

Company number: 08807430

**PRIVATE COMPANY LIMITED BY SHARES**  
**WRITTEN RESOLUTIONS**  
**of**  
**ENSCO 1032 LIMITED**  
**Circulation date:**

In accordance with the provisions of Chapter 2 of Part 13 Companies Act 2006, the following resolution is proposed as special resolutions of the Company

**THAT** the articles of association of the Company be and are hereby amended as per the amendments shown as tracked changes on the copy attached to this resolution and initialled for the purposes of identification only by a director of the Company

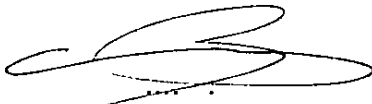
The persons named below, being all the persons eligible to vote on the above resolutions on the circulation date, irrevocably agree to that resolution



Mark Castle



John Biswell



Oliver Beaton



Edward Beaton



Oliver Beaton as director of Secura Hosting Trustee Limited



Edward Beaton as director of Secura Hosting Trustee Limited

TUESDAY



A05 25/11/2014 #320  
COMPANIES HOUSE

Date ☒ 10 NOVEMBER 2014

#### NOTE

1 <sup>a</sup>If you agree with the resolutions, please sign and date this document and return it to the Company using one of the following methods

- **By hand** delivering the signed copy to [name and address]
- **Post** returning the signed copy by post to [name and address]
- **[Fax:** faxing the signed copy to [fax number] marked "For the attention of [name]" ]
- **[E-mail** by attaching a scanned copy of the signed document to an e-mail and sending it to [e-mail address] Please enter "Written resolution dated [circulation date]" in the e-mail subject box ]

If you do not agree with the resolutions, you do not need to do anything you will not be deemed to agree if you fail to reply

2 Once you have indicated your agreement to the resolutions, you may not revoke your agreement

3 The resolutions set out above will lapse if the required majority of eligible members have not signified their agreement to them by the end of the period of 28 days beginning with the circulation date set out above. If you agree to the resolutions, please ensure that your agreement reaches us before that date

4 In the case of joint holders of shares, only the vote of the senior holder who votes will be counted by the Company. Seniority is determined by the order in which the names of the joint holders appear in the register of members

5 If you are signing this document on behalf of a person under a power of attorney or other authority please send a copy of the relevant power of attorney or authority when returning this document

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<sup>a</sup> Although the resolution will be signed and passed immediately, section 293(4) CA2006 requires the written resolution to include this information

**DATED**

**2014**

**ENSCO 1032 LIMITED**  
**(company number 08807430)**

**ARTICLES OF ASSOCIATION**

**adopted on                      2014**

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Company number: 08807430

**PRIVATE COMPANY LIMITED BY SHARES  
ARTICLES OF ASSOCIATION OF**

**ENSCO 1032 LIMITED**

**1 DEFINITIONS AND INTERPRETATION**

1.1 In these Articles the following definitions will apply

**Accounting Period**

an accounting period in respect of which the Company prepares its accounts in accordance with the relevant provisions of the Act,

**acting in concert**

has the meaning set out in the City Code on Takeovers and Mergers in force for the time being,

**Acquisition Documents**

the agreement dated on the Adoption Date relating to the acquisition by the Company of the entire share capital of the business and assets of Secura Hosting Limited and any other document entered into or to be entered into pursuant to the terms of that agreement,

**Act**

the Companies Act 2006,

**A Shares**

the A Ordinary Shares of £1.00 each in the capital of the Company having the rights and being subject to the restrictions set out in these Articles,

**Adoption Date**

the date of the adoption of these Articles by the Company,

**Asset Sale**

the disposal by any one or more Group Companies of assets (whether together with associated liabilities or otherwise and as part of an undertaking or otherwise) which represent 50% or more (by book value) of the consolidated gross tangible assets of the that Group Company at that time,

**Auditors**

the accountants or auditors of the Company for the time being,

**Bad Leaver**

means

- (a) in respect of a Member holding B Shares where that Member ceases to be an employee or director of, or a consultant to, a Group Company in the circumstances set out in article 12.1.8 as a result of the voluntary resignation of that Member within 1 year of the Adoption Date (other than for a reason set out in the definition of Good Leaver), and
- (b) in respect of a Member holding A Shares where that Member ceases to be an employee or director of, or a consultant to, a Group Company in the circumstances set out in article 12.1.8 as a result of the voluntary resignation of that Member (other than for a reason set out in the definition of Good Leaver)

**B Shares**

the B Ordinary Shares of £1 00 each in the capital of the Company having the rights and being subject to the restrictions set out in these Articles,

**Budget**

the annual operating budget of the Group delivered to the holders of the A Ordinary Shares pursuant to the Investment Agreement,

**Business Plan**

The business plan of the Group delivered to the holders of the A Ordinary Shares pursuant to the Investment Agreement,

**Business Day**

any day (other than a Saturday, Sunday or public holiday) during which clearing banks in the City of London are open for normal business,

**Change of Control**

the acquisition (by any means) by a Third Party Purchaser of any interest in any Shares if, upon completion of that acquisition, the Third Party Purchaser together with any person connected with or acting in concert with that Third Party Purchaser (other than any such person who was a party to the Investment Agreement on the Adoption Date) would be entitled to exercise more than 50% of the total voting rights normally exercisable at any general meeting of the Company,

**Compulsory Transfer Notice**

has the meaning given in article 12 2,

**Compulsory Transfer Shares**

in relation to a Relevant Member, any Equity Shares

- (a) held by the Relevant Member at the time of the relevant Transfer Event,
- (b) held at the time of the relevant Transfer Event by any Family Member or Family Trust of the Relevant Member (which Shares were acquired by that Family Member or Family Trust directly or indirectly from the Relevant Member), and
- (c) acquired by the Relevant Member, his Family Members, Family Trusts and/or personal representatives after the occurrence of the Transfer Event pursuant to any Share Option Scheme or any other scheme or arrangement entered into prior to the Transfer Event,

together with, in any case, any further Equity Shares received by any person referred to in paragraphs (a), (b) or (c) above at any time after the relevant Transfer Event which are derived from any such Equity Shares, whether by conversion, consolidation or sub-division, or by way of capitalisation, rights or bonus issue or otherwise,

**Deferred Shares**

a deferred shares of £1 00 in the capital of the Company having the rights and being subject to the restrictions set out in these Articles,

**Director**

a duly appointed director of the Company for the time being,

**EBITDA**

means the earnings before interest tax depreciation and amortisation less liabilities,

**Eligible Director**

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

and references to eligible directors in article 8 of the Model Articles shall be construed accordingly,

**Encumbrance**

any mortgage, charge (fixed or floating), pledge, lien, option, hypothecation, restriction, right to acquire, right of pre-emption or interest (legal or equitable) including any assignment by way of security, reservation of title, guarantee, trust, right of set off or other third party right or any other encumbrance or security interest having a similar effect howsoever arising,

**Equity Shares**

the A Shares and the B Shares in issue from time to time (including all Shares in issue which are derived from any of them whether by conversion, consolidation or sub-division or by way of capitalisation, rights or bonus issue or otherwise),

**Expert**

the expert identified and engaged in accordance with article 27,

**Fair Value**

shall mean 5 x EBITDA of the Group for the 12 month period as shown in the last set of Accounts as have at the Relevant Date been approved by the Directors,

**Family Member**

in relation to any Member, the spouse or civil partner of that Member and their children (including step and adopted children) for the time being,

**Family Trust**

a trust under which the only persons being (or capable of being) beneficiaries are

- (a) the settlor (being a Member), and/or
- (b) the Family Members of that settlor, and,
- (c) any charity or charities as default beneficiaries (meaning that such charity or charities have no immediate beneficial interest in any of the settled property or the income from that property when the trust is created but may become so interested if there are no other beneficiaries for the time being except other charities),

and under which no power of control over the voting powers conferred by any Share is exercisable at any time by, or subject to the consent of, any person other than the trustees, the settlor or the Family Members of that settlor For the purposes of this definition

- (i) **settlor** shall include a testator or an intestate in relation to a Family Trust arising under a testamentary disposition or an intestacy of a deceased Member (as the case may be), and
- (ii) **Family Member** shall include the widow or widower of the settlor or the surviving civil partner of such settlor at the date of his death,

**Good Leaver**

a Member who ceases to be an employee or director of, or a consultant to, a Group Company in the circumstances set out in article 12 1 8 as a result of

- (a) the death of that Member,
- (b) disability or incapacity through ill health (other than where such ill health arises from the abuse of alcohol or drugs) where the Investor Director (acting reasonably) considers such ill health is preventing, or is likely to prevent, the Member from performing his normal duties,

- (c) the sale or disposal of the Group Company (or the business of the Group Company) by which he is engaged or employed,
- (d) the Member being made redundant by a Group Company,
- (e) the termination of that Member's employment by a Group Company or
- (f) any other reason which is not within the definition of Bad Leaver

**Group**

the Company and its subsidiaries for the time being and references to a Group Company shall be construed accordingly,

**Investment Agreement**

the agreement dated on the Adoption Date and made between the Company and the Members on that date,

**Investors**

the holders for the time being of the A Ordinary Shares (including any additional or replacement Investor who is joined as an Investor in a deed of adherence to, and in the form required by, the Investment Agreement),

**Investor Director**

a Director appointed pursuant to article 17 1 1,

**Investor Majority**

the holder(s) for the time being of more than 50% of the A Ordinary Shares,

**Issue Price**

in relation to any Share, the amount paid up or credited as paid up on such Share, including the full amount of any premium at which such Share was issued provided that in respect of any subscriber share such share shall for all purposes have a deemed Issue Price of £5000,

**Listing**

either

- (a) the admission of all or any part of the Equity Shares to listing on the Official List of the United Kingdom Listing Authority and to trading on the London Stock Exchange's market for listed securities,
- (b) the admission of all or any part of the Equity Shares to trading on AIM, a market operated by London Stock Exchange, or
- (c) the admission of all or any part of the Equity Shares to listing and/or trading on any other Recognised Investment Exchange,

and, in any such case, such admission becoming unconditionally effective,

**Listing Shares**

the equity share capital (as defined in section 548 of the Act) of the Company (excluding any such equity share capital to be subscribed and issued on the relevant 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),

**Loan Agreement**

the loan agreement made between the Company the Investors on the Adoption Date,

**London Stock Exchange**

London Stock Exchange plc,



**Member**

a registered holder of a Share from time to time, as recorded in the register of members of the Company,

**Model Articles**

the model articles for private companies limited by shares contained in schedule 1 Companies (Model Articles) Regulations 2008 as amended prior to, and in force as at, the Adoption Date,

**Ordinary Share**

an ordinary share of £1 00 in the capital of the Company having the rights and being subject to the restrictions set out in these Articles,

**Preference Share**

a redeemable preference share of £1 00 in the capital of the Company having the rights and being subject to the restrictions set out in these Articles,

**Realisation**

a Share Sale or a Listing,

**Realisation Date**

means

- (a) in respect of a Listing, the date on which dealings in the Company's shares are permitted to commence, and
- (b) in respect of a Share Sale or an Asset Sale, the date of receipt from the buyer(s) of the consideration first payable on completion of that Share Sale or Asset Sale,

**Recognised Investment Exchange**

has the meaning given in section 285(1) Financial Services and Markets Act 2000,

**Redemption Date**

a date on which a Preference Share is due for redemption in accordance with articles 5 1,

**Relevant Member**

a Member in respect of whom the Investor Director has notified the Company that an event shall be treated as a Transfer Event in accordance with article 12 1,

**Relevant Date**

the date of service or deemed service of a Transfer Notice (including a Compulsory Transfer Notice),

**Relevant Securities**

any Shares, or any right to subscribe for or convert any securities into any Shares,

**Shares**

any shares of any class in the capital of the Company,

**Share Sale**

the transfer of any interest in any Shares (whether by one transaction or a series of transactions), other than a transfer in accordance with article 10 1, which results in a Change of Control,

**Subsidiary**

Secura Hosting Limited,

**Third Party Purchaser**

any person being a bona fides third party purchasing for full value who makes an offer to buy Shares,

**Transfer Event**

each of the events set out in article 12 1, and

**Transfer Notice**

a notice in accordance with article 11 that a Member wishes to transfer his Shares

1 2 These Articles and the provisions of the Model Articles (subject to any modifications set out  
in these Articles) shall constitute all the articles of association of the Company

1 3 In these Articles a reference to

1 3 1 a statutory provision includes a reference to the statutory provision as replaced,  
modified or re-enacted from time to time before or after the Adoption Date and  
any subordinate legislation made under the statutory provision before or after  
the Adoption Date,

1 3 2 a "subsidiary" shall include a reference to a "subsidiary" and a "subsidiary  
undertaking" (each as defined in the Act) and a reference to a "holding  
company" shall include a reference to a "holding company" and a "parent  
undertaking" (each as defined in the Act),

1 3 3 a person includes a reference to an individual, body corporate, association,  
government, state, agency of state or any undertaking (whether or not having a  
legal personality and irrespective of the jurisdiction in or under the law of which  
it was incorporated or exists),

1 3 4 writing includes any mode of reproducing words in a legible and non-transitory  
form other than email and fax,

1 3 5 "these Articles" is to these articles of association (including the provisions of the  
Model Articles incorporated in them), and a reference to an article is to an  
article of these Articles, in each case as amended from time to time in  
accordance with the terms of these Articles and the Act, and

1 3 6 any agreement or document is to that agreement or document as in force for  
the time being and as amended from time to time in accordance with the terms  
of that agreement or document or with the agreement of all the relevant parties

1 4 All consents or approvals to be given by an Investor Majority or Investor Director in respect  
of any provision of these Articles must be given in writing

1 5 The contents table and headings in these Articles are for convenience only and do not affect  
the interpretation or construction of these Articles

1 6 Words importing the singular include the plural and vice versa and words importing a gender  
include every gender

1 7 The words "other", "include", "including" and "in particular" do not limit the generality of any  
preceding words and any words which follow them shall not be construed as being limited in  
scope to the same class as the preceding words where a wider construction is possible

1 8 Any question as to whether a person is connected with another shall be determined in  
accordance with section 1122 Corporation Tax Act 2010 (except that in construing  
section 1122 "control" has the meaning given by section 1124 or section 450 of that Act so  
that there is control whenever section 1124 or 450 requires) which shall apply in relation to  
these Articles as it applies in relation to that Act

1 9 These Articles shall be binding on and shall survive for the benefit of the personal  
representatives and successors-in-title of each party

**2 DIVIDENDS**

2 1 Subject to article 7 1, any profits which the Company, on the recommendation of the  
Directors determine to distribute in respect of any Accounting Period shall be applied on a  
non-cumulative basis between the holders of such class of Share as the Directors with the  
consent of the holders of the B Shares may determine from time to time Any such dividend  
shall be distributed amongst the holders of the relevant class of Shares on a pro rata basis

according to the number of such Shares held by the members of that class or classes of Shares

- 2 2 No dividends shall be declared in circumstances where the Directors recommend that no dividends should be declared nor shall any dividend be declared which exceeds the amount recommended by the Directors with the consent of the Investor Director

3 **RETURN OF CAPITAL ON A LIQUIDATION OR WINDING UP**

- 3 1 On a return of capital on a liquidation or winding up, any surplus assets of the Company remaining after the payment of its liabilities shall be distributed amongst the Shareholders in the following order

Order	Class of Share	Amount
1	Preference Shares	the Issue Price per Share
2	A Shares, B Shares and Deferred Shares	the Issue Price per Share
3	A Shares, B Shares and Preference Shares	any remaining balance shall be distributed amongst the holders of the A Shares, the B Shares and the Preference Shares pro-rata to the number of shares held by each of them respectively, as if such Shares constituted one class of share

- 3 2 Where the surplus assets available for distribution to any particular class of share in accordance with article 3 1 is less than the total amount specified to be distributed to that class in that article, the available assets shall be distributed amongst the holders of Shares of that class pro rata according to the number of Shares of the relevant class held by each of them respectively

4 **RETURN OF CAPITAL IN CIRCUMSTANCES BESIDES A LIQUIDATION OR WINDING UP**

- 4 1 On a return of capital, whether on a capital reduction or otherwise (but excluding a purchase of own shares, liquidation or winding up), any surplus assets of the Company remaining after the payment of its liabilities shall be distributed amongst the Shareholders in the following order

Order	Class of Share	Amount
1	Preference Shares	the Issue Price per Share
2	A Shares and B Shares	the Issue Price per Share
3	A Shares, B Shares and Preference Shares	any remaining balance up to £1,000,000,000 shall be distributed amongst the holders of the A Shares, the B Shares and the Preference Shares pro-rata to the number of shares held by each of them respectively, as if such Shares constituted one class of share
4	Deferred Shares	the Issue Price per Share

5	A Shares, B Shares and Preference Shares	any remaining balance shall be distributed amongst the holders of the A Shares, the B Shares and the Preference Shares pro-rata to the number of shares held by each of them respectively, as if such Shares constituted one class of share
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- 4 2 Where the surplus assets available for distribution to any particular class of share in accordance with article 3 1 is less than the total amount specified to be distributed to that class in that article, the available assets shall be distributed amongst the holders of Shares of that class pro rata according to the number of Shares of the relevant class held by each of them respectively

## 5 REDEMPTION OF PREFERENCE SHARES

- 5 1 Subject to the repayment of the Company liability under the Loan Agreement and the Company's other liabilities, the Company shall redeem all the Preference Shares then in issue

5 1 1 immediately prior to the occurrence of a Realisation unless such Realisation is a Share Sale and the holders of all the Preference Shares give notice to the Company that they have accepted an offer in respect of their Preference Shares in connection with that Share Sale, or

5 1 2 upon the direction of the Board with the consent of the Investor Director

- 5 2 Subject to the Company's right of set-off under the Acquisition Agreement (which shall act to reduce the amount the Company repays to the holders of the Preference Shares under this clause 4 2 by a corresponding amount) the Company shall pay on each Preference Share redeemed an amount equal to the Issue Price of such Preference Share

- 5 3 Where the Company is prohibited by the Act from redeeming some or all of the Preference Shares falling due for redemption on a particular Redemption Date, then

5 3 1 the Company shall, on that Redemption Date, redeem the maximum number (if any) of Preference Shares which can then lawfully be redeemed by the Company,

5 3 2 as soon as the Company is no longer precluded from doing so, the Company shall redeem the maximum number of Preference Shares which can lawfully be redeemed by the Company from time to time,

5 3 3 unless -

4 3 3 1 it is agreed by the holder that the Preference Shares will be redeemed immediately on or following a Realisation, or

4 3 3 2 the Realisation occurs at a time when the Company is insolvent,

4 3 3 3 or the proceeds payable to the Company on a Realisation and the reserves of the Company immediately following a Realisation would be insufficient to redeem in full the Preference Share at that time in issue but the holders of the Preference Shares agree that the Realisation may proceed

then the Realisation shall be delayed until the Company can lawfully redeem all of the Preference Shares

- 5 4 On the Redemption Date

5 4 1 the amount due to each holder of Preference Shares shall (to the extent that it does not already constitute the same) become a debt due and payable by the Company with effect from the relevant Redemption Date or, if such debt cannot lawfully arise on that date, as soon after that date as such debt can lawfully arise,

- 5 4 2 each registered holder of Preference Shares to be redeemed shall deliver to the Company at its registered office the share certificate(s) for such Preference Shares (or an indemnity for any missing certificate in a form reasonably acceptable to the Directors,
- 5 4 3 upon receipt of the relevant share certificate (or indemnity as the case may be) the Company shall pay to each registered holder of Preference Shares to be redeemed (or, in the case of joint holders, to the holder whose name stands first in the register of Members in respect of such Preference Shares) the amount due to him in respect of such redemption in accordance with article 5 2 and the receipt of such Member shall constitute an absolute discharge to the Company in respect of such amount,
- 5 4 4 the Company shall issue a new share certificate in respect of any unredeemed Preference Shares comprised in the certificate delivered to it, and
- 5 4 5 a redemption of some but not all of the Preference Shares shall be made amongst the holders of the Preference Shares pro rata to the number of Preference Shares held by each of them respectively (as nearly as may be without involving fractions and the allocation of any fractional entitlements which would otherwise arise shall be dealt with by the holders of the Preference Shares in such manner as they see fit).

## **6 VOTING**

- 6 1 The holders of the Preference Shares shall be entitled to receive notice of, and to attend and speak at, any general meeting of the Company but shall not be entitled to vote at any such meeting or on a written resolution
- 6 2 Subject to article 6 1 and the provisions of the Act, at a general meeting of the Company on a show of hands every Shareholder who (being an individual) is present in person or by proxy, or (being a corporation) is present by a representative duly authorised under section 323 of the Act, shall have one vote and on a poll every Shareholder present in person, by representative or by proxy shall have one vote for every Share of which it is the holder. On a written resolution every Shareholder shall have one vote

## **7 VARIATION OF CLASS RIGHTS**

- 7 1 Without prejudice to the generality of their rights, the special rights attaching to the A Shares shall be deemed to be varied at any time by any of the following occurring without class consent
  - 7 1 1 any variation to the share capital of the Company or any Group Company (other than a wholly owned subsidiary) or the rights attaching to any of the Shares, or the creation, allotment, issue or redemption of any shares or securities or the grant of or agreement to grant any option or right to require the allotment or issue of, or subscribe for, or convert any instrument into any share or securities of the Company or any Group Company or cancelling or accepting the surrender of any such right to subscribe or convert, other than the redemption of any Preference Share in accordance with article 4 2,
  - 7 1 2 any alteration to the constitution (as defined in section 17 of the Act) of any Group Company (other than a wholly owned subsidiary),
  - 7 1 3 instituting any proceedings or taking any steps in relation to or in preparation for the winding up, administration or dissolution of, or the appointment of an administrator, administrative receiver, receiver or manager in respect of, any Group Company or any of the assets or undertaking of any Group Company,
  - 7 1 4 the declaration or payment of any distribution or return of a capital or income nature to any person,
  - 7 1 5 the capitalisation of any undistributed profits (whether or not such profits are available for distribution and including profits standing to the credit of any reserve) or any sums standing to the credit of the share premium account or capital redemption reserve fund of any Group Company,

- 7 1 6 the creation, variation or extension by a Group Company of any Encumbrance (other than any interest arising by operation of law in the normal and ordinary course of business or retention of title in the normal and ordinary course of trading),
- 7 1 7 the appointment or removal of any director of any Group Company (other than an Investor Director or the chairman in accordance with article 17 1 or 17 3),
- 7 1 8 the appointment or removal of the auditors of any Group Company (other than a deemed reappointment in accordance with section 487(2) of the Act),
- 7 1 9 a Realisation or an Asset Sale,
- 7 1 10 the acquisition (by any means) by any Group Company of any shares (or any interest in any shares) in the capital of any company or the whole or any part (or any interest in any part) of the business and assets of any other person,
- 7 1 11 the disposal (by any means) by any Group Company of any shares (or any interest in any shares) in the capital of any Group Company, or the admission to trading on London Stock Exchange (or any other Recognised Investment Exchange) of any of the issued share capital of any Group Company (other than the Company),
- 7 1 12 the making of any material change (including cessation) in the nature of the business of the Group,
- 7 1 13 the convening of a general meeting, or the circulating of a written resolution, to effect or approve any matter which would, by virtue of this article 7 1, constitute a variation of the rights attached to the A Shares,
- 7 1 14 the registration or purported registration of a transfer of any interest in any Shares other than as permitted by these Articles, or
- 7 1 15 any Group Company incurring or agreeing to incur an obligation to do any of the matters set out above in this article 7 1

## 8 ISSUE OF SHARES

- 8 1 Subject to articles 8 3 to 8 8 the Directors are generally and unconditionally authorised for the purposes of section 551 of the Act to exercise any power of the Company to allot Relevant Securities The authority granted under this article 8 1 shall
  - 8 1 1 be limited to a maximum amount in nominal value of £200,100,
  - 8 1 2 only apply in so far as it is not renewed, waived or revoked by ordinary resolution of the holders of Equity Shares, and
  - 8 1 3 expire on the day immediately preceding the fifth anniversary of the Adoption Date, provided that the Directors may allot Relevant Securities after the expiry of such period in pursuance of an offer or agreement to do so made by the Company within such period
- 8 3 Subject to article 8 1, Unless all the Members holding Equity Shares agree otherwise no Relevant Securities shall be allotted, granted or otherwise disposed of, above the maximum stated in article 8 1 1, without the consent of all the Members holding Equity Shares In the event that consent of all the Members holding Equity Shares is obtained an offer shall be made by means of a notice (a **Subscription Notice**) served by the Directors on all Members holding Equity Shares which shall
  - 8 3 1 state the number and class of Relevant Securities offered,
  - 8 3 2 state the subscription price per Relevant Security, which shall be determined by the Directors with the consent of the Investor Director,
  - 8 3 3 invite the relevant offerees to respond in writing to the Company stating the number of Relevant Securities for which they wish to subscribe, and
  - 8 3 4 expire, and the offer made in that notice to an offeree shall be deemed to be withdrawn if not previously accepted by such offeree, on the date specified

therein, being not less than 10 nor more than 20 Business Days after the date of the Subscription Notice

- 8 4 After the expiry of the period referred to in the Subscription Notice or, if sooner, upon all Members holding Equity Shares having responded to the Subscription Notice (in either case, the **Subscription Allocation Date**), the Directors shall allocate the Relevant Securities in accordance with the applications received provided that
- 8 4 1 no Relevant Securities shall be allocated to any Member who, at the Subscription Allocation Date, is bound to give, or has given or is deemed to have given, a Transfer Notice in respect of any Shares registered in his name (including, for the avoidance of doubt, a Compulsory Transfer Notice),
- 8 4 2 if there are applications for more than the number of Relevant Securities available, the Relevant Securities shall be allocated to the relevant applicants in proportion (as nearly as practicable but without allocating to any applicant more Relevant Securities than he applied for) to the number of Equity Shares held by each of them respectively, and
- 8 4 3 the allocation of any fractional entitlements to Relevant Securities amongst the Members shall be dealt with by the Directors, with the consent of the Investor Director, in such manner as they see fit
- 8 5 Within 5 Business Days of the Subscription Allocation Date the Directors shall give notice in writing (a **Subscription Allocation Notice**) to each Member to whom Relevant Securities have been allocated pursuant to article 8 4 (each a **Subscriber**) A Subscription Allocation Notice shall state
- 8 5 1 the number and class of Relevant Securities allocated to that Subscriber,
- 8 5 2 the aggregate subscription price payable by the Subscriber in respect of the Relevant Securities allocated to him, and
- 8 5 3 the place, date and time (being not less than 5 nor more than 10 Business Days after the date of the Subscription Allocation Notice) at which completion of the subscription for the Relevant Securities shall take place
- 8 6 Completion of a subscription for Relevant Securities pursuant to a Subscription Allocation Notice shall take place at the place, date and time specified in the Subscription Allocation Notice when the Subscriber will pay the relevant subscription monies to the Company in cleared funds and the Company will allot or grant the Relevant Securities to that Subscriber and deliver to that Subscriber a duly executed share certificate or certificate of grant (as the case may be) in respect of those Relevant Securities If a Subscriber shall fail for any reason to pay the relevant subscription monies in respect of any Relevant Securities to the Company in cleared funds by the date specified in the Subscription Allocation Notice he shall
- 8 6 1 be deemed to have declined the offer made to him in respect of those Relevant Securities which shall immediately be deemed to be released from the provisions of articles 8 3 to 8 5, and
- 8 6 2 indemnify the Company against all costs, claims and expenses which the Company may suffer or incur as a result of such failure
- 8 7 Any Relevant Securities which are not accepted pursuant to articles 8 3 to 8 5, and any Relevant Securities released from the provisions of those articles either by virtue of a Subscriber's default in accordance with article 8 6 or by virtue of the agreement of the Investor Director, may be offered by the Directors to a third party approved by the Investor Director and such Relevant Securities shall, subject to the provisions of the Act and article 7 1, be at the disposal of the Directors who may allot, grant or otherwise dispose of them to such persons at such times and generally on such terms and conditions as they think fit with the approval of the Investor Director, provided that
- 8 7 1 no Share shall be issued at a discount,

- 8 7 2 no Relevant Securities shall be allotted, granted or otherwise disposed of on terms which are more favourable than those on which they were offered to the Members pursuant to article 8 3, and
- 8 7 3 no Relevant Securities shall be allotted, granted or otherwise disposed of more than 3 months after the date of the relevant Subscription Notice relating to those Relevant Securities (or, in the case of Relevant Securities released from the provisions of articles 8 3 to 8 5 by virtue of the agreement of the Investor Director, the date of such agreement being given) unless the procedure in articles 8 3 to 8 5 is repeated in relation to that Relevant Security
- 8 8 In accordance with section 567(1) of the Act, sections 561 and 562 of the Act shall not apply to the Company
- 8 9 Notwithstanding any other provision of these Articles, no Share shall be allotted to a person who is not already a party to the Investment Agreement unless that person has entered into a deed of adherence to, and in the form required by, the Investment Agreement
- 8 10 Where any Equity Share is issued to an existing Member holding Equity Shares, such new Equity Share shall, unless the Investor Director directs otherwise, on and from the time of registration of the allotment of that share in the register of members of the Company, be immediately and automatically (without resolution of the Members or Directors) redesignated as a Share of the same class as the Equity Shares already held by such Member
- 9 TRANSFER OF SHARES – GENERAL**
- 9 1 Notwithstanding any other provision of these Articles, the Directors shall not register a transfer of any interest in a Share
- 9 1 1 if it is to a minor, undischarged bankrupt, trustee in bankruptcy or person who (in the opinion of the Investor Director (acting reasonably) is of unsound mind), or
- 9 1 2 unless
- (a) the transfer is permitted by article 10, or
- (b) the transfer is made in accordance with article 11, 12, 13 or 14,
- and in either case (other than in respect of a transfer to a Third Party Purchaser under article 13 or 14) the transferee, if not already a party to the Investment Agreement, has entered into a deed of adherence to, and in the form required by, the Investment Agreement
- 9 2 The Directors may only refuse to register a transfer of Shares which is either permitted under article 10 or made in accordance with articles 11, 12, 13 or 14 if
- 9 2 1 the transfer has not been lodged at the Company's registered office (or such other place as the Directors may nominate for this purpose),
- 9 2 2 the transfer is not accompanied by the certificate for the Shares to which it relates (or an indemnity for a lost, stolen or damaged certificate in such form as is reasonably required by the Investor Director) and such other evidence (if any) as the Investor Director may reasonably require to show the right of the transferor to make the transfer,
- 9 2 3 the transfer is in respect of more than one class of Shares,
- 9 2 4 the transfer is in favour of more than four transferees, or
- 9 2 5 the transfer has not been properly stamped or certified as being not liable to stamp duty
- In all other cases, unless the Investor Director directs otherwise, the Directors must register such a transfer of Shares Article 26(5) of the Model Articles shall not apply to the Company
- 9 3 For the purposes of ensuring that
- 9 3 1 a transfer of any Share is in accordance with these Articles,



- 9 3 2 no circumstances have arisen whereby a Member is required to give or may be deemed to have given a Transfer Notice in respect of any Share, or
- 9 3 3 no circumstances have arisen whereby the provisions of article 14 are required to be or ought to have been triggered,

the Directors may from time to time (and shall, if so requested to do by the Investor Director) require any Member to provide, or to procure that any person named as the transferee in any transfer lodged for registration or any other person whom the Directors or the Investor Director reasonably believes to have information relevant to such purpose provides, such information and evidence as the Investor Director may require for such purpose. Pending such information or evidence being provided, the Directors are entitled (and shall, if so requested to do by the Investor Director) to refuse to register any relevant transfer of Shares.

- 9 4 If any information or evidence provided pursuant to article 9 3 discloses to the reasonable satisfaction of the Directors that circumstances have arisen whereby a Member may be required to give or be deemed to have given a Transfer Notice the Directors may (and shall, if so requested to do so by the Investor Director) by notice in writing to the relevant Member require that a Transfer Notice be given in respect of the Shares concerned.
- 9 5 In any case where a Member is required to give a Transfer Notice in accordance with the provisions of these Articles and such Transfer Notice is not duly given within a period of 5 Business Days of written notice from the Directors to the relevant Member requesting that such Transfer Notice be duly given, such Transfer Notice shall be deemed to have been given immediately upon the expiry of that period of 5 Business Days. Notwithstanding any other provision of these Articles, unless the Investor Director directs otherwise, any Shares which are the subject of a Transfer Notice deemed to have been served in accordance with this article 9 5 (and any Shares received after the date of service, or deemed service, of any such Transfer Notice which are derived from any Share which is the subject of that Transfer Notice, whether by conversion, consolidation or sub-division, or by way of capitalisation, rights or bonus issue or otherwise) shall with effect from the date of the relevant deemed Transfer Notice (or, if later, the date on which such Shares are issued), cease to confer upon the holder of such shares any right to receive notice of, or attend, speak or vote at, any general meeting of the Company (or at any meeting of the holders of any class of Shares) or any right to receive or vote on any written resolution of the Company (or the holders of any class of Shares) until such time as another person is entered in the register of members of the Company as the holder of those Shares.
- 9 6 Notwithstanding any other provision of these Articles, an obligation to transfer a Share under these Articles shall be deemed to be an obligation to transfer the entire legal and beneficial interest in such Share free from any Encumbrance.
- 9 7 Where any Shares are the subject of a Transfer Notice (including a Compulsory Transfer Notice deemed to have been given in accordance with article 12 2), no transfer of any such Shares shall be permitted pursuant to article 10.
- 9 8 Where any Equity Share is transferred to an existing Member holding Equity Shares, such Equity Share shall, unless the Investor Director directs otherwise, on and from the time of registration of the transfer of that share in the register of members of the Company, be immediately and automatically (without resolution of the Members or Directors) redesignated as a Share of the same class as the Equity Shares already held by such Member.

## **10 PERMITTED TRANSFERS**

### **10 1 Transfer with consent**

Subject always to articles 12 and 13 any Shares may at any time be transferred with the prior consent of the Investor Director.

### **10 2 Transfer to a Family Member**

- 10 2 1 Subject to the consent of the Investor Director Any individual Member may at any time transfer any of the Shares held by him to one or more of his Family Members.

- 10 2 2 Where, following a transfer of Shares pursuant to article 10 2 1, the transferee of those Shares ceases for any reason to be a Family Member of the original transferor of those Shares or one of the events specified in articles 12 1 1 to 12 1 7 occurs in relation to the transferee, such transferee (or his trustee in bankruptcy, personal representatives, executors or attorney, as the case may be) shall within 20 Business Days of a written request so to do from the Directors or the Investor Director, transfer all the Shares held by them to the original transferor failing which the Directors may (and shall, if so requested to do by the Investor Director) at any time authorise and instruct any Director to execute a transfer of the Shares on behalf of the relevant transferee (or his trustee in bankruptcy, personal representatives, executors or attorney, as the case may be) and register the original transferor of those Shares as the holder of such Shares
- 10 2 3 A Family Member to whom Shares have been transferred pursuant to this article 11 4 may transfer those Shares back to the original transferor at any time but may not otherwise transfer such Shares pursuant to this article 10 2 or article 10 3
- 10 2 4 For the avoidance of doubt, the provisions of article 10 2 2 shall apply in priority to the provisions of article 12 in relation to a transfer of Shares required following the occurrence of one of the events in articles 12 1 1 to 12 1 7 in relation to a transferee
- 10 3 **Transfer to a Family Trust**
- 10 3 1 Subject to articles 10 3 2 and subject to the consent of the Investor Director, any individual Member may at any time transfer any of the Shares held by him to one or more trustees to be held on a Family Trust
- 10 3 2 No transfer of Shares shall be permitted pursuant to article 10 3 1 unless the Investor Director is satisfied
- (a) with the terms of the instrument constituting the Family Trust,
  - (b) with the identity of the proposed trustee(s) of the Family Trust, and
  - (c) that no costs incurred in the setting up or administration of the Family Trust are to be paid by any Group Company
- 10 3 3 Where any Shares are held by a trustee(s) on a Family Trust, those Shares may be transferred to
- (a) any new trustee(s) of the Family Trust appointed on a change in trustee(s),
  - (b) the settlor of such Family Trust,
  - (c) the trustees of another Family Trust which has the same settlor, or
  - (d) any Family Member of the settlor of such Family Trust on their becoming entitled to such Shares under the terms of the Family Trust
- 10 3 4 Where any Shares are held by a trustee(s) on a Family Trust and either
- (a) the relevant trust ceases to be a Family Trust in relation to the settlor, or
  - (b) there ceases to be any beneficiaries of the Family Trust other than charities,
- the trustee(s) shall forthwith, and in any event within 20 Business Days of the date on which the trust ceased to be such a Family Trust or there ceased to be any beneficiaries as above, transfer all the Shares held by them to the original transferor failing which the Directors may (and shall, if so requested to do by the Investor Director) at any time authorise and instruct any Director to execute a transfer of the Shares on behalf of the relevant transferee and register the original transferor of those Shares as the holder of such Shares

## 11 PRE-EMPTION ON TRANSFER OF SHARES

### 11 1 Transfer Notice

11 1 1 Except as permitted under article 10 (Permitted Transfers) or as provided for in articles 13 (Drag Along) and 14 (Tag Along), any Member (a **Seller**) who wishes to transfer any Share (or any interest in any Share) shall, before transferring or agreeing to transfer such Share (or interest), give notice in writing (a **Transfer Notice**) to the Company of his wish

11 1 2 Subject to article 11 1 3, a Transfer Notice shall

- (a) state the number and class of Shares (the **Sale Shares**) which the Seller wishes to transfer,
- (b) state the name of the person (if any) to whom the Seller wishes to transfer the Sale Shares,
- (c) state the price per Share (the **Proposed Price**) at which the Seller wishes to transfer the Sale Shares,
- (d) state if the Transfer Notice is conditional upon all (and not only part) of the Sale Shares being sold pursuant to this article 11 (a **Total Transfer Condition**),
- (e) relate to only one class of Share,
- (f) constitute the Company as the agent of the Seller in relation to the sale of the Sale Shares in accordance with this article 11, and
- (g) not be capable of variation or cancellation without the consent of the Investor Director

11 1 3 Where a Transfer Notice is one which is deemed to have been given by virtue of any provision of these Articles (including a Compulsory Transfer Notice deemed to have been served in accordance with article 12 2)

- (a) it shall relate to all the Shares registered in the name of the Seller,
- (b) it shall contain a Total Transfer Condition,
- (c) subject to article 12 3, the Transfer Price shall be such price as may be agreed between the Seller and the Directors, with the consent of the Investor Director, within 10 Business Days of the date of service (or deemed service) of the Transfer Notice or if either no price is agreed within such period or the Investor Director directs at any time during that period, the Fair Value determined in accordance with article 1,
- (d) it shall be irrevocable, and
- (e) subject to articles 8 4 and 11 6, the Seller may retain any Sale Shares for which Buyers (as defined in article 11 5 2) are not found

### 11 2 Transfer Price

11 2 1 The Sale Shares will be offered for sale in accordance with this article 11 at the following price (the **Transfer Price**)

- (a) subject to the consent of the Investor Director, the Proposed Price, or
- (b) such other price as may be agreed between the Seller and the Directors, with the consent of the Investor Director within 10 Business Days of the date of service (or deemed service) of the Transfer Notice, or
- (c) if no price is agreed pursuant to article (b) within the period specified in that article, or if the Investor Director directs at any time during that period, whichever is the lower of
  - (i) in the case of the Equity Shares, (i) the Proposed Price and (ii) the Fair Value, or

- (ii) in the case of the Preference Shares, (i) the Proposed Price and (ii) the Issue Price

**11 3 Board Invitees**

In these Articles, the expression **Board Invitee** shall mean any of

- 11 3 1 the Company (subject to compliance by the Company with the provisions of the Act), and/or
- 11 3 2 any person(s) (being a current or future employee, officer or member of a Group Company or any other person) nominated by the Investor Director,

as selected by the Directors with the consent of the Investor Director in the period of 3 month after the date on which the Transfer Price is agreed or determined in accordance with these Articles

**11 4 Offer Notice**

- 11 4 1 Subject to article 11 4 2, the Directors shall serve a notice (an **Offer Notice**) on all Members and any Board Invitees (as the case may be) to whom the Sale Shares are to be offered in accordance with these Articles as soon as reasonably practicable after (and in any event within 20 Business Days of) whichever is the first to occur of
- (a) the period prescribed in article 11 3 for the selection of Board Invitees having expired, or
  - (b) the identity of all Board Invitees having been determined with the consent of the Investor Director, or
  - (c) the Directors determining, with the consent of the Investor Director, that none of the Sale Shares are to be offered to a Board Invitee,
- or, if later, on the Transfer Price being agreed or determined in accordance with these Articles
- 11 4 2 An Offer Notice shall not be sent to, and no Sale Shares shall be treated as offered to, the Seller or any Member who, at the date of the Offer Notice, is bound to give, or has given or is deemed to have given, a Transfer Notice in respect of any Shares registered in his name
- 11 4 3 An Offer Notice shall
- (a) state the Transfer Price,
  - (b) contain the other relevant information set out in the Transfer Notice,
  - (c) invite the relevant offerees to respond in writing to the Company stating the number of Sale Shares which they wish to purchase, and
  - (d) expire, and the offer made in that Offer Notice shall be deemed to be withdrawn, on a date which is not less than 10 nor more than 20 Business Days after the date of the Offer Notice
- 11 4 4 For the purposes of allocating the Sale Shares amongst the Members and any Board Invitees, Sale Shares of a class specified in the first column of the table set out below will be treated as offered
- (a) firstly, to all persons in the category set out in the corresponding line in the second column in the table below,
  - (b) secondly, to the extent not already accepted by persons in the second column, to all persons in the category set out in the corresponding line in the third column in the table below, and
  - (c) thirdly, to the extent not already accepted by persons in the second or third columns, to all persons in the category set out in the corresponding line in the fourth column in the table below

<b>Class of Sale Shares</b>	<b>First offer to:</b>	<b>Second offer to:</b>	<b>Third offer to</b>
Preference Shares	Board Invitees	Members holding A Shares	Members holding B Shares
A Shares	Board Invitees	Members holding A Shares	Members holding B Ordinary Shares
B Shares	Board Invitees	Members holding A Shares	Members holding B Shares

## 11 5 Allocation of Sale Shares

11 5 1 After the expiry of the period specified in the Offer Notice or, if sooner, upon all Members holding shares of a class specified in a column in the table in article 11 4 4 having responded to the Offer Notice and the Company having received valid applications for all the Sale Shares (in either case the **Allocation Date**), the Directors shall allocate the Sale Shares in accordance with the applications received in the priorities and in respect of each class of persons set out in the table in article 11 4 4 provided that

- (a) if there are applications from any class of offerees for more than the number of Sale Shares available for that class, the Sale Shares shall be allocated to the relevant applicants in proportion (as nearly as practicable but without allocating to any applicant more Sale Share than he applied for) to the number of Shares of the class entitling them to receive such offer held by each of them respectively,
- (b) the allocation of any fractional entitlements to Sale Shares amongst the members of a particular class of Shares shall be dealt with by the Directors, with the consent of the Investor Director, in such manner as they see fit,
- (c) the allocation of Sale Shares between two or more Board Invitees shall be at the absolute discretion of the Directors, subject to the approval of the Investor Director, and
- (d) no Sale Shares shall be allocated to any Member who, at the Allocation Date, is bound to give, or has given or is deemed to have given, a Transfer Notice in respect of any Shares registered in his name

11 5 2 Within 5 Business Days of the Allocation Date the Directors shall give notice in writing (an **Allocation Notice**) to the Seller and each Member or Board Invitee to whom Sale Shares have been allocated pursuant to article 11 5 1 (each a **Buyer**) An Allocation Notice shall state

- (a) the number and class of Sale Shares allocated to that Buyer,
- (b) the name and address of the Buyer,
- (c) the aggregate purchase price payable by the Buyer in respect of the Sale Shares allocated to him,
- (d) the information (if any) required pursuant to article 11 5 4, and
- (e) subject to article 11 5 4, the place, date and time (being not less than 5 nor more than 10 Business Days after the date of the Allocation Notice) at which completion of the sale and purchase of the relevant Sale Shares shall take place

11 5 3 Subject to article 11 5 4, completion of a sale and purchase of Sale Shares pursuant to an Allocation Notice shall take place at the place, date and time specified in the Allocation Notice when the Seller will, upon payment of the

Transfer Price in respect of the Sale Shares allocated to a Buyer, transfer those Sale Shares, and deliver the relevant share certificate(s) in respect of such Sale Shares, to that Buyer

11 5 4 If the Transfer Notice contained a Total Transfer Condition and the total number of Shares applied for and allocated to the Buyers in accordance with article 11 5 1 is less than the total number of Sale Shares then

- (a) the Allocation Notice will refer to the Total Transfer Condition and will contain a further offer (the **Further Offer**) to the Buyers inviting them to apply for further Sale Shares at the Transfer Price,
- (b) the Further Offer shall expire, and shall be deemed to be withdrawn, upon the expiry of the period (being not more than 10 Business Days) specified in the Allocation Notice,
- (c) any Sale Shares accepted by the Buyers pursuant to the Further Offer shall be allocated amongst them in accordance with the provisions of articles 11 5 1(a) to (c), and
- (d) following the allocation of any Sale Shares amongst the Buyers in accordance with article (c), and provided all the Sale Shares have then been allocated, the Directors shall issue revised Allocation Notices in accordance with article 11 5 2 but omitting article 11 5 2(d) of that article

11 5 5 Subject to article 11 5 6, the service of an Allocation Notice (or a revised Allocation Notice in accordance with article 11 5 4) shall constitute the acceptance by a Buyer of the offer to purchase the number of Sale Shares specified in that Allocation Notice on the terms offered to that Buyer

11 5 6 If after following the procedure set out in this article 11 the total number of Shares applied for and allocated to the Buyers remains less than the total number of Sale Shares, then

- (a) if the Transfer Notice contained a Total Transfer Condition, then notwithstanding any other provision of this article 11 no Sale Shares shall be deemed to have been allocated to any Buyer and the Seller and the Buyers shall not be bound to sell or purchase any Sale Shares in accordance with this article 11, and
- (b) the Company shall notify the Seller that it has failed to find Buyers for all or some (as the case may be) of the Sale Shares within 10 Business Days of the expiration of the Offer Notice or shall be deemed to have done so

#### 11 6 **Default by the Seller**

11 6 1 If a Seller shall fail for any reason (including death) to transfer any Sale Shares to a Buyer when required by this article 11, the Directors may (and will if requested to do so by the Investor Director) authorise any Director to execute each necessary transfer of Sale Shares on the Seller's behalf and to deliver that transfer to the relevant Buyer

11 6 2 The Company may receive the purchase money from a Buyer on behalf of the Seller and shall then, subject to due stamping, enter the name of that Buyer in the register of members of the Company as the holder of the Sale Shares so transferred to him. The receipt of the Company for the purchase money shall constitute a good discharge to the Buyer (who shall not be bound to see to the application of it) and after the Buyer has been registered in purported exercise of the power conferred by this article 11 6 the validity of the proceedings shall not be questioned by any person

11 6 3 The Company shall hold the relevant purchase money on trust for the Seller (but without interest) and the Company shall not pay such money to the Seller until he has delivered to the Company the share certificate(s) in respect of the

relevant Shares (or a suitable indemnity in a form reasonably satisfactory to the Investor Director)

**11 7 Transfers following exhaustion of pre-emption rights**

**11 7 1** If any Sale Shares are not allocated to a Buyer under any of the foregoing provisions of this article 11 the Seller may with the consent of the Investor Director at any time within 6 calendar months of the date of service of the notice referred to in article 11 5 6(b), sell any of those unallocated Sale Shares to the person named in the Transfer Notice (or, if none was so named, any other person) at not less than the Transfer Price (without any deduction, rebate or allowance to the proposed purchaser) provided that

- (a) if the Transfer Notice contained a Total Transfer Condition, the Seller shall not be entitled to sell only some of the Sale Shares without the prior written consent of the Investor Director,
- (b) the Directors (acting reasonably) may require to be satisfied that the relevant Sale Shares are being transferred under a bona fide sale for the consideration stated in the transfer without deduction, rebate or allowance to the proposed purchaser and, if not so satisfied, may refuse to register the transfer (without prejudice to any power of the Directors to refuse to register a transfer in accordance with article 9), and
- (c) the Directors shall not register the transfer if as a result of such transfer the proposed purchaser would be required to make an offer in accordance with article 14 until such time as that offer has been made and, if accepted, completed

**11 7 2** Following expiry of the 6 month period referred to in article 11 7 1, if any Sale Shares have not been allocated to a Buyer in accordance with that article 10 7 1, the Seller may at any time within the next 6 months sell those Sale Shares to the person named in the Transfer Notice (or, if none was so named, any other person) at not less than the Transfer Price (without any deduction, rebate or allowance to the proposed purchaser provided that

- (a) if the Transfer Notice contained a Total Transfer Condition, the Seller shall not be entitled to sell only some of the Sale Shares without the prior written consent of the Investor Director,
- (b) the Directors (acting reasonably) may require to be satisfied that the relevant Sale Shares are being transferred under a bona fide sale for the consideration stated in the transfer without deduction, rebate or allowance to the proposed purchaser and, if not so satisfied, may refuse to register the transfer (without prejudice to any power of the Directors to refuse to register a transfer in accordance with article 9), and
- (c) the Directors shall not register the transfer if as a result of such transfer the proposed purchaser would be required to make an offer in accordance with article 14 until such time as that offer has been made and, if accepted, completed

**12 COMPULSORY TRANSFERS**

**12 1** Subject to article 10 2 4, in this article 12 each of the following shall be a **Transfer Event** in relation to a Member holding Equity Shares

**12 1 1** the death of that Member,

**12 1 2** an order being made for the bankruptcy of that Member or a petition being presented for such bankruptcy which petition is not withdrawn or dismissed within 20 Business Days of being presented,

**12 1 3** the Member convening a meeting of his creditors or circulating a proposal in relation to, or taking any other steps with a view to, making an arrangement or composition in satisfaction of his creditors generally,

- 12 1 4 the Member being unable to pay his debts as they fall due (within the meaning of section 268 Insolvency Act 1986),
- 12 1 5 any step being taken for the appointment of a receiver, manager or administrative receiver over all or any part of the Member's assets, or any other steps being taken to enforce any Encumbrance over all or any part of the Member's assets or any Shares held by that Member,
- 12 1 6 any proceedings or orders equivalent or analogous to any of those described in articles 12 1 2 to 12 1 5 above occurring in respect of the Member under the law of any jurisdiction outside England and Wales,
- 12 1 7 that Member suffering from mental disorder and being admitted to hospital or, by reason of his mental health, being subject to any court order which wholly or partly prevents that Member from personally exercising any powers or rights which that Member would otherwise have, or
- 12 1 8 that Member, being a director or employee of, or a consultant to, a Group Company, ceasing to be such a director, employee or consultant (including where such cessation occurs as a result of a Group Company ceasing to be a Group Company) where the Member does not remain, or immediately become, a director or employee of, or a consultant to, another Group Company, or
- 12 1 9 that Member breaching any material provision of these Articles or the Investment Agreement which breach, if capable of remedy, has not been remedied to the reasonable satisfaction of the Investor Director within 20 Business Days of a notice from the Investor Director to the Member requesting such remedy,
- and, in any such case, the Investor Director notifying the Company within three months of the date on which the Directors first become aware of the occurrence of such event that such event is a Transfer Event in relation to that Member for the purposes of this article 12
- 12 2 Upon the Investor Director notifying the Company that an event is a Transfer Event in respect of a Member in accordance with article 12 1, the Relevant Member and any other person holding Compulsory Transfer Shares, shall be deemed to have served a Transfer Notice (a **Compulsory Transfer Notice**) in respect of all the Compulsory Transfer Shares held from time to time by each of them respectively A Compulsory Transfer Notice shall supersede any current Transfer Notice in respect of any Compulsory Transfer Shares
- 12 3 The Compulsory Transfer Shares shall be offered for sale in accordance with the provisions of article 11 as if the Compulsory Transfer Shares were Sale Shares except that where the relevant Transfer Event falls within the provisions of article 12 1 8, the Transfer Price in respect of the Compulsory Transfer Shares shall be
- 12 3 1 where the Relevant Member is a Bad Leaver, whichever is the lower of
- (a) their Fair Value, and
- (b) their Issue Price,
- provided that the Investor Director may at any time by notice to the Company specify that in respect of any particular Relevant Member the Transfer Price for all Compulsory Transfer Shares shall, on that occasion, be the Issue Price (in which case there shall be no need in respect of that Relevant Member on that occasion to establish the Fair Value) and the Transfer Price shall be determined by the notice served pursuant to this article 12 3 1 on the date upon which such notice is received at the registered office of the Company, or
- 12 3 2 where the Relevant Member is a Good Leaver, whichever is the higher of
- (a) their Fair Value, and
- (b) their Issue Price
- 12 4 Any dispute as to whether the provisions of article 12 3 1 or 12 3 2 apply in relation to any Compulsory Transfer Notice shall not affect the validity of a Compulsory Transfer Notice nor shall it delay the procedure to be followed under article 11 in respect such notice If,



however, the Issue Price is less than the Fair Value any Buyer acquiring Compulsory Transfer Shares pursuant to a Compulsory Transfer Notice while such dispute is continuing shall pay to the Seller whichever is the lower of their Fair Value and their Issue Price and shall, in addition, pay to the Company an amount equal to the difference between their Fair Value and their Issue Price. The Company shall hold such amount as trustee in a separate interest-bearing account and shall, upon final resolution of the relevant dispute, pay such amount (together with interest on such amount but less any applicable bank charges) to

- 12 4 1 the Seller, in respect of any Compulsory Transfer Shares which are determined to be sold for their Fair Value, or
  - 12 4 2 the Buyer, in respect of any Compulsory Transfer Shares which are determined to be sold for their Issue Price
- 12 5 For the purposes of article 12 1 8 the date of cessation of a Member's employment, directorship or engagement shall be (or be deemed to be) whichever is the first to occur of
- 12 5 1 the date that any valid notice given by the relevant Group Company to the Member terminating (or purporting to terminate) that Member's employment, directorship or engagement with the Group expires (or, if later, the date specified in any such notice as being the termination date) regardless of whether any such notice constitutes unfair or wrongful dismissal,
  - 12 5 2 the date that any valid notice given by a Member to the relevant Group Company terminating (or purporting to terminate) that Member's employment, directorship or engagement with the Group (or, if later, the date specified in any such notice as being the termination date), regardless of whether any such notice may lawfully be given by the Member,
  - 12 5 3 in any circumstances other than those specified in articles 12 5 1 to 12 5 2, the date on which the Member actually ceases to be employed or engaged by the Group
- 12 6 Notwithstanding any other provision of these Articles, unless the Investor Director resolves otherwise, any Compulsory Transfer Shares shall, with effect from the date of the relevant Compulsory Transfer Notice (or, if later, the date on which such Shares are issued), cease to confer on the holder of those Shares any right to receive notice of, or attend, speak or vote at, any general meeting of the Company (or at any meeting of the holders of any class of Shares) or any right to receive or vote on any written resolution of the Company (or the holders of any class of Shares) until such time as another person is entered in the register of members of the Company as the holder of those Compulsory Transfer Shares (or other Shares)
- 12 7 Articles 27(2)(a) and 28 of the Model Articles shall not apply to the Company
- 13 **DRAG ALONG**
- 13 1 If Members constituting an Investor Majority (together the **Selling Members**) wish to transfer all their Shares to a proposed purchaser being a bona fides third party purchasing for full value (the **Proposed Purchaser**), they shall have the option (a **Drag Along Option**) to require all or any of the other Members (the **Remaining Members**) to transfer all their Shares with full title guarantee to the Proposed Purchaser (or as the Proposed Purchaser shall direct) in accordance with this article 13
- 13 2 The Selling Members shall exercise the Drag Along Option by giving notice to that effect (a **Drag Along Notice**) to each of the Remaining Members at any time before the registration of the transfer of the Selling Members' Shares. A Drag Along Notice shall specify
- 13 2 1 that the Remaining Members are required to transfer all their Shares (the **Remaining Shares**) pursuant to this article 13,
  - 13 2 2 the identity of the Proposed Purchaser,
  - 13 2 3 the consideration for which, or the price at which, the Remaining Shares are to be transferred in accordance with article 13 4 (the **Drag Along Consideration**), and

- 13 2 4 the proposed date of transfer (if known)
- 13 3 A Drag Along Notice
- 13 3 1 may be revoked by the Selling Members with the consent of the Investor Director at any time prior to the completion of the sale and purchase of the Remaining Shares, and
- 13 3 2 shall lapse if for any reason the sale of the Selling Members' Shares to the Proposed Purchaser is not completed within 40 Business Days of the date of service of the Drag Along Notice (such lapse being without prejudice to the right of the Selling Members to serve any further Drag Along Notice following such lapse)
- 13 4 Subject to article 13 5, the Drag Along Consideration shall be
- 13 4 1 in respect of each Remaining Share which is an Equity Share, the same consideration (in the same form and due at the same time(s)) as that offered, given, paid or payable by, or due from, the Proposed Purchaser in respect of each Equity Share held by the Selling Members, and
- 13 4 2 in respect of each Remaining Share which is a Preference Share, the Issue Price
- 13 5 Prior to completion of the sale and purchase of the Remaining Shares, the Investor Director may direct by notice in writing to the Company that any Remaining Member who, at the date of the Drag Along Notice, is bound to give or has given or is deemed to have given, a Transfer Notice in respect of any Shares registered in his name (including, for the avoidance of doubt, a Compulsory Transfer Notice) is paid the cash equivalent of any non-cash consideration due to the Selling Members from the Proposed Purchaser in lieu of such non-cash consideration. Such cash consideration in lieu may be paid to a Remaining Member either on completion or at the same time as the relevant non-cash consideration is received by the Selling Members at the absolute discretion of the Investor Director. Any dispute as to the amount of any such cash equivalent shall be referred at the request of the Remaining Members by the Company to the Expert for determination within 10 Business Days of such request (provided such request from the Remaining Members is received by the Company within 10 Business Days of the Company notifying the Remaining Members of the amount of such proposed cash equivalent). The decision of the Expert shall be final and binding on the parties. If the cash equivalent is determined by the Expert to be lower than that offered by the Company, the Remaining Members shall pay the Experts costs. If the cash equivalent is determined by the Expert to be higher than that offered by the Company, the Experts costs shall be paid by the Company.
- 13 6 Completion of the sale and purchase of the Remaining Shares shall take place on the same date as completion of the sale and purchase of the Selling Members' Shares
- 13 7 Upon the service of a Drag Along Notice each Remaining Member shall be deemed to have irrevocably appointed each of the Selling Members (severally) as the agent of the Remaining Member to execute, in the name of and on behalf of that Remaining Member, any stock transfer form and covenant for full title guarantee in respect of the Remaining Shares registered in the name of that Remaining Member and to do such other things as the agent may consider necessary or desirable to transfer and complete the sale of the Remaining Shares pursuant to this article 13
- 13 8 The provisions of this article 13 shall prevail over any contrary provisions of these Articles and, for the avoidance of doubt, the rights of pre-emption and other restrictions on transfer of Shares contained in these Articles shall not apply to the transfer of any Shares to a Proposed Purchaser named in a Drag Along Notice (or as that Proposed Purchaser may direct). Any Transfer Notice or Compulsory Transfer Notice served in respect of a Share which has not been allocated to a Buyer in accordance with article 11 shall automatically be revoked by the service of a Drag Along Notice
- 13 9 Where at any time after the service of a Drag Along Notice but before completion of the sale and purchase of the Remaining Shares by the Proposed Purchaser, any person (a **New Member**) becomes a registered holder of any Share pursuant to the exercise of any option,

warrant or other right to subscribe for or acquire Shares, a Drag Along Notice, on the same terms as the then current Drag Along Notice, shall immediately be deemed to have been served upon that New Member. Upon the deemed service of a Drag Along Notice pursuant to this article 13.9 the New Member shall become bound to sell and transfer to the Proposed Purchaser (or as the Proposed Purchaser may direct) any Share acquired by him as a result of the exercise of any such option, warrant or other right to subscribe for or acquire Shares. The provisions of this article 13 shall apply mutatis mutandis to the sale of any such Shares by such New Member provided that completion of the sale and purchase of those Shares shall take place on whichever is the later of

13.9.1 the date on which a Drag Along Notice is deemed to have been served on the New Member pursuant to this article 13.9, and

13.9.2 the date of completion of the sale and purchase of the Remaining Shares pursuant to the original Drag Along Notice

#### 14 TAG ALONG

14.1 Subject to article 13 and save in the case of a transfer of Shares which is permitted in accordance with the provisions of articles 10.2 and 9.3, but otherwise notwithstanding any other provision of these Articles, no sale or other disposition of any Shares (the **Committed Shares**) which would result in a Change of Control shall be made or registered unless before the transfer is lodged for registration the relevant Third Party Purchaser has made a bona fide offer (a **Tag Along Offer**) by notice in writing (a **Tag Along Notice**) to acquire, in accordance with this article 14, from all the Members other than the Third Party Purchaser (or persons connected with or acting in concert with him) all the Shares which are not Committed Shares (the **Uncommitted Shares**) for the consideration, or at the price, (the **Tag Along Consideration**) calculated in accordance with articles 14.3 and 14.4

14.2 A Tag Along Notice shall

14.2.1 state the Tag Along Consideration (subject to article 14.4),

14.2.2 state the identity of the relevant Third Party Purchaser,

14.2.3 invite the relevant offerees to respond in writing to the Third Party Purchaser stating that they wish to accept the Tag Along Offer, and

14.2.4 subject to article 14.4.1, expire, and the offer made in that notice shall be deemed to be withdrawn, on the date (being not less than 10 nor more than 20 Business Days after the date of the Tag Along Notice) specified in that notice

14.3 For the purposes of this article 14, the Tag Along Consideration shall be (i) in respect of the Equity Shares the same consideration per Uncommitted Share (in the same form and due at the same time(s)) as that offered, given, paid or payable by, or due from, the Third Party Purchaser in respect of each Committed Share together with the relevant proportion of any other consideration (in cash or otherwise) received or receivable by the holders of the Committed Shares which, having regard to the substance of the transaction as a whole, can reasonably be regarded as an addition to the price paid or consideration given in respect of the Committed Shares and (ii) in respect of each Preference Share be the lower of the consideration paid or payable in respect of each Committed Share or the Issue Price

14.4 If the Tag Along Consideration cannot be agreed between the Third Party Purchaser and the holders of not less than 75% of the Uncommitted Shares within 10 Business Days of the date of the Tag Along Notice, such matter shall be referred for determination to the Expert (in accordance with article 27) and, pending their determination

14.4.1 the period specified in the Tag Along Notice for acceptance of the Tag Along Offer shall not start to run until such time as the Expert's determination of the Tag Along Consideration is served on the Third Party Purchaser and the Members holding Uncommitted Shares, and

14.4.2 the sale or transfer of the Committed Shares shall have no effect and shall not be registered

**15 GENERAL MEETINGS**

15 1 Without prejudice to the provisions of sections 302 and 288(3) of the Act, the Investor Director acting alone may

15 1 1 call a general meeting of the Company, or

15 1 2 propose a written resolution of the Company (and the provisions of section 291 of the Act shall apply to any such proposed written resolution)

15 2 No business shall be transacted at any general meeting unless the requisite quorum is present at the commencement of the business and also when such business is voted upon Two Members, of whom at least one shall be a holder of A Shares, present either in person, by proxy or by a duly appointed corporate representative shall be a quorum

15 3 Article 40(2) of the Model Articles shall be amended by the insertion of the following words at the start of that article "Subject to the consent of the Investor Director

15 4 Article 41 of the Model Articles shall be amended by the addition of the following as a new paragraph 41(7) in that article "If within half an hour of the time appointed for the holding of an adjourned meeting a quorum is not present, the Member(s) present (either in person, by proxy or by a duly appointed corporate representative) shall constitute a quorum, providing at least one such Member is a holder of A Shares otherwise the meeting shall be adjourned"

15 5 Any Member, having the right to attend and vote at the meeting in question and who is present at that meeting in person, by proxy or by a duly appointed corporate representative, may demand a poll Article 44(2) of the Model Articles shall not apply to the Company

15 6 Article 44(3) of the Model Articles shall be amended by the insertion of the following as a new paragraph at the end of that article "A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made "

15 7 Article 45(1) of the Model Articles shall be amended as follows

15 7 1 by the deletion of the words in Article 45(1)(d) and the insertion in their place of the following "is delivered to the Company in accordance with the articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is exercised and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate ", and

15 7 2 by the insertion of the following as a new paragraph at the end of Article 45(1) "and a proxy notice which is not delivered in such manner shall be invalid unless the Directors, in their discretion but subject to the consent of the Investor Director accept the proxy notice at any time before the meeting "

15 8 The Company shall not be required to give notice of a general meeting to a Member

15 8 1 whose registered address is outside the United Kingdom unless he has provided an address for service within the United Kingdom, or

15 8 2 for whom the Company no longer has a valid United Kingdom address

**16 APPOINTMENT AND REMOVAL OF DIRECTORS**

16 1 Unless and until determined otherwise by ordinary resolution of the Company, the number of Directors (other than alternate directors) shall not be less than two and shall not be more than three

16 2 The office of a Director (other than an Investor Director) shall automatically be vacated, and unless the Investor Director directs otherwise, the Director in question shall be deemed to have resigned, upon

16 2 1 in the case of an executive Director only, that Director ceasing for any reason whatsoever to be employed by the Company or any other Group Company in circumstances where he does not remain, or immediately become, an employee of another Group Company,

16 2 2 that Director failing to take part in any directors' decisions for a period of more than 6 consecutive months and the Directors, with the consent of the Investor Director, resolving that his appointment as a Director should terminate (and the director in question shall not be an "Eligible Director" for the purposes of such resolution of the Directors), or

16 2 3 all the other Directors or the Investor Director requesting his resignation by notice in writing. Such notice (which may consist of several documents in similar form each signed by or on behalf of one or more persons) must be left at or sent by post to the registered office of the Company (or another address nominated by the Directors, with the consent of the Investor Director, for this purpose) and the resignation shall take effect when the notice is received by the Company or, if later, on such date (if any) as may be specified in the notice.

Article 18 of the Model Articles shall be extended accordingly.

## 17 INVESTOR DIRECTOR AND CHAIRMAN

17 1 An Investor Majority may, from time to time and on more than one occasion

17 1 1 appoint one person to be a non-executive director of the Company (an **Investor Director**) and, from time to time and on more than one occasion, remove any such person appointed by them, and

17 1 2 appoint any person to be the chairman of the Directors and, from time to time and on more than one occasion, remove any such person appointed by them.

17 2 Any appointment or removal pursuant to article 17 1 shall be made by notice in writing to the Company. Such notice (which may consist of several documents in similar form each signed by or on behalf of one or more Members) must be left at or sent by post to the registered office of the Company and the appointment or removal (as the case may be) shall take effect when the notice is received by the Company or, if later, on such date (if any) as may be specified in the notice.

17 3 Upon written request from an Investor Majority, the Company shall procure that any Investor Director or the chairman is forthwith appointed as a director of any other Group Company indicated in such request.

17 4 If at any time there is no Investor Director serving, or the serving Investor Director declines to give a decision on any matter, then any matter in these Articles requiring the consent or approval of the Investor Director may be consented to or approved by an Investor Majority and any notice, information, document or other matter or thing required to be given or delivered to the Investor Director(s) shall be given or delivered to the Investors.

17 5 The Investor Director (and any alternate Director appointed by him from time to time) shall be entitled to make such disclosure to the holders of the A Shares in relation to the business and affairs of the Group as he may, in his absolute discretion, see fit.

17 6 Article 12(1) to 12 (3) of the Model Articles shall not apply to the Company.

## 18 ALTERNATE DIRECTORS

18 1 Subject to article 18 2, any Director (in this article 18, an **appointor**) may with the consent of the Investor Director, appoint as an alternate any other Director, or any other person approved by resolution of the Directors with the consent of the Investor Director, to

18 1 1 exercise that director's powers, and

18 1 2 carry out that director's responsibilities,

in relation to the taking of decisions by the Directors, in the absence of the alternate's appointor.

18 2 The appointment by the Investor Director of an alternate director shall not be subject to approval by resolution of the Directors.

18 3 Any appointment or removal of an alternate must be effected by notice in writing to the Company signed by the appointor, or in any other manner approved by the Directors with the consent of the Investor Director.

- 18 4 The notice must
- 18 4 1 identify the proposed alternate, and
- 18 4 2 in the case of a notice of appointment, contain a statement signed by the proposed alternate that the proposed alternate is willing to act as the alternate of the Director giving the notice
- 18 5 An alternate Director may with the consent of the Investor Director act as alternate director to more than one Director and has the same rights in relation to any decision of the Directors as the alternate's appointor
- 18 6 Save as provided otherwise in these Articles, alternate Directors
- 18 6 1 are deemed for all purposes to be Directors,
- 18 6 2 are liable for their own acts and omissions,
- 18 6 3 are subject to the same restrictions as their appointors, and
- 18 6 4 are not deemed to be agents of or for their appointors,
- and, in particular, each alternate Director shall be entitled to receive notice of all meetings of Directors and of all meetings of committees of Directors of which his appointor is a member
- 18 7 A person who is an alternate Director but not a Director
- 18 7 1 may be counted as participating for the purposes of determining whether a quorum is present (but only if that person's appointor is not participating),
- 18 7 2 may participate in a unanimous decision of the Directors (but only if his appointor is an Eligible Director in relation to that decision and does not himself participate), and
- 18 7 3 shall not be counted as more than one Director for the purposes of articles 18 7 1 and 18 7 2
- 18 8 A Director who is also an alternate Director is entitled, in the absence of his appointor, to a separate vote on behalf of his appointor, in addition to his own vote on any decision of the Directors (provided that his appointor is an Eligible Director in relation to that decision), but shall not count as more than one Director for the purposes of determining whether a quorum is present
- 18 9 An alternate Director is not entitled to receive any remuneration from the Company for serving as an alternate Director except such part of the remuneration of the alternate's appointor as the appointor may direct by notice in writing to the Company. An alternate Director shall be entitled to be reimbursed by the Company such expenses as might properly be reimbursed to him if he were a Director
- 18 10 The appointment of an alternate Director terminates
- 18 10 1 when the alternate's appointor revokes the appointment by notice in writing to the Company specifying when it is to terminate,
- 18 10 2 on the occurrence, in relation to the alternate, of any event which, if it occurred in relation to the alternate's appointor, would result in the termination of the appointor's appointment as a Director,
- 18 10 3 on the death of the alternate's appointor,
- 18 10 4 when the appointment of the alternate's appointor as a Director terminates, or
- 18 10 5 when written notice from the alternate, resigning his office, is received by the Company
- 19 **PROCEEDINGS OF DIRECTORS**
- 19 1 Decisions of the directors may be taken either
- 19 1 1 by a majority at a board meeting, or

19 1 2 by a Directors' written resolution made in accordance with articles 19 2 and 19 3

Articles 7(1) and 8 of the Model Articles shall not apply to the Company

19 2 Any Director may propose a Directors' written resolution. A Directors' written resolution is proposed by notice in writing of the proposed Directors' written resolution being given to each Director indicating the proposed resolution and the time by which it is proposed that the Directors should adopt it. Any decision which a person giving notice of a Directors' proposed written resolution takes regarding the process of adopting that resolution must be taken reasonably in good faith.

19 3 A proposed Directors' written resolution is adopted when all the Eligible Directors in relation to the resolution(s) contained in the proposed Directors' written resolution have signed one or more copies of it, provided that those Eligible Directors would have formed a quorum at a meeting of the Directors to consider such resolution(s). It is immaterial whether a Director signs the resolution before or after the time by which the notice proposed that it should be adopted.

19 4 Two Eligible Directors, of whom one shall be the Investor Director (unless the Investor Director is not an Eligible Director in relation to the relevant meeting), present either in person or by a duly appointed alternate, shall be a quorum. For the purpose of any meeting held to authorise a director's conflict of interest under article 21 if there is only one Eligible Director in office other than the conflicted Director(s), the quorum for such meeting shall be one Eligible Director. For the purpose of any meeting held to consider a decision referred to in article 19 7, the quorum for such a meeting shall be the Investor Director. Article 11(2) of the Model Articles shall not apply to the Company.

19 5 If the number of votes for and against a proposal at a Directors' meeting are equal the Chairman shall have a casting vote. Article 13 of the Model Articles shall not apply to the Company.

19 6 Not less than 5 Business Days' notice of a Directors' meeting must be given to each Director in writing provided that the requirements of this article may be waived or varied, subject to the written consent of the Investor Director. Article 9(3) of the Model Articles shall not apply to the Company.

19 7 Where any decision is to be made by the Company or any Group Company in relation to

19 7 1 the exercise, enforcement or waiver of any of its rights under, or the giving of any consent under

(a) the Investment Agreement, or

(b) the Acquisition Documents,

19 7 2 the exercise, enforcement or waiver of any rights against a Member holding Ordinary Shares or a Director (or any person connected with any such Member or Director),

then, notwithstanding any other provision of these Articles, if an Investor Director is appointed for the time being then no meeting of the Directors at which any such decision will be considered shall be quorate unless an Investor Director is present in person and at such meeting only the Investor Director shall be entitled to vote. The Investor Director shall have exclusive conduct of any proceedings of any nature arising in connection with any such rights and no other Director shall have power to take any decision or settle or compromise any claim in relation to such matters.

19 8 Article 5 of the Model Articles shall be modified so that the Directors may only delegate any of their powers to a person or committee with the prior consent of the Investor Director. Article 6(2) of the Model Articles shall be amended by the insertion of the following words before the word "may": "with the consent of a Investor Majority".

19 9 Article 16 of the Model Articles shall be amended by the insertion of the following words after the word "may": "with the consent of the Investor Director".

19 10 Article 51 of the Model Articles shall be amended by the insertion of the following words at the start of that article "Subject to the consent of the Investor Director"

19 11 Article 4(1) of the Model Articles shall be amended by the insertion of the following words at the start of that article "Subject to the consent of the Investor Director"

## 20 **TRANSACTIONS OR OTHER ARRANGEMENTS WITH THE COMPANY**

20 1 Subject to sections 177 and 182 of the Act and, save in the case of an Investor Director, subject to the consent of the Investor Director, and provided (in any case) he has declared the nature and extent of his interest in accordance with the requirements of the Act, a Director who is in any way (whether directly or indirectly) interested in an existing or proposed transaction or arrangement with the Company

20 1 1 may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested,

20 1 2 shall be an Eligible Director for the purposes of any proposed decision of the Directors (or a committee of Directors) in respect of such contract or proposed contract in which he is interested,

20 1 3 shall be entitled to vote at a meeting of Directors (or of a committee of the Directors) or participate in any unanimous decision of the Directors, in respect of such contract or proposed contract in which he is interested,

20 1 4 may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a Director,

20 1 5 may be a Director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is otherwise (directly or indirectly) interested, and

20 1 6 shall not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or a person connected with him (as defined in section 252 of the Act)) derives from any such contract, transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such contract, transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act

20 2 Articles 14(1) to 14(4) of the Model Articles shall not apply to the Company

## 21 **DIRECTORS' CONFLICTS OF INTEREST**

21 1 The Directors may, in accordance with the requirements set out in this article 21, authorise any matter or situation proposed to them by any Director which would, if not authorised, involve a Director breaching his duty under section 175 of the Act to avoid situations which conflict or possibly may conflict with the interests of the Company (a **Conflict**)

21 2 Any authorisation under this article will be effective only if

21 2 1 the matter in question shall have been proposed by any Director for consideration at a meeting of Directors in the same way that any other matter may be proposed to the Directors under the provisions of these Articles or in such other manner as the Directors, with the consent of the Investor Director may determine,

21 2 2 any requirement as to the quorum at the meeting of the Directors at which the matter is considered is met without counting the Director in question,

21 2 3 the matter was agreed to without the Director in question voting or would have been agreed to if his vote had not been counted, and

21 2 4 save where the Director in question is an Investor Director, the Investor Director consents to the authorisation



- 21 3 Any authorisation of a Conflict under this article 21 shall be recorded in writing (but the authorisation shall be effective whether or not the terms are so recorded) and may, whether at the time of giving the authorisation or subsequently
- 21 3 1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter so authorised,
  - 21 3 2 be subject to such terms and for such duration, or impose such limits or conditions as the Directors may determine, and
  - 21 3 3 be terminated or varied by the Directors at any time with the consent of the Investor Director
- This will not affect anything done by the Director prior to such termination or variation in accordance with the terms of the authorisation
- 21 4 In authorising a Conflict the Directors may decide (whether at the time of giving the authorisation or subsequently) that if a Director has obtained any information through his involvement in the Conflict otherwise than as a Director of the Company and in respect of which he owes a duty of confidentiality to another person, the Director is under no obligation to
- 21 4 1 disclose such information to the Directors or to any Director or other officer or employee of the Company, or
  - 21 4 2 use or apply any such information in performing his duties as a Director,
- where to do so would amount to a breach of that confidence
- 21 5 Where the Directors authorise a Conflict they may (whether at the time of giving the authorisation or subsequently) provide, and they will so provide if directed to do so by the Investor Director, in either case without limitation, that the Director
- 21 5 1 is excluded from discussions (whether at meetings of Directors or otherwise) related to the Conflict,
  - 21 5 2 is not given any documents or other information relating to the Conflict, and
  - 21 5 3 may or may not vote (or may or may not be counted in the quorum) at any future meeting of Directors in relation to any resolution relating to the Conflict
- 21 6 Where the Directors authorise a Conflict
- 21 6 1 the relevant Director will be obliged to conduct himself in accordance with any terms imposed by the Directors in relation to the Conflict, and
  - 21 6 2 the Director will not infringe any duty he owes to the Company by virtue of sections 171 to 177 of the Act provided he acts in accordance with such terms, limits and conditions (if any) as the Directors impose in respect of its authorisation
- 21 7 A Director may, notwithstanding his office, be a Member or a director or other officer of, or employed by or otherwise interested in any Group Company and no authorisation under article 21 1 shall be necessary in respect of such interest
- 21 8 A Director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director), to account to the Company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the Directors or by the Company in general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds
- 22 DIRECTORS' BENEFITS**
- 22 1 Article 19(2) of the Model Articles shall be amended by the insertion of the following words at the start of that article "Subject to the consent of the Investor Director"
- 22 2 Article 19(3) of the Model Articles shall be amended by the insertion of the following words at the start of that article "Subject to the consent of the Investor Director"

22 3 Article 20 of the Model Articles shall be amended by the insertion of the following words at the start of that article "Subject to the consent of the Investor Director"

23 **SECRETARY**

Subject to the consent of the Investor Director, the Directors may appoint any person who is willing to act as the Secretary of the Company for such term, on such remuneration and on such conditions as they may think fit and may from time to time remove or replace such person

24 **SERVICE OF DOCUMENTS**

24 1 Any notice, document or other information given in accordance with these Articles shall be deemed served on or delivered to the intended recipient

24 1 1 if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted,

24 1 2 if properly addressed and sent by reputable international overnight courier to an address outside the United Kingdom or from outside the United Kingdom to an address within the United Kingdom, 5 Business Days after posting provided that delivery in at least 5 Business Days was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the courier service provider,

24 1 3 if properly addressed and delivered by hand, when it was given or left at the appropriate address,

24 1 4 if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied, and

24 1 5 if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website

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

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

25 **INDEMNITY**

25 1 Subject to article 25 2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled

25 1 1 each relevant officer shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer

(a) in the actual or purported execution and/or discharge of his duties, or in relation to them, and

(b) in relation to the activities of the Company (or any Group Company) as trustee of an occupational pension scheme (as defined in section 235(6) of the Act),

including (in each case) any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which the court grants him, in his capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company (or any Group Company), and

25 1 2 the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or

application referred to in article 25 1 1 and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure

25 2 This article 25 does not authorise any indemnity which would be prohibited or rendered void by any provision of the Act or by any other provision of law

25 3 In this article 25 and in article 26 a **relevant officer** means any director or other officer or former director or other officer of the Company or any Group Company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act), but excluding in each case any person engaged by the Company (or any Group Company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor)

25 4 Article 52 of the Model Articles shall not apply to the Company

## 26 **INSURANCE**

26 1 The Directors may subject to the consent of the Investor Director decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant officer in respect of any loss or liability which has been or may be incurred by that relevant officer in connection with his duties or powers in relation to the Company, any Group Company or any pension fund or employees' share scheme of the Company or Group Company

26 2 Article 53 of the Model Articles shall not apply to the Company

## 27 **EXPERT**

27 1 Where these Articles provide for any matter or dispute to be determined by the Expert, such matter or dispute shall be referred, at the request of any Member, to the Auditors provided that in the circumstances referred to in article 26 2 such matter or dispute shall be referred to an independent chartered accountant nominated in writing for this purpose by the Investor Director

27 2 The circumstances referred to in article 27 1 are

27 2 1 where the Auditors are unable or unwilling to act in connection with the relevant reference, or

27 2 2 where, within 10 Business Days of the Company notifying the Investors that a matter or dispute is to be referred to an Expert in accordance with these Articles, the Investor Director directs in writing that instead of being referred to the Auditors the relevant matter or dispute shall be referred to the independent chartered accountant nominated by the Investor Director in their direction and, for this purpose, the Company undertakes to notify the Investors of any such proposed referral to an Expert

27 3 The Expert shall be engaged on terms agreed between the relevant Expert and the Directors with the consent of the Investor Director, provided that if such terms are not so agreed within 10 Business Days of the Expert being instructed, the Expert shall be engaged on such terms as may be agreed between the Expert and the Investor Director (acting reasonably) For the purposes of agreeing the terms of the Expert's engagement pursuant to this article 27 3, the Directors or the Investor Director (as the case may be) shall act as agent for the Company and each relevant Member

27 4 The Company and any relevant Members shall supply the Expert with any information which he may reasonably request in connection with his determination The Company and any relevant Members shall be entitled to make written submissions to the Expert provided that a copy of any such written submissions is also simultaneously delivered to the other relevant parties The Expert shall give due weight to any such written submission which is received by the Expert within such time limit as he may determine and have notified to the relevant parties

27 5 The decision of the Expert (who shall be deemed to act as an expert and not as an arbitrator) shall, save in the event of fraud or manifest error, be final and binding on the Company and the Members

27 6 The cost of any reference to the Expert shall be borne as directed in the relevant article or, where no such direction is given, by the party or parties named by the Expert (taking into account the conduct of the parties and the merits of their respective arguments in relation to any matters in dispute) or, where no such party is named by the Expert, equally by the parties concerned

28 **CHANGE OF NAME**

Subject to the consent of the Investor Director, the name of the Company may be changed by a decision of the Directors

29 **PURCHASE OF OWN SHARES OUT OF CASH**

In accordance with section 692(1) of the Act the Company may (with the consent of the Investor Director) purchase its own shares with cash up to an amount not exceeding £15,000 or the value of 5% of its share capital (whichever is the lower) in each Accounting Period