adoption of these Articles and made between the Company (1), the Managers (2) and

the Rollover Shareholders (as defined therein) (3), as such agreement is amended, waived, restated, modified or supplemented from time to time

Shares means shares of any class in the capital of the Company

Surrenders means the contract to surrender, the landlord's contracting out notice, and the tenant's declaration in relation to the proposed surrender of lease of premises at Gate 2/3 Site Dunswell Road Cottingham East Yorkshire HU16 4JX

Termination Date has the meaning ascribed to it at Article 14 21

Third Party Buyer means any person acquiring Shares on arm's length terms

Transfer Event has the meaning ascribed to it at Article 14 1

Transfer Notice has the meanings described to it in Article 13 1

UK Listing Authority means the Financial Services Authority or its successors as the competent authority for listing in the United Kingdom under Part VI of the Financial Services and Markets Act 2000

Underperformance Event means any of the matters listed in Articles 18 1(a) to (d)

Valuers means the Auditors unless the Auditors give notice to the Company that they are unable or unwilling to take an instruction to report on the matter in question, in which event the Valuers shall be a firm of chartered accountants

(a) in the case of a dispute as envisaged in Article 14 agreed between the Seller (as defined in Article 14 5) and the Board, or

(b) in any other case, as selected by the Board with the consent of a Rollover Majority,

or, in either case, in default of such agreement or consent (as the case may be) within 10 Business Days after the first name being proposed by the Seller, the Board or a Rollover Majority (as may be relevant), an independent firm of chartered accountants appointed by the President of the Institute of Chartered Accountants in England and Wales on the application of any such party

Winding Up means the passing of any resolution for the winding up of the Company, or any other return on capital (on liquidation, capital reduction or otherwise)

1 2 A reference in these Articles to a numbered **regulation** is to the article so numbered in the Model Articles

1 3 In these Articles, words importing a gender include every gender and references to persons shall include bodies corporate, unincorporated associations and partnerships

1 4 Words and expressions defined in or for the purposes of the CA 2006 or the Model Articles shall, unless the context otherwise requires, have the same meaning in these Articles

1 5 The headings in these Articles shall not affect their construction or interpretation

1 6 Whenever under these Articles it is desired or necessary for any two or more persons to give any notice, consent or approval in writing, the same may be done by them executing two or more documents either in identical form or adapted only for execution

- 1 7 The courts of England have exclusive jurisdiction to settle any dispute arising from or connected with these Articles or otherwise arising between the Company and any of its members (or any former member or any person claiming title or interest under or by virtue of any member or former member) (each a **Disputant**) relating in any way to the past or present or alleged membership of the Company or otherwise under the articles of association for the time being of the Company or under the CA 2006 (a **Dispute**), including a dispute regarding the existence, validity or termination of membership of the Company or the consequences of its nullity
- 1 8 The Company and each Disputant agree that the courts of England are the most appropriate and convenient courts to settle any Dispute and, accordingly, that they will not argue to the contrary
- 1 9 Notwithstanding Article 1 7 and Article 1 8, this Article does not prevent the Company from taking proceedings relating to a Dispute (**Proceedings**) in any other courts with jurisdiction. To the extent allowed by law, the Company may take concurrent Proceedings in any number of jurisdictions
- 1 10 Unless the context otherwise requires, reference in these Articles to any English term for any action, remedy, method of judicial proceeding, legal document, legal status, Court, legislation, official or any legal concept or thing shall, in respect of any jurisdiction other than England and Wales, be deemed to include what most nearly approximates in that jurisdiction to the relevant English term
- 2 Application of the Model Articles etc**
- 2 1 These Articles and the regulations of the Model Articles (subject to any modifications set out in these Articles and, in particular, in Article 39) shall constitute all the articles of association of the Company
- 2 2 Regulations 8, 14(1) to 14(5) (inclusive), 19(3)(b), 21, 26(1), 26(5), 41(1), 44(2) to 44(4) (inclusive), 52 and 53 do not apply to the Company
- 3 Share Capital**
- 3 1 Save with the prior consent of a Rollover Majority, the issued share capital of the Company shall not exceed £1,009,232 divided into 340,000 A1 Shares, 660,000 A2 Shares and 46,160,000 B Shares
- 3 2 In these Articles, unless the context requires otherwise, references to Shares of a particular class shall include Shares created and/or issued after the Investment Date and ranking *pari passu* in all respects (or in all respects except only as to the date from which those Shares rank for dividend) with the Shares of the relevant class then in issue but, for the avoidance of doubt, A1 Shares and A2 Shares shall only be treated as being Shares of the same class to the extent and for the purposes expressly stated in these Articles
- 3 3 The Company may pay any person a commission in consideration for that person
- (a) subscribing, or agreeing to subscribe, for Shares, or
- (b) procuring, or agreeing to procure, subscriptions for Shares
- 3 4 Any such commission may be paid

- (a) in cash, or in fully paid or partly paid Shares or other securities, or partly in one way and partly in the other, and
- (b) in respect of a conditional or an absolute subscription

4 Dividends

4.1 Any distributable profits of the Company in respect of any financial year shall be applied first in paying dividends to the holders of the B Shares then in issue in accordance with Article 4.2 and then, subject to the payment in full of all dividends declared on the B Shares and consent of the Rollover Majority, in distributing such remaining distributable profits to the holders of A1 Shares and A2 Shares (in each case pro rata as between such holders as to their respective holdings of the relevant classes as if such Shares constituted a single class) as the Company sees fit

4.2 The Company shall, subject to Board consent, pay to each holder of B Shares, a cash dividend of up to 6% of the Issue Price per annum (reduced pro rata for any period of less than 1 year) in respect of each B Share held by him (**B Dividend**) and the following provisions shall apply in respect of the calculation and payment of such dividend

- (a) the quantum, if any, of the dividend will be a decision for the Board,
- (b) the B Dividend shall be calculated on 31 August each year and payable in two equal instalments on the following 30 November and 31 May, having regard to the number of B Shares held by each holder of B Shares at 08 00 on 31 August, the first such payment (being in respect of the period from the date of the adoption of these Articles to 31 August 2013) to be made on 30 November 2013,
- (c) unless the Company is prohibited from paying dividends by the CA 2006, the Banking Facilities or the Intercreditor Agreement, the B Dividend shall (to the extent that it has been declared, but otherwise notwithstanding any other provision of these Articles and in particular notwithstanding that there has not been a resolution of the Board or resolution of the Company in general meeting) be paid immediately on the due date, and
- (d) where the Company is prohibited by the CA 2006, the Banking Facilities or the Intercreditor Agreement from paying in full any B Dividend due on the date specified in Article 4.2(b) then, in respect of any B Dividend which would otherwise require to be paid pursuant to these Articles on that date, the Company shall pay, on that date, to the holders of the B Shares on account of the B Dividend the maximum sum (if any) which can then, consistently with the CA 2006, the Banking Facilities and the Intercreditor Agreement, be paid by the Company and, as soon as the Company is no longer prohibited from doing so, the Company shall in respect of the B Shares pay on account of the balance of the B Dividend for the time being remaining outstanding and until all amounts outstanding on the B Dividend have been paid in full, the maximum amount of B Dividend which can, consistently with the CA 2006, the Banking Facilities and the Intercreditor Agreement as though such provisions still applied, properly be paid by the Company at that time

5 Return of capital

On a return of capital whether on liquidation or capital reduction or otherwise (other than a purchase of Shares made in accordance with these Articles) the surplus assets of the Company remaining after the payment of its liabilities shall be applied as if they were the proceeds from a Realisation under Article 7

6 Voting

6 1 Save as provided in Article 29 12 and subject to Article 14 3, each holder of an A1 Share or A2 Share (as the case may be) shall be entitled to receive notice of, and to attend and vote at, general meetings of the Company. On a show of hands every holder of an A1 Share or A2 Share (as the case may be) who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or by proxy shall have one vote and on a poll every holder of an A1 Share or A2 Share (as the case may be) so present in person or by proxy shall have one vote for each A1 Share and/or A2 Share held by him

6 2 The B Shares shall not entitle their holders to receive notice or to exercise voting rights

7 Provisions on Realisation

7 1 On a Realisation or Liquidation, the provisions of this Article 7 shall apply to determine the allocation of the proceeds of such Realisation

7 2 On a Share Sale or on a Liquidation the members selling or holding Shares shall pay the Realisation Value (but for the avoidance of doubt there shall be excluded and no payment shall be required into the bank account referred to below in respect of any repayment of any indebtedness to bank funders to the Company and the definition of Realisation Value shall be construed accordingly) into a joint account at a UK clearing bank nominated by the holders of 51% of the Shares being sold (**Proceeds**) immediately upon the happening of the Share Sale or immediately upon such distribution being made pursuant to the Liquidation. The Proceeds shall be distributed as soon as practicable and, in any event, within five Business Days of payment of the Proceeds into the relevant account in the manner and order of priority as set out below

(a) first, in paying to the holders of B Shares the Issue Price for each B Share that they hold which is being sold pursuant to the Share Sale or participating in the Liquidation

In the event that the Proceeds are less than the Issue Price being sold pursuant to the Share Sale or participating in the Liquidation then the full amount of the Proceeds shall be paid to the holders of the B Shares pro rata to the number of B Shares held by them which are being sold pursuant to the Share Sale or participating in the Liquidation

After such distribution the holders of B Shares shall have no further rights to the Proceeds

(b) second, in paying to the holders of B Shares all accrued but unpaid B Dividend pursuant to Article 4 2

(c) third in paying the balance (if any) of the Proceeds (**Proceeds Balance**) to the holders of A1 Shares and A2 Shares (pari passu as if they constituted one class of Share) pro rata to the number of A1 Shares and A2 Shares held by them which are being sold pursuant to the Share Sale or participating in the Liquidation

The obligation to make payment into a bank account may be waived if holders of 51% of the issued Shares so direct provided that the Proceeds are in any event distributed in accordance with this Article 7 2

7 3 Any deferred consideration in respect of the Share Sale or Liquidation, when received, shall be distributed in accordance with the provisions of Article 7 2 as if it had been paid at the

same time as the initial consideration and taking into account the payments already made to the holders of any B Shares sold pursuant to the Share Sale or participating in the Liquidation to which the deferred consideration relates such that if the holders of A1 Shares and A2 Shares received any payment on the Share Sale pursuant to Article 7 2 then the holders of the B Shares shall have no entitlement to participate in any such deferred consideration

7 4 In the event of an Asset Sale unless the holders of 75% of the A1 Shares and A2 Shares (treated as if they were one class of Share) and the holders of 75% of the B Shares agree otherwise, the holders of Shares shall as soon as reasonably practicable pass a resolution for the Winding Up of the Company

7 5 Subject to Article 7 2 above immediately prior to and conditionally upon a Listing, the Members shall enter into such reorganisation of the share capital of the Company as the holders of 75% of the A1 Shares and A2 Shares (treated as if they were one class of Share) and the holders of 75% of the B Shares may specify so that the equity percentage of the share capital held by each of the Members following such reorganisation is the same as the percentage of the proceeds on a Share Sale payable to each such Member after the reallocations specified in Article 7 2 above If any Member defaults in complying with the terms of any such reorganisation then the holders of 75% of the A1 Shares and A2 Shares (treated as if they were one class of Share) and the holders of 75% of the B Shares shall authorise some person to execute on behalf of that Member any necessary transfers and/or resolutions Such reorganisation shall take place so as to ensure that the Realisation Value is reallocated between the Members in the same proportions as the preceding provisions of Article 7 2 would provide on a Share Sale at that Realisation Value and, to the extent necessary or desirable for such purpose, the appropriate number and classes of the Shares (other than the subscriber share) are liable to be converted into deferred shares and the rights attached to the deferred shares arising as a result of the reorganisation under this Article 7 5 are as follows -

- (a) the deferred shares shall not confer on the holders of them any right to receive payment of any dividend,
- (b) the deferred shares shall not confer on the holders of them any right to receive notice of, or to attend and vote at, any general meeting of the Company,
- (c) on a return of assets on a Winding Up or otherwise the deferred shares shall entitle the holders thereof only to payment of 0 1 pence for each deferred share held after the repayment of the Issue Price on each Share (excluding for these purposes deferred shares deriving from these Articles) and the payment of £100,000 on each Share (excluding for these purposes deferred shares deriving from these Articles), and
- (d) the Company shall have irrevocable authority at any time to appoint any person to execute on behalf of the holders of all or any of the deferred shares a transfer thereof (and/or an agreement to transfer the same) to such person(s) as the Company may determine as custodian thereof and/or to purchase the same itself (in accordance with the provisions of the CA 2006), in any such case for not more than 0 1 pence for each deferred share held by any Member, without further obtaining the sanction of the holder or holders thereof and pending such transfer and/or purchase to retain the certificate for the deferred shares

8 Variation of class rights

Whenever the capital of the Company is divided into different classes of Shares, the special rights attached to any 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 three quarters of the issued Shares of that class or with the sanction of a special resolution passed at a separate meeting of the holders of the issued Shares of that class, but not otherwise. To every such separate meeting, all the provisions of these Articles relating to general meetings of the Company shall apply (with such amendments as may be necessary to give such provisions efficacy).

9 Issue of Shares

9.1 Subject to Article 9.4, and the consent required under clause 6.2 of the Shareholders Agreement, the directors may offer, allot, grant rights or warrants to subscribe for, grant options over, or otherwise deal with or dispose of unissued Shares in the Company to such persons and generally on such terms in such manner and at such times as they may determine.

9.2 Subject to Article 9.4, and the consent required under clause 6.2 of the Shareholders Agreement, the directors of the Company are hereby authorised pursuant to section 551 of the CA 2006 generally and unconditionally to exercise all the powers of the Company to allot Shares in the capital of the Company and to grant rights to subscribe for or to convert any security into such Shares (**Allotment Rights**), but so that this authority shall expire on the day immediately preceding the fifth anniversary of the date of the resolution adopting these Articles.

This authority revokes all (if any) prior unexercised authorities vested in the directors to allot Shares or to grant Allotment Rights.

9.3 By virtue of section 567(1) of the CA 2006, the provisions of sections 561 and 562 of the CA 2006 shall not apply to an allotment made by the Company of equity securities (as defined in section 560(1) of the CA 2006), instead the provisions of Article 9.4 below shall apply.

9.4 No shares of any class may be allotted by the Company unless they are first offered to all holders of Shares in the proportion as nearly as possible to the numbers of Shares held by them. But, subject to clause 6.10 of the Shareholders Agreement, the Company does not have to make an offer under this Article 9.4 if

(a) and for so long as an Underperformance Event is subsisting, during which shares of any class may be allotted by the Company to the holders of the A1 shares and/or B Shares in proportion as nearly as possible to the number of A1 shares and/or B Shares held by them (the **First Offer**) provided that within 30 days of the shares that are subject of the First Offer having been subscribed for by the holders of the A1 shares and/or B Shares, then the holders of the A2 Shares shall be offered shares (the **Second Offer**) for the same subscription price as the First Offer, in the same proportion (i) as nearly as possible to the number of Shares held by them and (ii) such that the same proportionate number of Shares shall be issued to them as were issued pursuant to the First Offer in order to enable them to maintain their respective equity entitlements prior to the First Offer, or

(b) the proposed issue is on the exercise of options granted under a Share Option Scheme.

provided that if it was a condition of the First Offer that accepting shareholders must also subscribe for any other securities (debt or equity) (**Further Securities**) it shall be a term of an offer made pursuant to this Article 9 4 that the acceptors shall also subscribe for the same proportion of Further Securities which the number of shares to be subscribed for under the Second Offer bears to the number of shares subscribed for under the First Offer, unless the Board (with the prior written consent of the Rollover Majority) determine otherwise

9 5 An offer under Article 9 4 shall be open for acceptance for at least 21 days after notice of it is given to the Members and in respect of such offer

(a) Members who accept all the equity securities offered to them (**acceptors**) shall be entitled to indicate whether they would accept shares not accepted by other offerees (**Excess Shares**), and any such Excess Shares shall be allotted to such acceptors in the numbers in which they have been accepted by such acceptors or, if the number of Excess Shares is insufficient for all such acceptors to be allocated all the Excess Shares they have indicated they would accept, then the Excess Shares shall be allocated as nearly as practicable in the proportion that the number of Excess Shares each such acceptor has indicated he would accept bears to the aggregate number of Excess Shares applied for by all such acceptors and if it is not possible to allocate any of the Excess Shares without involving fractions, they shall be allocated amongst each acceptor in such a manner as the Board shall think (acting reasonably), and

(b) should any Excess Shares then remain, such Excess Shares shall be at the disposal of the directors who may (within the period of three months from the expiry of the last offer made under Article 9 4) allot, grant options over or otherwise dispose of those shares to any person and on any terms, but the price per share and other terms offered to such a person cannot be more favourable than the price and terms offered to the Members

9 6 Article 9 4 will also apply (with the necessary changes) to the grant of any right to subscribe for shares of any class, other than a grant of options under a Share Option Scheme

9 7 Where the Board proposes to make a rights issue it may under the terms of such rights issue permit the Company, subject to the written consent of the Rollover Majority, to allot Shares or equity securities in response to an acceptance received before the period for responding shall have expired and regardless of whether any other Member shall yet have responded to the offer The Board may allot Shares accordingly

9 8 Nothing in Article 9 shall permit any allotment without the consent required under clause 6 2 of the Shareholders Agreement

10 Lien

All Shares to be sold in the enforcement of the Company's lien or rights of forfeiture shall be offered in accordance with Article 14 (Compulsory Transfers) as if a Deemed Transfer Notice were deemed given in respect of such Shares

11 Transfer of Shares

11 1 The Board shall not register the transfer of any Share or any interest in any Share unless the transfer

(a) is permitted by Article 12 (Permitted Transfers), or

- (b) is made in accordance with Article 13 (Voluntary Transfers), Article 14 (Compulsory Transfers), Article 15 (Drag Along Option), or Article 16 (Tag Along),

in addition, in any such case, is not prohibited under Article 17 (Prohibited transfers)

11 2

- (a) For the purpose of ensuring that a transfer of Shares is in accordance with these Articles or that no circumstances have arisen whereby a Member may be bound to give or be deemed to have given a Transfer Notice the Board may from time to time require any Member or any person named as transferee in any transfer lodged for registration to furnish to the Board such information and evidence as they reasonably deem relevant for such purpose
- (b) Failing such information or evidence being furnished to their reasonable satisfaction within a reasonable time after request under Article 11 2(a) the Board may (with the approval of a Rollover Majority) in their absolute discretion refuse to register the transfer in question or (with the approval of a Rollover Majority where no transfer is in question) require by notice in writing to the Member(s) concerned that a Transfer Notice be given in respect of the Shares concerned
- (c) If the Board refuse to register a transfer of a Share they shall, as soon as practicable and in any event within two months after the date on which the transfer was lodged with the Company, send to the transferee notice of, and the reasons for, the refusal
- (d) If such information or evidence requested under Article 11 2(a) discloses to the reasonable satisfaction of the Board (with the approval of a Rollover Majority) that circumstances have arisen whereby a Member may be bound to give or be deemed to have given a Transfer Notice the Board may (with the approval of a Rollover Majority) by notice in writing to the Member(s) concerned require that a Transfer Notice be given in respect of the Shares concerned

11 3 An obligation to transfer a Share under these Articles shall be deemed an obligation to transfer the entire legal and beneficial interest in such Share free from any lien, charge or other encumbrance

11 4 The directors may at any time give notice requiring any transmittee to elect either to be registered himself in respect of the Share or to transfer the Share and, if the notice is not complied with within 60 days, the directors may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Share until the requirements of the notice shall have been complied with Nothing in these Articles releases the estate of a deceased holder from any liability in respect of a Share solely or jointly held by that holder

12 Permitted Transfers

12 1 Transfers with consent

- (a) Any Member holding A2 Shares may transfer A2 Shares to any person at any time with the prior written consent of the Rollover Majority
- (b) A Rollover Shareholder may transfer A1 Shares and/or B Shares to any person at any time with the prior written consent of both an A2 Shareholder Majority and a Rollover Majority

12 2 Transfers to relations

- (a) Any Member holding A2 Shares may, with the prior written consent of the Rollover Majority, at any time (save where a Transfer Notice has been served or deemed served in respect of such Shares pursuant to these Articles) during his lifetime transfer all or some of the A2 Shares held by him to a Management Privileged Relation
- (b) Any Rollover Shareholder may, at any time (save where a Transfer Notice has been served or deemed served in respect of such Shares pursuant to these Articles) during his lifetime transfer any A1 Shares and/or B Shares held by him to,
 - (i) a Rollover Privileged Relation who is not a minor, or
 - (ii) trustees to be held on a Family Trust of which they are the settler
- (c) On the death of a Rollover Shareholder the A1 Shares and B Shares held by him may be transferred to the personal representatives of his estate (**PRs**) and/or (either directly or from the PRs) to the beneficiaries of his estate

12 3 Transfers by EBT

- (a) Where any Shares are held by trustees of the EBT
 - (i) on any change of trustees, the Shares may be transferred to the new trustees of the EBT, and
 - (ii) the Shares may be transferred at any time to any beneficiary of the EBT if the Board has approved the transfer
- (b) The EBT may transfer any Shares it holds in accordance with the provisions of clause 4 3 of the Shareholders Agreement

12 4 Transfers of unencumbered interest

A transfer of any Share pursuant to this Article 12 shall only be treated as a permitted transfer for the purposes of these Articles if it is a transfer free from any lien, charge or other encumbrance

13 Voluntary Transfers

13 1 Except as permitted under Article 12 (Permitted Transfers) or as contemplated in Article 15 (Drag Along Option) or 16 (Tag Along), any Member who wishes to transfer any Shares or any interest in them (a **Seller**) shall before transferring or agreeing to transfer such Share or any interest in it, serve notice in writing (a **Transfer Notice**) on the Company of his wish to make that transfer

13 2 In the Transfer Notice the Seller shall specify

- (a) the number and class of Shares (**Sale Shares**) which he wishes to transfer,
- (b) the identity of the person (if any) to whom the Seller wishes to transfer the Sale Shares,
- (c) the price per Share at which the Seller wishes to transfer the Sale Shares (the **Sale Price**), and

- (d) whether the Transfer Notice is conditional upon all (and not part only) of the Sale Shares being sold pursuant to the following provisions of this Article 13 (a **Total Transfer Condition**)

13 3 Each Transfer Notice shall

- (a) relate to one class only,
- (b) constitute the Company as the agent of the Seller for the sale of the Sale Shares on the terms of this Article 13,
- (c) be irrevocable, and
- (d) be deemed not to contain a Total Transfer Condition unless the Transfer Notice expressly states otherwise

13 4 The Sale Shares shall be offered for purchase in accordance with this Article 13

- (a) at the Sale Price, if agreed by the Rollover Majority,
- (b) in the absence of the consent of the Rollover Majority, such other price as may be agreed between the Board and the Seller, with the consent of a Rollover Director,
- (c) in the absence of agreement, the lower of the Sale Price and the Market Value

13 5 The Board shall at least 10 Business Days after and no more than 20 Business Days after the Transfer Notice is served give an Offer Notice to all Members to whom the Sale Shares are to be offered in accordance with these Articles

13 6 An Offer Notice shall

- (a) specify the Sale Price,
- (b) contain the other relevant details included in the Transfer Notice, and
- (c) invite the relevant offerees to respond in writing, before expiry of the Offer Notice, to purchase the numbers of Sale Shares specified by them in their application,

in addition, shall expire 35 Business Days after its service

13 7

- (a) A B Share (or any interest in a B Share) may not be offered to a person who is not a holder of B Shares (other than as may be agreed in writing by a Rollover Majority and the holders of a majority of the A2 Shares from time to time)
- (b) A1 Shares (other than as may be agreed in writing by a Rollover Majority from time to time) may only be offered to holders of A1 Shares on a pro rata basis
- (c) A2 Shares (other than as agreed in writing by a Rollover Majority from time to time) may only be offered to holders of A2 Shares on a pro rata basis

13 8 After the expiry date of the Offer Notice, the Board shall, in the priorities and in respect of each class of persons set out in Article 13 7, allocate the Sale Shares in accordance with the valid applications received save that

- (a) if there are applications from any class of offerees for more than the number of Sale Shares available for that class of offerees, they shall be allocated to those applicants in proportion (as nearly as possible but without allocating to any Member more Sale Shares than the maximum number applied for by him) to the number of Shares of the class which entitles them to receive such offer then held by them respectively,
 - (b) if it is not possible to allocate any of the Sale Shares without involving fractions, they shall be allocated amongst the applicants of each class in such manner as the Board shall think fit (acting reasonably), and
 - (c) if the Transfer Notice contained a valid Total Transfer Condition, no allocation of Sale Shares shall be made unless all the Sale Shares are allocated
- 13 9 The Board shall, within five Business Days of the expiry date of the Offer Notice, give notice in writing (an **Allocation Notice**) to the Seller and to each person to whom Sale Shares have been allocated (each a **Buyer**) specifying the name and address of each Buyer, the number and class of Sale Shares agreed to be purchased by him and the aggregate price payable by him for them and the date for completion (being no earlier than five nor later than 15 Business Days after the date of service of the Allocation Notice)
- 13 10 Completion of a sale and purchase of Sale Shares pursuant to an Allocation Notice shall take place at the registered office of the Company at the time specified in the Allocation Notice when the Seller shall, upon payment to him by a Buyer of the Sale Price in respect of the Sale Shares allocated to that Buyer, transfer those Sale Shares and deliver the relative share certificate(s) or indemnities for lost share certificate(s), as appropriate to that Buyer
- 13 11 The Seller may, during the period of 30 Business Days commencing 20 Business Days after the expiry date of the Offer Notice, sell all or any of those Sale Shares for which an Allocation Notice has not been given by way of bona fide sale to the proposed transferee (if any) named in the Transfer Notice or, if none was so named, to any transferee, in either case at any price per Sale Share which is not less than the Sale Price, without any deduction, rebate or allowance to the proposed transferee and subject always to Article 17, provided that
- (a) the Seller may not transfer such Share and the Board shall not register any transfer to a transferee who is not at that date a Member unless such transferee is first approved in writing by a Rollover Majority, and
 - (b) if the Transfer Notice contained a Total Transfer Condition, the Seller shall not be entitled, save with the written consent of the Rollover Majority and the Board, to sell only some of the Sale Shares under this Article 13 11
- 13 12 If a Seller fails for any reason (including death) to transfer any Sale Shares when required pursuant to these Articles, the Board may authorise any director of the Company (who shall be deemed to be irrevocably appointed as the attorney of the Seller for the purpose) to execute each necessary transfer of such Sale Shares and deliver it on the Seller's behalf. The Company may receive the purchase money for such Sale Shares from the Buyer and shall upon receipt (subject, if necessary, to the transfer being duly stamped) register the Buyer as the holder of such Sale Shares. The Company shall hold such purchase money in a separate bank account on trust for the Seller but shall not be bound to earn or pay interest on any money so held. The Company's receipt for such purchase money shall be a good discharge to the Buyer who shall not be bound to see to the application of it, and after the name of the Buyer has been entered in the register of Members in purported exercise of the power conferred by this Article 13 12 the validity of the proceedings shall not be questioned by any person

14 Compulsory Transfers

14 1 In this Article 14, a **Transfer Event** occurs, in relation to any Member

Ceasing to be director or employee of the Group

- (a) if either a Manager who is at any time a director and/or employee of a member of the Group shall cease to hold such office or employment, or
- (b) the Manager does not remain or thereupon immediately become a director or employee of another company which is still a member of the Group, and within the following six months from the date of such cessation a Rollover Majority, or if not required by the Rollover Majority, the Managers shall notify the Company that such event is a Transfer Event in relation to that Member for the purposes of this Article 14,

Privileged Relations, Spouses, Legal Partners and Family Trusts

- (c) if any Shares are transferred by a Manager to a Management Privileged Relation, or by a Rollover Shareholder to a Rollover Privileged Relation or to trustees to be held on a Family Trust and
 - (i) the relevant transferee ceases to be a Management Privileged Relation, Rollover Privileged Relation or the trust in question ceases to be a Family Trust in relation to such Member, or
 - (ii) there ceases to be any beneficiaries of the Family Trust (or no beneficiaries other than charities)

and within the following six months, a Rollover Majority shall notify the Company that such event is a Transfer Event in relation to that Member for the purposes of this Article 14

Unauthorised attempted transfer

- (d) if a Member shall attempt to deal with or dispose of any Share or any interest in it otherwise than in accordance with these Articles and whether or not for value and within the following six months a Rollover Majority shall notify the Company that such event is a Transfer Event in relation to that Member for the purposes of this Article 14, or

Failure to serve Transfer Notice under specified provisions

- (e) if a Member shall for any reason not give a Transfer Notice in respect of any Shares or transfer any Shares (as the case may be) as required by any express provision of these Articles and within the following six months a Rollover Majority shall notify the Company that such event is a Transfer Event in relation to that Member for the purposes of this Article 14

14 2

- (a) Upon the making of a notification under Article 14 1 that any event is a Transfer Event, the Member in respect of whom such event is a Transfer Event (**Relevant Member**) and any other holder of any Deemed Transfer Shares shall be deemed to have immediately given a Transfer Notice in respect of all the Deemed Transfer Shares then held by such Member(s) (**Deemed Transfer Notice**) If the Member

holds more than one class of Deemed Transfer Shares, he shall be deemed to serve a separate Deemed Transfer Notice in respect of each class of his holding

(b) A Deemed Transfer Notice shall supersede and cancel any then current Transfer Notice insofar as it relates to the Deemed Transfer Shares except for Shares that have then been validly transferred pursuant to that Transfer Notice

(c) For the purpose of this Article 14 2

(i) any Shares received by way of rights or on a capitalisation at any time by any person to whom Deemed Transfer Shares may have been transferred (directly or by means of a series of two or more permitted transfers) shall also be treated as Deemed Transfer Shares,

(ii) a Deemed Transfer Notice pursuant to Article 14 1(a) where the relevant Manager is Anthony Collins Miskin shall only relate to the A2 Shares comprised in the Deemed Transfer Shares

14 3 Notwithstanding any other provision of these Articles, no Member shall be entitled to receive notice of or attend at, and shall have no voting rights at, general meetings of the Company or to receive or to have any voting rights in respect of, any written resolutions of the Company in respect of Deemed Transfer Shares (and of any Shares received thereafter by way of rights or on a capitalisation in respect of those Deemed Transfer Shares) on and from the date of the relevant Deemed Transfer Notice (or if later the date upon which he receives the Shares) until the entry in the register of members of the Company of another person as the holder of those Deemed Transfer Shares

14 4 Each Deemed Transfer Notice shall

(a) constitute the Company as the agent of the Relevant Member for the sale of the Deemed Transfer Shares on the terms of this Article 14, and

(b) be irrevocable

14 5 The Deemed Transfer Shares shall subject to Article 14 6 be offered for purchase in accordance with this Article 14 at a price per Deemed Transfer Share (**Deemed Sale Price**) agreed between the Relevant Member and the Board (with the approval of a Rollover Director) or, in default of such agreement, by the end of the 15th Business Day after the date of service of the Transfer Notice as determined by the Valuer in accordance with this Article 14

14 6 If the Board or a Rollover Majority so elects within that 15 Business Day period after the date of service of the Deemed Transfer Notice, the Valuers shall provide their written opinion of the open market value of each Deemed Transfer Share (the **Market Value**) as at the date of service of the Deemed Transfer Notice (in which case for the purposes of these Articles the Sale Price shall be deemed to have been determined on the date of the receipt by the Company of the Valuer's report)

14 7 The Sale Price for any Deemed Transfer Shares as a consequence of a Transfer Event falling within Article 14 1 shall

(a) in any case where the Relevant Member is a Good Leaver, be their Market Value in respect of the Relevant Proportion of the Deemed Transfer Shares and the lower of the Issue Price and the Market Value in respect of the balance of such Deemed Transfer Shares save that where the Relevant Member is a Good Leaver by reason

of death, permanent incapacity or ill health, such payment shall be the greater of (a) the payment due pursuant to Article 14 7(a) and (b) £50,500, or

- (b) in any case where the Relevant Member is a Bad Leaver, be the lower of their Issue Price and their Market Value

14 8 If instructed to report on their opinion of Market Value under this Article 14 the Valuers shall

- (a) act as expert and not as arbitrator and their written determination shall be final and binding on the Members, and
- (b) proceed on the basis that
 - (i) the open market value of each Deemed Transfer Share shall be calculated by following the below steps
 - (A) calculate the sum which a willing buyer would agree with a willing seller to be the purchase price for the entire issued share capital of the Company on arm's length terms for cash payable in full on completion,
 - (B) then identify the amount of such total sum, which would be payable to the holders of Shares comprised in that class that would be applicable as provided for under Article 7, and
 - (C) finally calculate the entitlement of the Deemed Transfer Shares to the sum noted at sub-paragraph (B) above in accordance with the number of Deemed Transfer Shares held in that class and subsequently calculate the price for each Deemed Transfer Share
 - (ii) there shall be no addition of any premium or subtraction of any discount by reference to the size of the holding the subject of the Deemed Transfer Notice or in relation to any restrictions on the transferability of the Deemed Transfer Shares, and
 - (iii) any difficulty in applying either of the foregoing bases shall be resolved by the Valuers as they think fit (acting reasonably) in their absolute discretion

14 9 The Company will use its reasonable endeavours to procure that the Valuers deliver their written opinion of the Market Value to the Board and to the Relevant Member within 28 days of being requested to do so

14 10 The Valuers' fees for reporting on their opinion of the Market Value shall be borne as the Valuers shall specify in their valuation having regard to the conduct of the parties and the merit of their agreements in respect of the matters in dispute or otherwise (in the absence of any such specification by the Valuers) by the Company unless the Valuers' opinion of the Market Value is equal to or less than that Sale Price which has been put forward in writing by the Board not less than five Business Days before the Valuers' report, in which cases the Relevant Member shall pay all the Valuers' fees

14 11 If the Sale Shares are A2 Shares, the Board shall give an Offer Notice to all Members to whom the Sale Shares are to be offered in accordance with these Articles at least 10 Business Days after and no more than 20 Business Days after whichever first occurs of

- (i) Board Invitee(s) having been determined in respect of all the Deemed Transfer Shares,
- (ii) a Rollover Majority waiving the requirement to offer Deemed Transfer Shares to Board Invitees, or
- (iii) the period to find Board Invitees having expired without Board Invitees having been found in respect of all the Deemed Transfer Shares

14 12 An Offer Notice shall

- (a) specify the Deemed Sale Price,
- (b) contain the other details included in the Deemed Transfer Notice, and
- (c) invite the relevant offerees to respond in writing, before expiry of the Offer Notice, to purchase the numbers of Deemed Transfer Shares specified by them in their application,

in addition, shall expire 35 Business Days after its service

14 13 Deemed Transfer Shares of a particular class specified in column (1) in the table below shall be treated as offered

- (a) in the first instance to all persons in the category set out in the corresponding line in column (2) in the table below,
- (b) to the extent not accepted by persons in column (2), to all persons in the category set out in the corresponding line in column (3) in the table below,
- (c) in the case of A1 Shares and A2 Shares, to the extent not accepted by persons in column (3), to all persons in the category set out in the corresponding line in column (4) in the table below

however, no Shares shall be treated as offered to the Relevant Member or any other Member who is then bound to give, has given or is deemed to have given a Transfer Notice in respect of the Shares registered in his name

(1) Class of Sale Shares	(2) First Offer to	(3) Second Offer to	(4) Third Offer to
A1 Share	Board Invitees	Company (subject always to compliance by the Company with the CA 2006)	Members holding A1 Shares on a pro rata basis
A2 Share	Board Invitees	Company (subject always to compliance by the Company with the CA 2006)	Members holding A2 Shares on a pro rata basis
B Shares	Members holding B Shares	Company (subject always to compliance by the Company with the CA 2006)	Members holding A1 Shares and A2 Shares (pro rata treated as if they were one class of Share)

14 14 The expression **Board Invitees** in these Articles means

- (a) any person or persons (being employees or officers of any member of the Group), and/or
- (b) the EBT

or any combination thereof in any such case selected (in the three months immediately following the date on which the Sale Price is agreed or determined) by the Board with the written approval of a Rollover Majority

14 15 After the expiry date of the Offer Notice, the Board shall, in the priorities and in respect of each class of persons set out in the columns in the table in Article 14 13, allocate the Deemed Transfer Shares in accordance with the valid applications received save that

- (a) if there are applications from any class of offerees for more than the number of Deemed Transfer Shares available for that class of offerees, they shall be allocated to those applicants in proportion (as nearly as possible but without allocating to any Member more Deemed Transfer Shares than the maximum number applied for by him) to the number of Shares of the class which entitles them to receive such offer then held by them respectively,
- (b) if it is not possible to allocate any of the Deemed Transfer Shares without involving fractions, they shall be allocated amongst the applicants of each class in such manner as the Board (acting reasonably) shall think fit, and
- (c) any allocation of Deemed Transfer Shares between two or more Board Invitees shall be entirely at the discretion of the Board with a Rollover Majority's approval

14 16 The Board shall, within five Business Days of the expiry date of the Offer Notice, give notice in writing (a **Deemed Allocation Notice**) to the Relevant Member and to each person to whom Deemed Transfer Shares have been allocated (each a **Buyer**) specifying the name and address of each Buyer, the number and class of Deemed Transfer Shares agreed to be purchased by him, the aggregate price payable by him for them and the date for completion (being no earlier than five Business Days nor later than 15 Business Days after the date of service of the Deemed Allocation Notice)

14 17 Completion of a sale and purchase of Deemed Transfer Shares pursuant to a Deemed Allocation Notice shall take place at the registered office of the Company at the time specified in the Deemed Allocation Notice when the Relevant Member shall, upon payment to him by a Buyer of the Deemed Sale Price in respect of the Deemed Transfer Shares allocated to that Buyer, transfer those Sale Shares and deliver the relative share certificate (s) or indemnities for lost share certificates(s), as appropriate to that Buyer

14 18 To avoid doubt, Article 13 11 shall continue to apply to any Deemed Transfer Shares not specified in a Deemed Allocation Notice or not duly held pursuant thereto provided that

- (a) the Relevant Member may not transfer such Share and the Board shall not register any transfer to a transferee who is not at that date a Member unless such transferee is first approved in writing by a Rollover Majority, and
- (b) the Relevant Member shall not be entitled, save with the written consent of the Rollover Majority and the Board, to sell only some of the Deemed Transfer Shares under this Article 14 18

14 19 If a Relevant Member fails for any reason (including death) to transfer any Deemed Transfer Shares when required pursuant to these Articles, the Board may authorise any director of the Company (who shall be deemed to be irrevocably appointed as the attorney of the Relevant Member for the purpose) to execute each necessary transfer of such Deemed Transfer Shares and deliver it on the Relevant Member's behalf. The Company may receive the purchase money for such Deemed Transfer Shares from the Buyer and shall upon receipt (subject, if necessary, to the transfer being duly stamped) register the Buyer as the holder of such Deemed Transfer Shares. The Company shall hold such purchase money in a separate bank account on trust for the Relevant Member but shall not be bound to earn or pay interest on any money so held. The Company's receipt for such purchase money shall be a good discharge to the Buyer who shall not be bound to see to the application of it, and after the name of the Buyer has been entered in the register of Members in purported exercise of the power conferred by this Article 14 19 the validity of the proceedings shall not be questioned by any person.

14 20 A dispute as to whether Article 14 7(a) or Article 14 7(b) applies to any Deemed Transfer Shares shall not affect the validity of a Deemed Transfer Notice but (if the Issue Price is lower than the Market Value) any person who acquires Deemed Transfer Shares (**Buyer**) pursuant to a Deemed Transfer Notice while such a dispute is continuing shall pay to the Relevant Member the lower of their Issue Price and their Market Value and shall pay a sum equal to the difference between their Issue Price and their Market Value to the Company. The Company shall hold that amount in a separate interest-bearing bank deposit account as trustee to pay it, and interest earned thereon, upon final determination of the dispute.

- (a) to the Relevant Member in respect of any Deemed Transfer Shares determined to be sold for their Market Value, and
- (b) to the Buyer(s) in respect of any Deemed Transfer Shares determined to be sold at their Issue Price,

provided always that if the Relevant Member and Buyer(s) otherwise agree in writing and notify such agreement to the Company it shall instead hold and deal with the monies paid into such account and interest as such agreement and notice may specify whether or not the dispute has been resolved.

14 21 For the purpose of Article 14 1 the date upon which a Manager ceases to hold office as an employee or director (**Termination Date**) shall

- (a) where the Group Company terminates or purports to terminate a contract of employment or engagement by giving notice to the employee or director of the termination of the employment or engagement, whether or not the same constitutes a wrongful or unfair dismissal, be the later of the date of that notice and the date (if any) for the termination expressly stated in such notice (whether or not a payment is made by the employer in lieu of all or part of the notice period required to be given by the Group Company in respect of such termination),
- (b) where the employee or director terminates or purports to terminate a contract of employment or engagement by giving notice to the Group Company of the termination of the employment or engagement (whether or not he is lawfully able so to do), be the later of the date of that notice and the date (if any) for the termination expressly stated in such notice,
- (c) where the Group Company (on the one hand) or employee or director (on the other hand) wrongfully repudiates the contract of employment or engagement and the other

respectively accepts that the contract of employment or engagement has been terminated, be the date of such acceptance by the Group Company, or employee or director (as the case may be),

- (d) where a contract of employment or engagement is terminated under the doctrine of frustration, be the date of the frustrating event, or
- (e) where a contract of employment or engagement is terminated in any other circumstance other than set out in Articles 14 21(a) to 14 21(d), be the date on which the person actually ceases to be employed or engaged by the Group Company

14 22 Once a Deemed Transfer Notice shall under these Articles be given in respect of any Share then no permitted transfer under Article 12 (Permitted Transfers) may be made in respect of such Share unless and until an Offer Notice shall have been served in respect of such Share and the period of allocation permitted under Article 13 (Voluntary Transfers) shall have expired without such allocation

15 Drag Along Option

15 1 If Members constituting a Rollover Majority (together the **Selling Shareholders**) wish to transfer all their A1 Shares and B Shares (together **Rollover Shares**) to a Third Party Buyer, the Selling Shareholders shall have the option (**Drag Along Option**) to require any or all of the other holders of Shares to transfer all their Shares with full title guarantee to the Third Party Buyer or as the Third Party Buyer shall direct in accordance with this Article 15

15 2 The Selling Shareholders may exercise the Drag Along Option at any time before the registration of the transfer of the Shares in the Company held by the Selling Shareholders by giving notice to that effect (**Drag Along Notice**) to all other Members (**Called Shareholders**) A copy of the Drag Along Notice shall, for information only, also be given to the Company at its registered office (but so that any failure or delay in giving such copy shall in no way prejudice the operation of this Article 15)

15 3 A Drag Along Notice shall specify that the Called Shareholders are required to transfer all their Shares in the Company (**Called Shares**) pursuant to Article 15 1 to the Third Party Buyer, the Drag Sale Price, the proposed date of transfer (if known), and the identity of the Third Party Buyer The notice provisions in Article 30 1(a) shall apply to any Drag Along Notice served save that any Drag Along Notice shall be stamped first class

15 4 A Drag Along Notice may be revoked by the Rollover Majority at any time prior to completion of the sale of the Called Shares and any such revocation notice shall be served in the manner prescribed for a Drag Along Notice in Article 15 2

15 5 Completion of the sale of the Called Shares shall take place on the same date as the date of actual completion of the sale of the Rollover Shares unless all of the Called Shareholders and the Selling Shareholders agree otherwise

15 6 Each Called Shareholder shall on service of the Drag Along Notice be bound to accept the sale specified in such Drag Along Notice in respect of its entire shareholding in the Company and to comply with its obligations assumed by virtue of such acceptance

15 7 If any Called Shareholder fails to comply with their obligations in connection with the sale specified in the Drag Along Notice, each Called Shareholder shall be deemed to have irrevocably appointed each of the Selling Shareholders severally to be his attorney to execute any stock transfer and covenant for full title guarantee in respect of the Called Shares registered in the name of such Called Shareholders and to do such other things as may be

reasonably necessary or desirable to accept, transfer and complete the sale of the Called Shares pursuant to this Article 15

- 15 8 Save for Article 7, the rights of pre-emption and other restrictions contained in these Articles shall not apply on any sale and transfer of Shares by the Selling Shareholders, the Called Shareholders or any other Member to the Third Party Buyer named in a Drag Along Notice
- 15 9 Upon any person, following the issue of a Drag Along Notice, becoming a holder of Shares in the capital of the Company pursuant to the exercise of pre-existing option to acquire Shares in the Company (whether pursuant to a Share Option Scheme or otherwise howsoever), a Drag Along Notice, on the same terms as the previous Drag Along Notice, shall be deemed to have been served upon such Member immediately upon such acquisition and such person shall thereupon be bound to sell and transfer all such Shares acquired by him to the Third Party Buyer or as the Third Party Buyer may direct and the provisions of this Article 15 shall apply mutatis mutandis to each such Member save that completion of the sale of such Shares shall take place forthwith upon the Drag Along Notice being deemed served on such Member or, if later, upon the date of completion under the previous Drag Along Notice
- 15 10 The Selling Shareholders shall not serve a Drag Along Notice unless either
- (a) the period of five years has expired since the Investment Date, or
 - (b) any Underperformance Events are subsisting

16 Tag Along

- 16 1 Subject to Article 15 (Drag Along Option) and save in the case of a Permitted Transfer, but otherwise notwithstanding any other provision in these Articles, no sale or other disposition of any Shares (**Specified Shares**) shall have any effect if it would result in a Change of Control unless before the transfer is lodged for registration the Third Party Buyer has made a bona fide offer in accordance with these Articles to purchase at the specified price (defined in Article 16 3) all the Shares held by Members who are not acting in concert or otherwise connected with the Third Party Buyer (**Uncommitted Shares**)
- 16 2 An offer made under Article 16 1 shall be in writing and shall be open for acceptance for at least fifteen Business Days, and shall be deemed to be rejected by any Member who has not accepted it in accordance with its terms within the time period prescribed for acceptance and the consideration thereunder shall be settled in full on completion of the purchase
- 16 3 For the purposes of Article 16 the expression **specified price** means the price payable per Share equal to that offered or paid by the Third Party or its nominees for the Shares being sold resulting in the Change of Control adjusted to reflect and give effect to the provisions of Article 7 (Proceeds on Realisation)
- 16 4 Save for Article 7, the rights of pre-emption and other restrictions contained in these Articles shall not apply on any sale or transfer to a Third Party Buyer provided that the provisions of this Article 16 have been complied with

17 Prohibited transfers

Notwithstanding any other provision of these Articles, no transfer of any Share shall be made or registered if it is to

- (a) any minor, undischarged bankrupt, trustee in bankruptcy or person of unsound mind, or

- (b) any person (other than an existing Member or Third Party Buyer where the provisions set out in Articles 15 and 16 have been complied with) who has not executed a Deed of Adherence to, and in the manner required by, any Shareholders Agreement for the time being in force

18 Underperformance Rights

18.1 If any of the following matters occur,

- (a) there is any material breach on the part of the Company (excluding a breach by the Company approved by the Rollover Directors) or one more of the Managers of the terms of the Shareholders Agreement or Rollover Loan Notes, which to the extent remediable remains unremedied despite at least 28 days' notice to remedy,
- (b) any breach by the Company of any of the covenants or obligations set out in the Banking Facilities or if the Rollover Majority (acting reasonably), conducts a test (which it may conduct at any time) and determines (acting reasonably) that there would be a default of such covenants and obligations within six months of the date of such test,
- (c) Debt Service Cover in respect of any Relevant Period is less than 1.5:1, and
- (d) Leverage in respect of any Relevant Period specified in column 1 below exceeds the ratio set out in column 2 below opposite that Relevant Period

Column 1 - Relevant Period ending on or about the last Friday of:	Column 2 – Ratio
November 2012	2.5:1
February 2013	2.5:1
May 2013	2.5:1
August 2013	2.25:1
November 2013	2.25:1
February 2014	2.25:1
May 2014	2.1:1
August 2014	2.1:1
November 2014	2.0:1
February 2015	2.0:1
May 2015	2.0:1
August 2015	2.0:1
February, May, August and November in each Financial Year thereafter	2.0:1

(in each case, an **Underperformance Event**)

and the Rollover Directors have given written notice to the Board that the provisions of this Article 18 should have effect then until such time as written notice is given by the Rollover Director that the provisions of this Article 18 shall cease to have effect (which will be given as soon as the relevant circumstances(s) prompting the giving of the notice is/are no longer applicable) then,

- (e) the Rollover Directors shall be entitled at any meeting of directors to cast such number of votes which exceeds the votes cast for a resolution to which the Rollover Directors are opposed or which exceeds the votes cast against a resolution which the Rollover Directors have proposed, or
- (f) a Rollover Majority shall be entitled to serve notice on the Company that the votes attached to the A1 Shares be enhanced so as to entitle the holders of such A1 Shares as a class to exercise on a poll or in respect of any written resolution circulated to the Members 20 times the total number of votes attached to all Shares of any other class in issue on any resolution at any general meeting of the Company and the holders of any other Shares in issue shall be deemed to grant any consent in respect of any matters to be consented to in respect of any such meetings or resolutions where a Rollover Majority has so consented, and shall not otherwise be entitled to give or withhold any such consent

19 General Meetings

Without prejudice to the powers of the Board, a Rollover Director may, acting alone, call a general meeting of the Company

20 Proceedings at general meetings and adjournment

- 20 1 No business shall be transacted at any general meeting unless a quorum of members is present at the time the meeting proceeds to business Two persons entitled to vote upon the business to be transacted (one being a holder of A1 Shares or a proxy for such person and the other being a holder of A2 Shares or a proxy for such person) shall be a quorum for these purposes
- 20 2 If within 20 minutes from the time appointed for a general meeting a quorum is not present or, if during a meeting a quorum ceases to be present, the meeting, if convened upon the request of the Members in accordance with the CA 2006, shall be dissolved, in any other case, it shall stand adjourned
- 20 3 If a quorum is not present at any such adjourned meeting within ten minutes from the time appointed for that meeting, the meeting shall be dissolved

21 Poll votes

- 21 1 A poll may be demanded at any general meeting by
 - (a) the Chairman, or
 - (b) any qualifying person (as such term is defined in section 318 of the CA 2006) present and entitled to vote at the meeting

- 21 2 A demand for a poll may be withdrawn before the poll is taken, but only with the consent of the Chairman. A demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.
- 21 3 Subject to these Articles, polls at general meetings must be taken when, where and in such manner as the chairman of the meeting directs. The Chairman of the meeting may appoint scrutineers (who need not be holders) and decide how and when the result of the poll is to be declared.
- 21 4 The result of a poll shall be the decision of the meeting in respect of the resolution on which the poll was demanded.
- 21 5 A poll on the election of the Chairman or a question of adjournment must be taken immediately. All other polls must be taken within thirty days of their being demanded.
- 21 6 A demand for a poll does not prevent a general meeting from continuing, except as regards the question on which the poll was demanded.
- 21 7 No notice need be given of a poll not taken immediately if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case, at least seven days' notice must be given specifying the time and place at which the poll is to be taken.
- 21 8 The omission or failure by any proxy to vote in accordance with any instructions given to him by his appointor shall not invalidate any vote cast by him or any resolution passed at the general meeting concerned.

22 Number of directors

The number of directors shall not be less than five and there shall be no maximum number.

23 Appointment of Directors

- 23 1 So long as any Rollover Shareholder or its nominee is the registered holder or beneficial owner of any Shares

- (a) a Rollover Majority may at any time and on more than one occasion appoint up to two persons to be directors of the Company and, subject to Article 23 1(b), at any time and on more than one occasion remove any such person from office (each a **Rollover Director** and together the **Rollover Directors**),
- (b) the identity of a replacement Rollover Director, shall require the prior consent of the board of Swift Group Limited, who shall be entitled to withhold their consent in respect of up to a maximum of two potential replacement appointees put forward by the Rollover Majority and such that if they so withhold this consent twice no consent will be required in respect of this replacement proposal, and
- (c) a Rollover Director in office for the time being shall at the request of the Rollover Majority be appointed a director of any other Group Companies specified in such request (but shall not be entitled to any additional fee in respect of it).

- 23 2 The first Rollover Directors shall be Peter Smith and Keith Brayshaw.

- 23 3 One of the Rollover Directors as determined by the Rollover Majority shall also be the Chairman of the Company and the first such appointee shall be Peter Smith
- 23 4 It is acknowledged that the remit of the Board will principally be to review business direction, strategy and in respect of the senior employees of the Group, their remuneration and other employment terms
- 24 Alternate directors**
- 24 1 A director (other than an alternate director) may, by notice in writing delivered to the Company, or in any other manner approved by the directors, appoint any person willing to act to be his alternate
- 24 2 The appointment of an alternate director who is not already a director or alternate director
- (a) shall (save in the case of an alternate to a Rollover Director) require the approval of the directors, and
 - (b) shall not be effective until his consent to act as a director in the form prescribed by the CA 2006 has been received by the Company
- 24 3 If an alternate director is himself a director and/or participates in any proceeding of the directors or at any committee as an alternate director for more than one director, his voting rights shall be cumulative but he shall only be counted once in deciding whether a quorum is present. An alternate director shall (subject to his giving to the Company an address within the United Kingdom at which notices may be served on him) have the same rights in relation to any decision of the directors as his appointor and in particular shall (without limitation) be entitled to receive notice of all meetings of the directors and all committees of which his appointor is a member and, in the absence from such meetings of his appointor, to attend and vote at such meetings and to exercise all the powers, rights, duties and authorities of his appointor (other than the power to appoint an alternate director)
- 24 4 A person who is an alternate director but not a director
- (a) may be counted as participating for the purposes of determining whether a quorum is participating (but only if that person's appointor is not participating), and
 - (b) may participate in a unanimous decision of the directors (but only if that person's appointor is not participating)
- 24 5 A director acting as alternate director shall have a separate vote for each director for whom he acts as alternate in addition to his own, but he shall count as only one for the purpose of determining whether a quorum is present. A person (not himself a director) who acts as alternate director for more than one director shall have a separate vote for each director for whom he acts as alternate, but he shall count as only one for the purpose of determining whether a quorum is present
- 24 6 An alternate director shall be entitled to contract and be interested in and benefit from contracts or arrangements with the Company and to be repaid expenses and to be indemnified in the same way and to the same extent as a director. However, he shall not be entitled to receive from the Company any fees for his services as alternate, except only such part (if any) of the fee payable to his appointor as such appointor may by notice to the Company direct. Subject to this Article 24, the Company shall pay to an alternate director such expenses as might properly have been paid to him if he had been a director

24 7 Every person acting as an alternate director shall be an officer of the Company, shall alone be responsible to the Company for his own acts and defaults and shall not be deemed to be the agent of the director appointing him

24 8 An alternate director shall cease to be an alternate director

- (a) if his appointor revokes his appointment by notice in writing delivered to the Company, or in any other manner approved by the directors, or
- (b) if his appointor ceases for any reason to be a director, or
- (c) if any event happens in relation to him which causes his office as director to be vacated or (if not himself a director) would do so if he were himself a director

25 Acts of directors

Subject to the provisions of CA 2006, all acts done by in any proceedings of directors or by a person acting as a director shall, notwithstanding that it be afterwards discovered that there was a defect in the appointment of any director or that any of them were disqualified from holding office, or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a director and had been entitled to vote

26 Retirement of directors

26 1 The directors shall not be subject to retirement by rotation

26 2 The office of a director (other than a Rollover Director) who is at any time an employee of the Company or of any member of the Group shall automatically be vacated if he ceases to be an employee (as described in Article 14 21) of the Company or of a member of the Group without being appointed as or continuing to be an employee of the Company or of another member of the group

27 Proceedings of directors

27 1 Regulation 7 of the Model Articles applies to the Company as modified by the express provisions of these Articles but so that reference in that Regulation 7 to "a decision taken in accordance with article 8" shall have effect as if replaced by "a decision taken in accordance with Article 27 8 of these Articles"

27 2 The quorum for the transaction of business of the Board shall be two directors One of the directors in the quorum shall be a Rollover Director unless either

- (a) a Rollover Director or a Rollover Majority has previously agreed to the contrary in writing in respect of the meeting and business in question, or
- (b) there is no Rollover Director in office at that time,
- (c) the business of the meeting includes the proposed exercise by the directors of the authority conferred by section 175 CA 2006 (or any subsequent amendment or revocation of such authorisation) and the Rollover Director is the director in question or otherwise interested in the matter, in which case the Rollover Director shall not be part of the quorum on that business, or
- (d) any of the circumstances in Article 27 8 apply

- 27 3 Any director or his alternate may validly participate in a meeting of the Board or a committee of the Board by conference telephone or other form of communication equipment if all persons participating in the meeting are able to hear and speak to each other throughout the meeting. A person so participating shall be deemed to be present in person at the meeting and shall accordingly be counted in a quorum and be entitled to vote. Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no group that is larger than any other group, where the Chairman then is.
- 27 4 Save with the consent of a Rollover Director
- (a) the Board shall not delegate any of its powers to a committee other than as specified in the Shareholders Agreement, and
 - (b) meetings of the Board shall not be held outside the United Kingdom
- 27 5 In respect of a matter to be considered by the Board each Rollover Director shall be entitled to two votes each and each other director shall be entitled to one vote each.
- 27 6 The Chairman shall have a second or casting vote at a meeting of the Board.
- 27 7 The Rollover Majority will have the right at any time to appoint (in addition to the Rollover Directors) up to two people to attend observe and speak but not vote at meetings of the Board. Any person so appointed will not be a Rollover Director.
- 27 8 Notwithstanding any provision to the contrary in this Article or Article 29 should an event arise which gives, or may reasonably give the Company a right to bring any claim or to exercise any other right or remedy under the Share Purchase Agreement, any other Acquisition Document, including the Leases and Surrenders or if a dispute arises as to any amounts due or claimed under the Counter Indemnity, then the Rollover Directors will be prevented from voting on any resolution of the Board.
- 28 Unanimous decision of the directors and written resolutions**
- 28 1 A decision of the directors is taken in accordance with this Article 27 8 when sufficient Eligible Directors indicate by any means that they share a common view on a matter.
- 28 2 Such a decision 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. A proposed directors' written resolution is adopted when each of the Eligible Directors who would have been entitled to vote on the resolution at a directors' meeting have signed at least one copy or duplicate copy of it.
- 28 3 A decision may not be taken in accordance with Article 27 8 if the Eligible Directors would not have formed a quorum had the matter been proposed as a resolution at a directors' meeting.
- 28 4 Unless the context otherwise requires, reference in these Articles to any meeting of the directors (or of any committee) includes any other proceedings or process by which any decision complying with Article 27 8 is reached.
- 29 Directors' declarations of interest and conflict situations**
- 29 1 A director who to his knowledge is in any way, whether directly or indirectly, interested in any actual or proposed contract, transaction or arrangement with the Company shall in the circumstances and to the extent that the same is required by the provisions of the CA 2006 declare the nature and extent of his interest in the relevant matter (or in any of the relevant

matters) permitted in such circumstances. A director who has declared such an interest may (to the greatest extent permitted by law) vote at any such meeting on any resolution concerning a matter in which he has, directly or indirectly, an interest and (whether he votes or not) may be counted towards any quorum.

- 29.2 To avoid doubt and without prejudice to the generality of Article 29.1, a director shall not be precluded from voting or (whether he votes or not) from counting in the quorum on any board resolution to convene any general or class meeting or to approve and issue any written resolution of the members of the Company (or of any class) because he may benefit from or otherwise be affected by any authorisation (or the revocation of, or amendment of, any authorisation) in the context of his duty under section 175 CA 2006 which would be effected or permitted by such resolution, if passed.
- 29.3 For the purposes of section 175 CA 2006 and subject to Article 27.8 and, where relevant, to Article 29.4, the directors shall have the power at any time when there is a Rollover Director in office (but not otherwise) to authorise, on such terms (including as regards duration and revocation) and subject to such limits or conditions (if any) as they may determine (**Conflict Authorisation**), any matter proposed to them in accordance with these Articles which would, or might, if not so authorised, constitute or give rise to a situation in which a director (a **Relevant Director**) has, or could have, a direct or indirect interest which conflicts, or possibly may conflict, with the interests of the Company (a **Conflict Situation**).
- 29.4 Save where the Rollover Director is the director in question or otherwise interested in the matter or there is no Rollover Director in office, authorisation by the Board under the power conferred by section 175 CA 2006 (and any subsequent amendment or revocation of any such authorisation) will be effective only if a Rollover Director votes in favour of, or consents in writing to the same.
- 29.5 Where directors give a Conflict Authorisation under the power conferred by section 175 CA 2006
- (a) the terms of such Conflict Authorisation shall be recorded in writing (but the authorisation shall be effective whether or not the terms are so recorded),
 - (b) the directors may revoke or vary such Conflict Authorisation at any time but this will not affect anything done by the Relevant Director prior to such revocation or variation in accordance with the terms of such authorisation, and
 - (c) the Relevant Director shall be obliged to act in accordance with any terms, limits or conditions to which such Conflict Authorisation is made subject.
- 29.6 Any terms to which a Conflict Authorisation is made subject (**Conflict Authorisation Terms**) may include (without limitation to Article 29.1) provision that
- (a) where the Relevant Director obtains (other than in his capacity as a director of the Company or as its employee or agent or, if the directors so decide, in any other capacity that would otherwise oblige him to disclose it to the Company) information that is confidential to a third party, he will not be obliged to disclose it to the Company or to use it directly or indirectly for the benefit of the Company or in performing his duties as a director of the Company in circumstances where to do so would amount to a breach of a duty of confidence owed to that third party, and/or
 - (b) the Relevant Director may (but shall be under no obligation to) absent himself from the discussion of, and/or the making of decisions relating to, the relevant matter (whether at any meeting of the directors or otherwise) and be excused from reviewing

documents and information prepared by or for the directors to the extent that they relate to that matter, and/or

- (c) the Relevant Director be excluded from the receipt of documents and information, the participation in discussion and/or the making of decisions (whether at directors' meetings or otherwise) related to the relevant matter,

and the Company will not treat anything done (or omitted to be done) by the Relevant Director in accordance with any such provision (or otherwise in accordance with any Conflict Authorisation Terms given under Article 29 1) as a breach by him of his duties under sections 172 to 174 CA 2006

29 7 Subject to Article 27 8 and Article 29 8, authorisation is given by the members of the Company for the time being on the terms of these Articles to each director in respect of any Conflict Situation that exists as at the date of adoption of these Articles or that subsequently arises because (in either case) the director is or becomes a shareholder, investor or other participant in, lender to, guarantor, director, officer, manager or employee of, or otherwise in any other way interested or concerned in, any member of the Relevant Group (**Group Conflict Authorisation**) The Conflict Authorisation Terms applicable to the Group Conflict Authorisation (**Group Conflict Authorisation Terms**) are automatically set by this Article 29 7 so that the director concerned

- (a) is not obliged to disclose to the Company information that is confidential to a third party obtained by him (other than in his capacity as a director of the Company or as its employee or agent or, if the directors so decide, in any other capacity that would otherwise oblige him to disclose it to the Company) in any situation to which the Group Conflict Authorisation applies, nor to use any such information directly or indirectly for the benefit of the Company or in performing his duties as a director of the Company, in circumstances where to do so would amount to a breach of a duty of confidence owed to that third party, and
- (b) may (but shall be under no obligation to)
 - (i) absent himself from the discussions of, and/or the making of decisions,
 - (ii) make arrangements not to receive documents and information,relating to the Conflict Situation concerned,
- (c) and the Company will not treat anything done (or omitted to be done) by the director concerned in accordance with the Group Conflict Authorisation Terms as a breach by him of his duties under sections 172 to 174 CA 2006

29 8 A Group Conflict Authorisation given or deemed given under Article 29 7 may be revoked, varied or reduced in its scope or effect only by special resolution

29 9 In this Article 29 **Relevant Group** comprises

- (a) the Company,
- (b) each (if any) body corporate which is for the time being a wholly owned subsidiary of the Company,
- (c) each (if any) body corporate of which the Company is for the time being a wholly owned subsidiary (**Parent**), and

- (d) each (if any) body corporate (not falling within any preceding paragraph of this definition) which is for the time being a wholly owned subsidiary of the Parent

29 10 If and for so long as any Rollover Shareholder (or the custodian or nominee of any Rollover Shareholder) shall be the holder of any Shares, authorisation is given by the members of the Company for the time being on the terms of these Articles to each Rollover Director for the time being (including any alternate) in respect of any Conflict Situation that exists as at the date of adoption of these Articles or that subsequently arises because (in either case) the director is or becomes a shareholder, investor or other participant in, lender to, guarantor, director, officer, manager or employee of, or otherwise in any other way interested or concerned in, or has been appointed by any Relevant Rollover Entity (**Relevant Rollover Conflict Authorisation**) The Conflict Authorisation Terms applicable to the Relevant Rollover Conflict Authorisation (**Relevant Rollover Conflict Authorisation Terms**) are automatically set by this Article 29 10 so that the director

- (a) is not obliged to disclose to the Company information that is confidential to a third party obtained by him (other than in his capacity as a director of the Company or as its employee or agent or in any other capacity that would otherwise oblige him to disclose it to the Company) in any situation to which the Relevant Rollover Conflict Authorisation applies, nor to use any such information directly or indirectly for the benefit of the Company or in performing his duties as a director of the Company, in circumstances where to do so would amount to a breach of a duty of confidence owed to that third party, and
- (b) may (but shall be under no obligation to)
 - (i) absent himself from the discussions of, and/or the making of decisions,
 - (ii) make arrangements not to receive documents and information,relating to the Conflict Situation concerned,
- (c) and the Company will not treat anything done (or omitted to be done) by the director concerned in accordance with the Relevant Rollover Conflict Authorisation Terms as a breach by him of his duties under sections 172 to 174 CA 2006

29 11

- (a) Any Conflict Authorisation (whether under Article 29 3 or Article 29 7) shall (subject to any express contrary wording in its terms) be automatically deemed to extend to any actual or possible conflict of interest which may reasonably be expected to arise out of the Conflict Situation so authorised
- (b) Nothing in this Article 29 shall relieve any director from any duty he may otherwise have to declare and to update any declaration of any interest but no failure, delay or inaccuracy in making or updating such declaration shall prejudice or invalidate any Conflict Authorisation (whether under Article 29 3 or Article 29 7)

29 12 On any shareholder resolution (whether in general meeting or by written resolution or extra statutory agreement or otherwise)

- (a) to confer, revoke or vary any authorisation for any Rollover Director or Chairman of the Board but for which a Rollover Director or the Chairman of the Board would be or may in the future become in breach of his duty to the Company under section 175 CA 2006, or

- (b) to amend or delete this Article 29

29 13 only the A1 Shares shall confer votes on their holders

29 14 A director is not required, by reason of being a director, to account to the Company for any profit, remuneration or other benefit which he derives from or in connection with

- (a) a Conflict Situation which has been authorised by the directors pursuant to Article 29 3, or by the Members whether in these Articles or otherwise (subject to any terms, limits or conditions attaching to such authorisation),
- (b) being interested in any contract, arrangement, transaction or proposal with the Company or in which the Company is otherwise interested,
- (c) holding any other office or place of profit under the Company, except that of auditor, in conjunction with the office of director and acting by himself or through his firm in a professional capacity for the Company (and being entitled to remuneration as the directors may arrange, either in addition to or in lieu of any remuneration provided for by any other article), and
- (d) being a director or other officer of, or employed by, or a party to any contract, arrangement, transaction or proposal with or otherwise interested in, any body corporate promoted by the Company or in which the Company is otherwise interested or as regards which the Company has any powers of appointment

29 15 The Company will not treat the receipt by the director of any profit, remuneration or other benefit referred to in Article 29 14 as a breach of duty under section 176 of the CA 2006 No such contract, arrangement, transaction or proposal shall be avoided on the grounds of any such interest, profit, remuneration or other benefit

30 Notices

30 1 Any notice, document or information (including a share certificate) which is sent or supplied by the Company

- (a) in hard copy form, or in electronic form but to be delivered other than by electronic means, and which is sent by pre-paid post and properly addressed shall be deemed to have been received by the intended recipient at the expiration of twenty-four hours (or, where first class mail is not used, 48 hours) after the time it was posted, and in proving such receipt it shall be sufficient to show that such notice, document or information was properly addressed, pre-paid and posted,
- (b) by electronic means shall be deemed to have been received by the intended recipient twenty-four hours after it was transmitted, and in proving such receipt it shall be sufficient to show that such notice, document or information was properly addressed, and
- (c) by means of a website shall be deemed to have been received when the material was first made available on the website or, if later, when the recipient received (or is deemed to have received) notice of the fact that the material was available on the website

30 2 Subject to the CA 2006 other than those contained in the Company Communications Provisions, any accidental failure on the part of the Company to send, or the non-receipt by any person entitled to, any notice of or other document or information relating to any meeting

or other proceeding shall not invalidate the relevant meeting or proceeding. This Article shall have effect in place of the Company Communications Provisions relating to deemed delivery of notices, documents or information.

- 30.3 For the purposes of calculating the time when any notice, document or information sent or supplied by the Company is deemed to have been received by the intended recipient for the purposes of these Articles (regardless of whether the period is expressed in hours or days) full account shall be taken of any day, and any part of a day, that is not a working day. This Article 30.3 shall have effect in place of the Company Communications Provisions regarding the calculation of the time when any such notice, document or information is deemed to have been received by the intended recipient.

31 Indemnity, insurance, gratuities and pensions

31.1 Subject to the CA 2006, the Company

- (a) shall, without prejudice to any other indemnity to which the person concerned may otherwise be entitled, indemnify every relevant officer out of the assets of the Company against all costs, charges, losses, expenses and liabilities incurred by him:
 - (i) in relation to the actual or purported execution and discharge of the duties of such office, and
 - (ii) in relation to the Company's (or associated company's) activities in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the CA 2006),
- (b) may provide any relevant officer with funds to meet his defence expenditure in respect of any civil or criminal proceedings or regulatory investigation or other regulatory action or in connection with any application for any category of relief permitted by the CA 2006 and may do anything to enable him to avoid incurring any such expenditure,
- (c) 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.

31.2 In this Article 31

- (a) companies are **associated** if one is a subsidiary of the other or both are subsidiaries of the same body corporate,
- (b) a relevant officer means any director, secretary or other officer of the Company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined in section 235(6) of the CA 2006) but excluding in each case any person engaged by the Company (or associated company) as auditor (whether or not he was also a director, secretary or other officer) to the extent he acts in his capacity as auditor),
- (c) a relevant loss means any loss or liability which has been or may be incurred by a relevant officer in connection with that officer's duties or powers in relation to the Company, any associated company or any pension fund or employees' share scheme of the Company or associated company.

31 3 The directors may exercise all the powers of the Company to purchase and maintain for every director or other officer insurance against any liability for negligence, default, breach of duty or breach of trust or any other liability which may be lawfully insured against

31 4 The directors may, on behalf of the Company, exercise all the powers of the Company to provide benefits, whether by the payment of gratuities or pensions or by insurance or in any other manner (whether similar to the foregoing or not), for any director or former director or any relation, connection or dependant of any director or former director who holds or has held any executive office or employment with the Company or with any body corporate which is or has been a subsidiary of the Company or with a predecessor in business of the Company or of any such subsidiary and may contribute to any fund and pay premiums for the purchase or provision of any such benefit No director or former director shall be accountable to the Company or the members for any benefit permitted by this Article 31 4 and the receipt of any such benefit shall not disqualify any person from being or becoming a director of the Company

32 Share certificates etc

The Company may in any manner permitted by the applicable provisions of Part 4 of the CA 2006 execute any share certificate, warrant or other document creating or evidencing any security allotted by the Company or any right or option to subscribe granted by the Company

33 Subsidiary undertakings and reserves

33 1 The Board shall exercise all voting and other rights or powers of control exercisable by the Company in relation to itself and its subsidiary undertaking so as to secure (but as regards its subsidiary undertakings only in so far as by the exercise of such rights or powers of control the Board can secure) that

(a) no shares or other securities are issued or allotted by any such subsidiary and no rights are granted which might require the issue of any such shares or securities otherwise than to the Company or to one of its wholly-owned subsidiaries, and

(b) none of its subsidiaries transfers or disposes of any shares or securities of any subsidiary of the Company or any interest therein or any rights attached thereto otherwise than to the Company or one of its wholly-owned subsidiaries,

without in either case the previous consent in writing of a Rollover Majority

33 2 The Company shall procure that (save as otherwise specified by either a Rollover Director or a Rollover Majority) each of its subsidiaries which has profits available for distribution shall from time to time, and to the extent that it may lawfully do so, declare and pay to the Company the dividends necessary to permit lawful and prompt payment by the Company of amounts payable to Members pursuant to these Articles

34 Data protection

34 1 Each of the Members and directors of the Company (from time to time) consent to the processing of their personal data by the Company, its Members and directors (each a **Recipient**) for the purpose of due diligence exercises, compliance with applicable laws, regulations and procedures and the exchange of information among themselves A Recipient may process the personal data either electronically or manually The personal data which may be processed under this Article shall include any information which may have a bearing on the prudence or commercial merits of investing, or disposing of any Shares (or other investment or security) in the Company

- 34 2 Other than as required by law, court order or other regulatory authority, that personal data may not be disclosed by a Recipient or any other person except to a member of the same group as that Recipient (**Recipient Group Companies**) and to employees, directors and professional advisers of that Recipient Group Companies and funds managed by any of the Recipient Group Companies. Each of the Members and directors of the Company (from time to time) consent to the transfer of relevant personal data to persons acting on behalf of the 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

35 Relationship to Banking Facilities

- 35 1 The provisions of these Articles are subject to the following provisions of this Article 35
- 35 2 Notwithstanding any other provisions of these Articles, no payment shall be made by the Company by way of dividend or other distribution, purchase, redemption, reduction or return of Shares or capital or by addition to or repayment of any dividend reserve if and to the extent that such payment is prohibited or restricted by the terms of the Banking Facilities and/or the Intercreditor Agreement. No dividends or other distributions payable in respect of Shares, whether pursuant to the provisions of these Articles or otherwise shall constitute a debt enforceable against the Company unless it is permitted to be paid in accordance with the Banking Facilities and/or the Intercreditor Agreement for so long as the same shall remain in force and effect (although any interest which may be prescribed to accrue on any such dividends or distributions pursuant to these Articles shall accrue with effect from the date upon which the same would otherwise have been a debt due and enforceable but for the provisions of this Article 35 and the Banking Facilities until the date on which payment is actually made)
- 35 3 Where any dividend, redemption or other payment is not made because of the provisions of Article 35 2 or the Banking Facilities, such payment, subject to Article 4 2(d) in the case of the B Dividend, shall be made upon the necessary consent being obtained or the prohibition thereon ceasing to apply

36 Change of name

The Company may change its name by decision of the directors provided that either

- (a) a Rollover Director votes in favour of the resolution or otherwise consents to such change in writing, or
- (b) (if there is no Rollover Director in office) the change is approved in advance by a Rollover Majority

37 Partly paid Shares etc

- 37 1 The Company has a lien (**Company's lien**) over every Share which is partly paid for any part of
- (a) that Share's nominal value, and
 - (b) any premium at which it was issued,
- which has not been paid to the Company, and which is payable immediately or at some time in the future, whether or not a call notice has been sent in respect of it
- 37 2 The Company's lien over a Share

- (a) takes priority over any third party's interest in that Share, and
 - (b) extends to any dividend or other money payable by the Company in respect of that Share and (if the lien is enforced and the Share is sold by the Company) the proceeds of sale of that Share
- 37 3 The directors may at any time decide that a Share which is or would otherwise be subject to the Company's lien shall not be subject to it, either wholly or in part
- 37 4 Subject to the provisions of this Article 37, if
 - (a) a lien enforcement notice has been given in respect of a Share, and
 - (b) the person to whom the notice was given has failed to comply with it,the Company may sell that Share in such manner as the directors decide
- 37 5 A lien enforcement notice
 - (a) may only be given in respect of a Share which is subject to the Company's lien, in respect of which a sum is payable and the due date for payment of that sum has passed,
 - (b) must specify the Share concerned,
 - (c) must require payment of the sum payable within 14 days of the notice,
 - (d) must be addressed either to the holder of the Share or to a person entitled to it by reason of the holder's death, bankruptcy or otherwise, and
 - (e) must state the Company's intention to sell the Share if the notice is not complied with
- 37 6 Where Shares are sold under this Article 37
 - (a) the directors may authorise any person to execute an instrument of transfer of the Shares to the purchaser or a person nominated by the purchaser, and
 - (b) the transferee is not bound to see to the application of the consideration, and the transferee's title is not affected by any irregularity in or invalidity of the process leading to the sale
- 37 7 The net proceeds of any such sale (after payment of the costs of sale and any other costs of enforcing the lien) must be applied
 - (a) first, in payment of so much of the sum for which the lien exists as was payable at the date of the lien enforcement notice,
 - (b) second, to the person entitled to the Shares at the date of the sale, but only after the certificate for the Shares sold has been surrendered to the Company for cancellation or a suitable indemnity 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 in respect of the Shares after the date of the lien enforcement notice
- 37 8 A statutory declaration by a director that the declarant is a director and that a Share has been sold to satisfy the Company's lien on a specified date

- (a) is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share, and
 - (b) subject to compliance with any other formalities of transfer required by the Articles or by law, constitutes a good title to the Share
- 37 9 Subject to the Articles and the terms on which Shares are allotted, the directors may send a notice (a **call notice**) to a member requiring the member to pay the Company a specified sum of money (a **call**) which is payable in respect of Shares which that member holds at the date when the directors decide to send the call notice
- 37 10 A call notice
 - (a) may not require a member to pay a call which exceeds the total sum unpaid on that member's Shares (whether as to the Share's nominal value or any amount payable to the Company by way of premium),
 - (b) must state when and how any call to which it relates it is to be paid, and
 - (c) may permit or require the call to be paid by instalments
- 37 11 A member must comply with the requirements of a call notice, but no member is obliged to pay any call before 14 days have passed since the notice was sent
- 37 12 Before the Company has received any call due under a call notice the directors may
 - (a) revoke it wholly or in part, or
 - (b) specify a later time for payment than is specified in the notice,by a further notice in writing to the member in respect of whose Shares the call is made
- 37 13 Liability to pay a call is not extinguished or transferred by transferring the Shares in respect of which it is required to be paid
- 37 14 Joint holders of a Share are jointly and severally liable to pay all calls in respect of that Share
- 37 15 Subject to the terms on which Shares are allotted, the directors may, when issuing Shares, provide that call notices sent to the holders of those Shares may require them
 - (a) to pay calls which are not the same, or
 - (b) to pay calls at different times
- 37 16 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 (whether in respect of nominal value or premium)
 - (a) on allotment,
 - (b) on the occurrence of a particular event, or
 - (c) on a date fixed by or in accordance with the terms of issue
- 37 17 But if the due date for payment of such a sum has passed and it has not been paid, the holder of the Share concerned is treated in all respects as having failed to comply with a call notice

in respect of that sum, and is liable to the same consequences as regards the payment of interest and forfeiture

37 18 If a person is liable to pay a call and fails to do so by the call payment date

- (a) the directors may issue a notice of intended forfeiture to that person, and
- (b) until the call is paid, that person must pay the Company interest on the call from the call payment date at the relevant rate

37 19 For the purposes of this Article 37

the **call payment date** is the time when the call notice states that a call is payable, unless the directors give a notice specifying a later date, in which case the call payment date is that later date,

the **relevant rate** is

- (a) the rate fixed by the terms on which the Share in respect of which the call is due was allotted,
- (b) such other rate as was fixed in the call notice which required payment of the call, or has otherwise been determined by the directors, or
- (c) if no rate is fixed in either of these ways, 5 % per annum

37 20 The relevant rate must not exceed by more than 5 percentage points the base lending rate most recently set by the Monetary Policy Committee of the Bank of England in connection with its responsibilities under Part 2 of the Bank of England Act 1998(2)

37 21 The directors may waive any obligation to pay interest on a call wholly or in part

38 Forfeiture and surrender

38 1 A notice of intended forfeiture

- (a) may be sent in respect of any Share in respect of which a call has not been paid as required by a call notice,
- (b) must be sent to the holder of that Share or to a person entitled to it by reason of the holder's death, bankruptcy or otherwise,
- (c) must require payment of the call and any accrued interest by a date which is not less than 14 days after the date of the notice,
- (d) must state how the payment is to be made, and
- (e) must state that if the notice is not complied with, the Shares in respect of which the call is payable will be liable to be forfeited

38 2 If a notice of intended forfeiture is not complied with before the date by which payment of the call is required in the notice of intended forfeiture, the directors may decide that any Share in respect of which it was given is forfeited, and the forfeiture is to include all dividends or other moneys payable in respect of the forfeited Shares and not paid before the forfeiture

38 3 Subject to the Articles, the forfeiture of a Share extinguishes

- (a) all interests in that Share, and all claims and demands against the Company in respect of it, and
 - (b) all other rights and liabilities incidental to the Share as between the person whose Share it was prior to the forfeiture and the Company
- 38 4 Any Share which is forfeited in accordance with the Articles
- (a) is deemed to have been forfeited when the directors decide that it is forfeited,
 - (b) is deemed to be the property of the Company, and
 - (c) subject to Article 10 may be sold, re-allotted or otherwise disposed of as the directors think fit
- 38 5 If a person's Shares have been forfeited
- (a) the Company must send that person notice that forfeiture has occurred and record it in the register of members,
 - (b) that person ceases to be a member in respect of those Shares,
 - (c) that person must surrender the certificate for the Shares forfeited to the Company for cancellation,
 - (d) that person remains liable to the Company for all sums payable by that person under the Articles at the date of forfeiture in respect of those Shares, including any interest (whether accrued before or after the date of forfeiture), and
 - (e) the directors may waive payment of such sums wholly or in part or enforce payment without any allowance for the value of the Shares at the time of forfeiture or for any consideration received on their disposal
- 38 6 At any time before the Company disposes of a forfeited Share, the directors may decide to cancel the forfeiture on payment of all calls and interest due in respect of it and on such other terms as they think fit
- 38 7 If a forfeited Share is to be disposed of by being transferred, the Company may receive the consideration for the transfer and the directors may authorise any person to execute the instrument of transfer
- 38 8 A statutory declaration by a director that the declarant is a director and that a Share has been forfeited on a specified date
- (a) is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share, and
 - (b) subject to compliance with any other formalities of transfer required by the Articles or by law, constitutes a good title to the Share
- 38 9 A person to whom a forfeited Share is transferred is not bound to see to the application of the consideration (if any) nor is that person's title to the Share affected by any irregularity in or invalidity of the process leading to the forfeiture or transfer of the Share

38 10 If the Company sells a forfeited Share, the person who held it prior to its forfeiture is entitled to receive from the Company the proceeds of such sale, net of any commission, and excluding any amount which

(a) was, or would have become, payable, and

(b) had not, when that Share was forfeited, been paid by that person in respect of that Share,

but no interest is payable to such a person in respect of such proceeds and the Company is not required to account for any money earned on them

38 11 A member may surrender any Share

(a) in respect of which the directors may issue a notice of intended forfeiture,

(b) which the directors may forfeit, or

(c) which has been forfeited

38 12 The directors may accept the surrender of any such Share

38 13 The effect of surrender on a Share is the same as the effect of forfeiture on that Share

38 14 A Share which has been surrendered may be dealt with in the same way as a Share which has been forfeited

39 Miscellaneous amendments to Model Articles

39 1 The words "make any rule" in regulation 16 shall be deleted and substituted with the words "make, vary, relax or repeal any rule"

39 2 In regulation 18(f), the words "as a director" shall be included after the words "the director is resigning"

39 3 Regulation 19(3) shall be amended by the deletion of the word "and" at the end of regulation 19(3)(a)

39 4 Regulation 20 shall be amended by the insertion of the words "(including alternate directors) and the secretary" before the words "properly incur"

39 5 In regulation 24(2)(c), the words "that the Shares are fully paid" shall be substituted with the words "the amounts paid up on them"

39 6 In regulation 25(2)(c), the words "payment of a reasonable fee as the directors decide" shall be substituted with the words "payment of reasonable expenses"

39 7 Regulation 29 shall be amended by the insertion of the words ", or the name of any person nominated under regulation 27(2)," after the words "the transmittee's name"