

Company number 09320176

**WRITTEN RESOLUTIONS OF THE COMPANY
PURSUANT TO SECTION 288 OF THE COMPANIES ACT 2006**

PASSED ON 20/08/2015 2015

PiC – Performance in Context Limited (the "Company")

The following written resolution having been duly proposed by the directors of the Company was duly passed by the Company as a special resolution

SPECIAL RESOLUTION

That the document supplied to the members of the Company with this resolution be adopted as the articles of association of the Company in substitution for and to the entire exclusion of the existing articles of association

Signed Henry Morris
Henry Morris (Aug 20, 2015, 10 59am)

Director Henry Morris

for and on behalf of PiC – Performance in Context Limited



THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

NEW

ARTICLES OF ASSOCIATION

of

PIC – PERFORMANCE IN CONTEXT LIMITED (the "Company")

(Adopted by special resolution passed on 20 August 2015)

1 DEFINITIONS AND INTERPRETATION

The definitions and interpretation provisions set out in Article 18 apply in these Articles

2 MODEL ARTICLES

The Model Articles apply to the Company, except to the extent they are modified or excluded by or are inconsistent with these Articles

3. SHARE CAPITAL

- 3 1 **One class of Shares** The Company has one class of shares only, namely ordinary shares of £0.01 each
- 3 2 **Directors' authority to issue new Shares** The directors have the authority to issue new shares in the Company. They also have the authority to grant rights to subscribe for, or convert any security into, shares in the Company. These authorities are not subject to any maximum number of shares which may be issued, or over which rights may be granted
- 3 3 **Pre-emption rights** The directors' authority under Article 3 2 is subject to the pre-emption rights in favour of Shareholders contained in Article 4
- 3 4 **Disapplication of statutory pre-emption rights.** The statutory pre-emption rights contained in sections 561 and 562 of the Act shall not apply to an issue of equity securities (as defined in section 560(1) of the Act) made by the directors. The pre-emption rights set out in Article 4 shall apply instead
- 3 5 **Purchase of own Shares with cash.** The Company may make a purchase of its own Shares with cash under section 692(1)(b) of the Act

4. PRE-EMPTION RIGHTS IN RESPECT OF NEW ISSUES OF SHARES

- 4 1 **Pre-emption rights** If the directors wish to issue any new shares in the Company after the date of adoption of these Articles they must first offer them to the Shareholders in accordance with this Article 4
- 4 2 **Terms of the offer** The new shares must be offered to the Shareholders in proportion (as nearly as possible) to the numbers of shares already held by the Shareholders. The offer must be at the same price and on the same terms for each Shareholder. A Shareholder may accept all or part of his proportionate entitlement
- 4 3 **Notice of the offer.** The offer must be made to each Shareholder by notice specifying the price per share, the number of shares offered and the proportionate entitlement of the Shareholder. The notice must also set a period of between 7 and 28 days within which the offer must be accepted ("**Acceptance Period**")
- 4 4 **Issue of the Shares.** After the end of the Acceptance Period the directors shall promptly issue the shares to those Shareholders who have accepted them, subject to payment of the price
- 4 5 **Shares not taken up.** Any shares not accepted pursuant to the offer, or not capable of being so offered except by way of fractions, may be issued to any person at the discretion of the directors. This may include a Shareholder who wishes to take more than his proportionate entitlement. However, such shares shall not be issued to any person on terms more favourable than the terms on which they were offered to these Shareholders
- 4 6 **No assignment or renunciation** No new shares shall be issued on terms that the right to take up the shares can be assigned to or renounced in favour of another person. No person entitled to the issue of any shares may direct that such shares be issued to any other person
- 4 7 **New subscription and conversion rights are also covered by this Article.** A reference to the issue of shares in the above provisions of this Article 4 includes the grant by the directors of a right to subscribe for, or convert any securities into, shares in the Company. However, such a reference does not include the subsequent issue of any shares pursuant to such a right. This Article 4 will apply accordingly
- 4 8 **Rights of holders of existing subscription and conversion rights** If under the terms of any right to subscribe for, or convert securities into, shares in the Company, a person is entitled to receive any offer made pursuant to this Article 4 as if that person had exercised his right in full prior to the making of the offer then the offer shall be extended to that person accordingly. This will only apply to a right which was granted lawfully and not made in contravention of any agreement binding on the Company
- 4 9 **Waiver.** The provisions of this Article 4 may be waived, disapplied, modified, suspended or relaxed in whole or in part in any particular case subject to the agreement of
- 4 9 1 Shareholders holding in 81 per cent in aggregate of the ordinary share capital of the Company, and
- 4 9 2 each Shareholder holding at least 15 per cent of the ordinary share capital of the Company

5. RESTRICTIONS ON DISPOSING OF SHARES OR INTERESTS IN THEM

- 5 1 General restriction.** A Shareholder must not sell, transfer or dispose of any of his Shares, or any interest in them, or create or permit to exist any charge, lien or encumbrance over any of his Shares or any interest in them, or agree to do any of the above whether conditionally or unconditionally. This is subject to the exceptions set out in Article 5 2
- 5 2 Exceptions.** The exceptions are
- 5 2 1** a transfer of Shares which is required or permitted by Article 6 (pre-emption rights on transfers of shares),
 - 5 2 2** a Permitted Transfer in accordance with Article 12,
 - 5 2 3** a transfer of Shares which is required or permitted by Article 10 (drag along right) or Article 11 (tag along right), or
 - 5 2 4** a sale of Shares to the Company itself pursuant to and in accordance with sections 690 to 724 (inclusive) of the Act
- 5 3 Obligation to transfer whole legal and beneficial interest** An obligation to transfer any Share pursuant to any provision of these Articles is an obligation to transfer the whole of the legal and beneficial title to such Share free from all charges, liens and encumbrances and other third party rights and together with all rights, title and interest in such Share in existence at the date of transfer and which may arise afterwards. A Shareholder must not do anything which would be inconsistent with or which would prevent the Shareholder from complying with this obligation
- 5 4 Entitlement of directors to refuse to register transfers** The directors may refuse to register the transfer of any Share
- 5 4 1** if the Share is not fully paid,
 - 5 4 2** if the transfer is not lodged at the company's registered office or such other place as the directors have appointed,
 - 5 4 3** the transfer is not accompanied by the certificate for the Shares to which it relates, or such other evidence as the directors may reasonably require to show the transferor's right to make the transfer, or evidence of the right of someone other than the transferor to make the transfer on the transferor's behalf,
 - 5 4 4** the transfer is in favour of more than four transferees,
 - 5 4 5** to a person who is, or whom the directors reasonably believe to be, under 18 years of age or who does not have, or whom the directors reasonably believe does not have, the legal capacity freely to dispose of any Share without restriction or court approval,
 - 5 4 6** if they have reasonable grounds for believing that such Share will or may be transferred to or become beneficially owned by a person, or an Associate of a person, carrying on business in competition with any business at the relevant time being carried on by a member of the Group,
 - 5 4 7** if the transferee fails to execute a deed of adherence in connection with that transfer as required by any Shareholders' Agreement, or

5 4 8 if the transferor fails to comply with any information request under Article 5 5 in connection with the transfer,

and any right to transfer a Share under these Articles shall be subject to this Article 5 4

5 5 **Information** For the purpose of ensuring compliance with any provision of these Articles in connection with a transfer or proposed transfer of a Share or an interest in a Share, the directors may from time to time require any Shareholder to provide to the Company such information and evidence as the directors may reasonably think fit regarding any matter which they may deem relevant for such purposes

5 6 **Directors to register transfers** Subject to Article 5 4, the directors must register the transfer of a Share which is required or permitted by any provision of these Articles

6. PRE-EMPTION RIGHTS ON TRANSFERS OF SHARES

6 1 **Pre-emption rights** A Shareholder who proposes to transfer all or any of the shares in the Company held by him ("**Proposing Transferor**") must first offer such shares ("**Transfer Shares**") for sale to the other Shareholders in accordance with this Article 6 To the extent that the Transfer Shares are not taken up by the other Shareholders, they may be dealt with in accordance with the remaining provisions of this Article 6

6 2 **Exempt transfers** An offer under Article 6 1 is not required in respect of a proposed transfer or sale of shares of a type described in

6 2 1 Article 5 2 2,

6 2 2 Article 5 2 3, or

6 2 3 Article 5 2 4

6 3 **Transfer Notice** The Proposing Transferor shall give notice in writing to the Company (the "**Transfer Notice**") The Proposing Transferor must specify in the Transfer Notice

6 3 1 that he wishes to accept an offer from or enter into an agreement to sell the Transfer Shares,

6 3 2 the number of Transfer Shares which he wishes to transfer,

6 3 3 the name of the third party (if any) to whom he proposes to sell the Transfer Shares, and

6 3 4 the price (in cash) at which he wishes to transfer the Transfer Shares (the "**Transfer Price**")

6 4 The Transfer Notice shall be deemed to appoint the Company (acting by the directors) as the agent of the Proposing Transferor for the sale of the Transfer Shares at the Transfer Price

6 5 **Offer notice.** Within seven days after the receipt of a Transfer Notice, the directors shall send a notice to each Shareholder (other than the Proposing Transferor) (an "**Offer Notice**")

- 6 6 An Offer Notice must
- 6 6 1 specify the relevant Shareholder's proportionate entitlement of the Transfer Shares (as nearly as may be) based on the number of shares held by such Shareholder as a proportion of the total number of shares then in issue (the "**Proportionate Entitlement**"),
- 6 6 2 invite each such Shareholder to indicate within 7 days of the date of such notice whether they wish to purchase
- (a) all or part of his Proportionate Entitlement, and
- (b) any Transfer Shares in excess of his Proportionate Entitlement ("**Excess Shares**"), and
- 6 6 3 have appended to it a copy of the Transfer Notice
- 6 7 **Allocation of Transfer Shares.** Transfer Shares shall be allocated to Shareholders who applied for Transfer Shares on the following basis
- 6 7 1 each Shareholder shall be allocated his Proportionate Entitlement or such lesser number of Transfer Shares for which he may have applied,
- 6 7 2 each application for Excess Shares shall be allocated in accordance with such application or, in the event of competition, (as nearly as may be) to each Shareholder applying for Excess Shares in the proportion which the number of Shares held by such Shareholder bears to the total number of shares held by all Shareholders applying for Excess Shares, and
- 6 7 3 no Shareholder shall be allocated more Excess Shares than he has stated that he is willing to take
- 6 8 Promptly following expiry of the offer, the directors shall give notice of the resulting allocation of Transfer Shares (an "**Allocation Notice**") to the Proposing Transferor and the Shareholders to whom Transfer Shares have been allocated (each an "**Applicant**")
- 6 9 The Allocation Notice must specify
- 6 9 1 the place at which the sale of the Transfer Shares shall be completed,
- 6 9 2 the time (being not earlier than seven days and not later than 14 days after the date of the Allocation Notice) at which the sale of the Transfer Shares shall be completed
- 6 10 The Proposing Transferor must transfer the Transfer Shares comprised in the Allocation Notice to the Applicants named in the Allocation Notice at the time and place specified in the Allocation Notice
- 6 11 **Failure to transfer Transfer Shares.** If the Proposing Transferor does not transfer the Transfer Shares in accordance with Article 6 10
- 6 11 1 the directors may authorise any person to execute an instrument of transfer of the shares to the applicants and to enter the names of the Applicants in the register of members as the holder or holders of the relevant Transfer Shares,
- 6 11 2 the person so authorised is, as security for the performance of the Proposing Transferor's obligations, irrevocably and unconditionally appointed as the attorney of the Proposing Transferor for that purpose,

- 6 11 3 the Company will receive the purchase money and will hold it in trust for the Proposing Transferor,
- 6 11 4 upon receipt of the purchase money the Company will ensure that the transferee is registered as the holder of such Transfer Shares, subject to such instrument of transfer being stamped with any required stamp duty,
- 6 11 5 the transferee is not bound to see to the application of the consideration, and the transferee's title is not affected by any irregularity in or invalidity of the process leading to the sale, and
- 6 11 6 the Company will not be obliged to earn or pay interest on the purchase money and will not pay the purchase money to the Proposing Transferor until the Proposing Transferor has delivered his share certificates (or a customary indemnity in respect of any lost certificates) to the Company
- 6 12 **Procedure in relation to unsold Transfer Shares.** In the event of all the Transfer Shares not being sold under the provisions set out above, the Proposing Transferor may, at any time within three calendar months after receiving confirmation from the Company that the provisions set out above have been exhausted, sell any Transfer Shares (which have not been sold) in a sale to any person at any price not less than the Transfer Price
- 6 13 **Waiver** The provisions of this Article 6 may be waived, disapplied, modified, suspended or relaxed in whole or in part in any particular case subject to the agreement of
- 6 13 1 Shareholders holding in 81 per cent in aggregate of the ordinary share capital of the Company, and
- 6 13 2 each Shareholder holding at least 15 per cent of the ordinary share capital of the Company

7. COMPULSORY TRANSFER OF SHARES

- 7 1 **Deemed Transfer** Upon the occurrence of a Compulsory Transfer Event, and if required by the Board, a Transfer Notice shall be deemed to have been given by such Shareholder in respect of all of his shares and, subject to Article 7 3, the provisions of Articles 6 1 to 6 11 shall apply
- 7 2 The Transfer Price in respect of such Shareholder's shares shall be the fair value
- 7 3 As soon as practicable following deemed service of a Transfer Notice under Article 7 1, the directors shall appoint an Expert to determine the fair value of the shares which are the subject of the deemed Transfer Notice
- 7 4 If any shares which are the subject of a deemed Transfer Notice are not sold under the provisions of Articles 6 1 to 6 11, the directors may at any time give notice requiring a person becoming entitled to a Share in consequence of the Compulsory Transfer Event to elect either to become the holder of the Share or to have some person nominated by him registered as the transferee. If the notice is not complied with within 90 days the directors may after such time withhold payment of all dividends and other monies payable in respect of the Share until the requirements of the notice have been complied with

8. PROCEDURE FOR DETERMINING FAIR VALUE

- 8 1 This Article sets out the procedure for determining the fair value of any shares for the purposes of Article 7
- 8 2 The fair value in relation to the shares shall be such price as shall be certified by an Expert appointed to determine the fair value of the shares
- 8 3 The Expert shall be instructed to determine the fair value of the shares on the following assumptions and bases
- 8 3 1 valuing the shares on an arm's-length sale basis between a willing seller and a willing buyer,
- 8 3 2 if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so,
- 8 3 3 that the shares are capable of being transferred without restriction, and
- 8 3 4 valuing the shares as a rateable proportion of the total value of all the issued shares without any premium or discount being attributed to the percentage of the issued share capital of the Company which they represent
- 8 4 The Expert shall act as an expert and not as an arbitrator and its determination shall be final and binding on the parties (in the absence of fraud or manifest error)
- 8 5 The Expert may have access to all accounting records or other relevant documents of the Company, subject to any confidentiality provisions
- 8 6 The Expert shall be requested to deliver a certificate stating the fair value to the directors within 21 days of its appointment
- 8 7 As soon as the directors receive the certificate they shall deliver a copy of it to the person who is entitled to it on account of the Compulsory Transfer Event
- 8 8 The cost of obtaining the certificate shall be borne by the Company

9 DISENFRANCHISEMENT

If a Shareholder commits any breach of Article 5, the shares registered in his name will not carry any rights whatever (whether as to voting, dividend or otherwise) until the breach is remedied or the shares are transferred without a breach of Article 5. While a Share is disenfranchised under this Article 9, it will not be treated as an issued share

10. DRAG ALONG RIGHT

- 10 1 **Right to require minority Shareholders to sell their shares to a third party** The following rights to require minority Shareholders to join in a sale of the entire issued share capital of the Company to a third party will apply
- 10 2 **Calling Shareholders** Any Shareholder or Shareholders alone or together holding 81 per cent or more in nominal value of the issued shares of the Company ("**Calling Shareholders**") will have the right set out in Article 10 3

- 10 3 **Call Notice** The Calling Shareholders will be entitled at any time to require all the other holders of Shares ("**Recipient Shareholders**") by notice in writing to them ("**Call Notice**") to sell all of the Shares held by the Recipient Shareholders. This is subject to the conditions set out in Article 10 4 being met. The sale will be to any person ("**Purchaser**") to whom the Calling Shareholders propose to sell all of their Shares. The proposed sale will be deemed to be permitted for the purposes of Article 5. At the request of the Calling Shareholders, the Company will send a Call Notice to the Recipient Shareholders on behalf of the Calling Shareholders.
- 10 4 **Conditions.** The conditions referred to in Article 10 3 are that
- 10 4 1 the terms and conditions applying to the sale of the shares of the Calling Shareholders and the Recipient Shareholders are set out in reasonable detail in, or in one or more attachments to, the Call Notice,
- 10 4 2 the consideration for the sale of the Shares of the Calling Shareholders and the Recipient Shareholders is entirely
- (a) cash,
- (b) cleared funds, and/or
- (c) equity securities (as defined in section 560(1) of the Act),
- 10 4 3 the terms and conditions applying to the sale of the Shares held by each of the Recipient Shareholders shall be no less favourable to the Recipient Shareholders than the terms and conditions applying to the sale of the Shares held by the Calling Shareholders (and Shareholders shall be deemed to be treated as favourably as each other in respect of a liability or obligation which they assume if they assume it in proportion to their shareholdings in the Company), and
- 10 4 4 the Purchaser is a bona fide arm's length purchaser who is not a Calling Shareholder or an Associate of a Calling Shareholder.
- 10 5 **Obligation to sell** If a Call Notice is served and the conditions in Article 10 4 are met, all the Shareholders must proceed with the sale of all their shares on the terms and conditions notified in the Call Notice.
- 10 6 **Simultaneous purchase** A Shareholder must not complete any sale of Shares to the Purchaser unless the Purchaser completes the purchase of all the shares required to be sold at the same time.
- 10 7 **Failure to complete** The following will apply if any Shareholder ("**Defaulter**") fails to agree to sell, or to complete the sale of, or to make any required election in respect of any sale of, any Shares as he is obliged to do in accordance with this Article 10
- 10 7 1 the Calling Shareholders or the directors may authorise some person ("**Attorney**") to execute all necessary agreements, deeds and other documents necessary to give effect to the sale on the terms and conditions notified in the Call Notice,
- 10 7 2 the Attorney is, as security for the performance of the Defaulter's obligations, irrevocably and unconditionally appointed as the attorney of the Defaulter for that purpose,

- 10 7 3 the Attorney may make any such election on the Defaulter's behalf (in such manner as the Attorney in his absolute discretion shall think fit) and execute the necessary instrument of transfer of the Defaulter's Shares and may deliver such transfer on the Defaulter's behalf,
- 10 7 4 the Company will receive the purchase consideration and will hold it in trust for the Defaulter,
- 10 7 5 upon receipt of the purchase consideration the Company will ensure that the Purchaser is registered as the holder of the Defaulter's Shares, subject to the instrument of transfer of the Shares being stamped with any required stamp duty,
- 10 7 6 the Company will not be obliged to earn or pay interest on the purchase consideration and will not deliver the purchase consideration to the Defaulter until the Defaulter has delivered his share certificates (or a customary indemnity in respect of any lost certificates) to the Company, and
- 10 7 7 the receipt of the Company for the purchase consideration will be a good discharge to the Purchaser who will not be bound to see to the application of the purchase consideration and, after the name of the transferee has been entered in the register of members in exercise of the above power, the validity of the procedure will not be capable of challenge
- 10 8 **Existing subscription and conversion rights** At the same time as any Calling Shareholders give a Call Notice to Recipient Shareholders they will also be entitled to give the Call Notice to any person who has the right to subscribe for, or convert securities or indebtedness into, Shares in the Company which is capable of being exercised on or prior to or within 24 months after completion of the sale of Shares pursuant to this Article 10 The effect of serving a Call Notice on such person will be that if he exercises such right and becomes a registered holder of Shares in the capital of the Company on or prior to or within 24 months after such completion then that person will, for all the purposes of this Article 10, be treated as a Recipient Shareholder in respect of all such Shares and shall be obliged to sell such Shares in accordance with this Article 10 If the registration of such Shares occurs after such completion then the sale of such after-acquired Shares must be completed within 7 days of such registration

11. TAG ALONG RIGHT

- 11 1 **Transfer of a Controlling Interest** A Proposing Transferor must not transfer any Shares pursuant to Article 6 18 if it is prohibited by Article 11 2
- 11 2 **Restriction** The transfer referred to in Article 11 1 must not be made if it would result in any person or persons, and any person or persons acting in concert with him or them within the meaning of the City Code on Takeovers and Mergers in force from time to time, who was or were not a Shareholder or Shareholders on the date of adoption of these Articles obtaining direct or indirect control of a Controlling Interest That is, unless the condition specified in Article 11 3 is met
- 11 3 **Tag along** The condition referred to in Article 11 2 is that, before the transfer is made, the proposed transferee ("**Buyer**") makes a written offer to all the Shareholders to purchase all the Shares in the capital of the Company then in issue at a price per Share not less than the

Transfer Price (as defined in Article 6 3 4) The offer must be made at the same time and on the same terms and conditions for each Shareholder and must be open for acceptance in England for a period of at least 21 days from its delivery, which shall be made by personal delivery or courier to each of the Shareholders at his registered address A Shareholder (including the Proposing Transferor) must not complete any sale of Shares to the Buyer unless the Buyer completes the purchase of all the Shares agreed to be sold at the same time At the request of the Buyer, the Company will send the offer to the Shareholders on behalf of the Buyer

12. PERMITTED TRANSFERS OF SHARES

12 1 Permitted Transfer A Shareholder will be permitted to transfer the legal title to and the beneficial ownership of a Share (except as provided in Article 12 3)

12 1 1 in the case of a Shareholder who is an individual, to a Family Member of that Shareholder or to trustees to be held on Family Trusts of that Shareholder, and

12 1 2 in the case of a Shareholder being a company, to a Group Company

12 2 Family Trusts Where Shares have been transferred under Article 12 1 1 or this Article 12 2 to trustees of Family Trusts, the trustees and their successors may transfer all or any of the Relevant Shares (subject as provided in Article 12 3) as follows

12 2 1 on any change of trustee, the Relevant Shares may be transferred to the trustees from time to time of the Family Trusts concerned,

12 2 2 pursuant to the terms of such Family Trusts or in consequence of the exercise of any power or discretion vested in the trustees or any other person, all or any of the Relevant Shares may be transferred to the trustees from time to time of any other Family Trusts of the same individual Shareholder or to any Family Member of the relevant Shareholder who has become entitled to the Shares proposed to be transferred, and

12 2 3 back to the original individual Shareholder

12 3 Restrictions on Permitted Transfers

12 3 1 No transfer of any Share which would otherwise be permitted by this Article 12 shall be made or registered

(a) during the Active Period of any Transfer Notice under Article 6 or any Call Notice under Article 10 relating to that Share,

(b) during the period from the happening of any Compulsory Transfer Event under Article 7 in relation to the Shareholder holding such Share until the time when none of the Shareholders, the directors or the Company has any further rights or duties, directly or indirectly, in relation to that Compulsory Transfer Event,

(c) if that Share has previously been the subject of a Transfer Notice deemed to be given under Article 7 and that Share has not been validly transferred subsequently pursuant to any provision of these Articles (other than this Article 12)

- 12 3 2 Any transfer of a Share which would otherwise be permitted by this Article 12 is subject to the restrictions set out in Article 5 4 (directors' right to refuse to register transfers)

13 DEED OF ADHERENCE TO A SHAREHOLDERS' AGREEMENT

- 13 1 At the same time as any person who is not already a Shareholder is registered as the holder of any Share in the Company such person will, and the Company will procure that such person will, execute a deed of adherence in the form required by any Shareholders' Agreement in force from time to time Any right to transfer or issue shares or to receive a transfer or issue of shares under these Articles will take effect subject to this obligation
- 13 2 If any person fails to comply with Article 13 1, the directors may authorise some other person, who is (as security for the performance of the defaulter's obligations) irrevocably and unconditionally appointed as the attorney of the defaulter for the purpose, to execute the necessary deed of adherence on the defaulter's behalf

14 APPOINTMENT AND REMOVAL OF A DIRECTOR

- 14 1 **Appointment.** A director can only be appointed by the Board A director cannot be appointed by the Shareholders
- 14 2 **Removal by co-directors** A director may be removed from office by resolution of the directors to that effect or by notice in writing to that effect served upon him signed by a majority of his co-directors This is subject to any agreement to the contrary contained in a Shareholders' Agreement
- 14 3 **Removal by Shareholders** A director may be removed from office by notice in writing to that effect served upon him signed by a Shareholder or Shareholders alone or together holding more than 50 per cent in nominal value of the issued shares of the Company This is subject to any agreement to the contrary contained in a Shareholders' Agreement
- 14 4 **Enhanced voting rights on resolution to remove a director.** In relation to any resolution to remove a director proposed at a general meeting or by a written resolution of Shareholders, the director if also a Shareholder, shall have such number of votes as will result in such resolution being defeated

15. DIRECTORS' CONFLICTS OF INTEREST

- 15 1 **Authorising situational conflicts of interest** The directors may authorise, to the fullest extent permitted by law, any matter which would otherwise result in a director infringing his duty to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company and which may reasonably be regarded as likely to give rise to a conflict of interest (including a conflict of interest and duty or conflict of duties) The directors may do so subject to such terms and conditions, if any, as they may think fit from time to time to impose and subject always to their right to vary or terminate such authorisation

- 15 2 **Conditions for the authorisation to be effective** However, the authorisation referred to in Article 15 1 is only effective if
- 15 2 1 any requirement as to the quorum at the meeting at which the matter is considered is met without counting the director in question or any other interested director, and
- 15 2 2 the matter was agreed to without their voting or would have been agreed to if their votes had not been counted
- 15 3 **Effect of authorisation** If a matter has been authorised by the directors in accordance with Article 15 1 (an "**Approved Matter**") then (subject to such terms and conditions, if any, as the directors may think fit from time to time to impose, and subject always to their right to vary or terminate such authorisation or the provisions set out below), the relevant director
- 15 3 1 shall not be required to disclose any confidential information relating to the Approved Matter to the Company if to make such a disclosure would result in a breach of a duty or obligation of confidence owed by him in relation to or in connection with that Approved Matter,
- 15 3 2 may be required by the Company to maintain in the strictest confidence any confidential information relating to the Approved Matter which also relates to the Company,
- 15 3 3 may be required by the Company not to attend any part of a meeting of the directors at which anything relevant to the Approved Matter is to be discussed and any related board papers may be withheld from that director,
- 15 3 4 may absent himself from discussions, whether in meetings of the directors or otherwise, and exclude himself from information, which may be relevant to the Approved Matter, and
- 15 3 5 shall not, by reason of his office as a director, be accountable to the Company for any benefit which he derives from the Approved Matter
- 15 4 **Interests in other Group companies** A director may, despite his office or the existence of an actual or potential conflict between the interests of the Company and those of another member of the Group which would be caught by section 175(1) of the Act, be a director or other officer of, or employed by or otherwise interested in, whether directly or indirectly, any other company in the Group (a "**Group Company Interest**") and the director in question
- 15 4 1 shall be entitled to be counted in the quorum and to attend any meeting or part of a meeting of the directors or a committee of the board of directors at which any matter which is or may be relevant to the Group Company Interest may be discussed, and to vote on any resolution of the directors or a committee of the board of directors relating to such matter or to take any unanimous decision of the directors, and any board or committee papers relating to such matter shall be provided to the director in question at the same time as the other directors,
- 15 4 2 shall not be obliged to account to the Company for any benefit which he derives from a Group Company Interest,
- 15 4 3 shall not be obliged to disclose to the Company or use for the benefit of the Company, any confidential information received by him by virtue of his Group Company Interest and otherwise than by virtue of his position as a director, if to

do so would result in a breach of a duty or obligation of confidence owed by him to any other company in the Group or third party

15 5 Interests in transactions or arrangements with the Company The provisions of Articles 15 1 to 15 4 (inclusive) shall not apply to a conflict of interest which arises in relation to an existing or proposed transaction or arrangement with the Company but the following provisions of this Article 15 5 and Article 15 6 shall apply Any director may be interested in an existing or proposed transaction or arrangement with the Company provided that he complies with the Act

15 6 Effect of declaring an interest in a transaction or arrangement with the Company Without prejudice to the obligation of each director to declare an interest in accordance with sections 177 and 182 of the Act, a director may vote at a meeting of the board of directors or of a committee of the board of directors on any resolution concerning a matter in which he has an interest, whether direct or indirect, which relates to a transaction or arrangement with the Company, or in relation to which he has a duty Having so declared any such interest or duty he may have, the director shall be counted in the quorum present when any such resolution is under consideration and if he votes on such resolution his vote shall be counted He may also retain for his own absolute use and benefit all profits and advantages directly or indirectly accruing to him under or in consequence of such transaction or arrangement Article 14 of the Model Articles shall not apply

15 7 Quorum in the event of conflicts of interest If at any meeting of directors there is only one director entitled to vote on the business of the meeting, or any item of business at the meeting, because of a conflict of interest of the other directors, then the quorum for that meeting or that item of business shall be one

16 ALTERNATE DIRECTORS

Articles 15 and 25 to 27 of the Public Company Model Articles shall apply to the Company and in construing those articles the defined terms contained in the Public Company Model Articles shall apply

17. TRANSMITTEES

These Articles shall be binding upon and shall apply for the benefit of each Transmitttee of a Shareholder

18. DEFINITIONS AND INTERPRETATION

18 1 Definitions The following definitions apply in these Articles

"Act" means the Companies Act 2006,

"Active Period" means, in respect of a specified notice, the period from the time of its service or deemed service until the time when none of the Shareholders, the directors or the Company has any further rights or duties, directly or indirectly, pursuant to that notice,

"Associate" has the meaning given to it in section 435 of the Insolvency Act 1986,

"Board" means the board of directors of the Company,

"Change of Control" means a situation in which a person or persons and any person or persons acting in concert with him or them within the meaning of the City Code on Takeovers and Mergers in force from time to time, obtains direct or indirect control of a Controlling Interest

"Controlling Interest" means an interest (within the meaning of Part 22 of the Companies Act 2006) in any shares in the Company conferring in aggregate more than 50 per cent of the total voting rights conferred by all the shares in the Company from time to time in issue and conferring the right to vote at all general meetings of the Company,

"Compulsory Transfer Event" means the occurrence of one of the following events

- 18 1 1 death of an individual Shareholder,
- 18 1 2 an Insolvency Event,
- 18 1 3 by reason of a Shareholder's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have,
- 18 1 4 where a person has received a transfer of Relevant Shares as a Permitted Transferee and the relationship which permitted such a transfer ceases to exist,
- 18 1 5 a Shareholder materially changes its objects or powers under its articles of association,
- 18 1 6 a Shareholder ceases to be an employee of the Company, or
- 18 1 7 a Shareholder undergoes a Change of Control,

"Expert" means an independent firm of chartered accountants chosen by the Company,

"Family Member" includes the following

- 18 1 8 a person's spouse or civil partner,
- 18 1 9 any other person (whether of a different sex or the same sex) with whom the person lives as partner in an enduring family relationship,
- 18 1 10 a person's children or step-children,
- 18 1 11 any children or step-children of a person under clause 18 1 8 who live with the person and have not attained the age of 18,
- 18 1 12 a person's brother or sister, and
- 18 1 13 a person's parents,

"Family Trusts" means, as regards any particular individual shareholder or former individual shareholder, a trust or trusts under which no immediate beneficial interest in any of the shares in question is from time to time vested in any person other than that individual and/or Family Members of that individual (and so that for this purpose a person shall be considered to be beneficially interested in a share if such share or the income from it is or may become liable to be transferred or paid or applied or appointed to or for the benefit of such person or any voting or other rights attaching to such share are or may become liable to be exercisable by or as directed by such person pursuant to the terms of the relevant trusts or in consequence of an exercise of a power or discretion conferred by the relevant trusts on any person or persons),

"Group" means the Company, the Company and every Subsidiary and Holding Company of the Company and every Subsidiary and Holding Company of such Subsidiary or Holding Company (if any) from time to time,

"Group Company" means in relation to a company, that company and every subsidiary and holding company of that company and every Subsidiary and Holding Company of such Subsidiary or Holding Company (if any) from time to time,

"Holding Company" has the meaning given to it in section 1159 of the Act,

"Insolvency Event" means in relation to a Shareholder.

- (a) the passing of a resolution for the liquidation of the Shareholder or any other company in the Shareholder's group other than a solvent liquidation for the purpose of the reconstruction or amalgamation of all or part of the Shareholder's group in which a new company assumes and is capable of assuming all the obligations of the Shareholder or other company in the Shareholder's group, or
- (b) the presentation at court by any competent person of a petition for the winding up of the Shareholder or any other company in the Shareholder's group and which has not been withdrawn or dismissed within seven days of such presentation, or
- (c) the issue at court by any competent person of a notice of intention to appoint an administrator to the Shareholder or any other company in the Shareholder's group, a notice of appointment of an administrator to the Shareholder or any other company in the Shareholder's group or an application for an administration order in respect of the Shareholder or any other company in the Shareholder's group, or
- (d) any step is taken by any person to appoint a receiver, administrative receiver or manager in respect of the whole or a substantial part of the assets or undertaking of the Shareholder or any other company in the Shareholder's group, or
- (e) the Shareholder or any other company in the Shareholder's group entering into a composition or arrangement with its creditors generally, or
- (f) any competent person takes any analogous step in any jurisdiction in which the Shareholder or any other company in the Shareholder's group carries on business, or

- (g) a petition is presented or an order is made for the bankruptcy of the Shareholder,

"Model Articles" means the model articles for private companies limited by shares contained in Schedule 1 of the Companies (Model Articles) Regulations 2008 (SI/ 2008/3229) as amended prior to the date of adoption of these Articles,

"Permitted Transfer" means a transfer of Shares which have been permitted pursuant to Article 12

"Permitted Transferee" means a person to whom Shares have been permitted to be transferred pursuant to Article 12,

"Public Company Model Articles" means the model articles for public companies contained in Schedule 3 of the Companies (Model Articles) Regulations 2008 (SI/ 2008/3229) as amended prior to the date of adoption of these Articles,

"Relevant Shares" means (so far as they remain held by the Permitted Transferee) the Shares originally transferred to a Permitted Transferee pursuant to Article 12 and any additional shares either issued to such Permitted Transferee by way of capitalisation of reserves or acquired by such Permitted Transferee in exercise of any right or option granted or arising by virtue of the holding of such shares or additional shares or any of them or the membership conferred by them,

"Share" means an ordinary share of £0.01 in the Company,

"Shareholder" means a registered holder of shares in the Company (and includes joint holders),

"Shareholders' Agreement" means any agreement, by whatever name called, in effect from time to time between the Company and any Shareholders holding a Controlling Interest that relates in whole or in part to the conduct of the Company's affairs,

"Subsidiary" has the meaning given to it in section 1159 of the Act, and

"Transmittee" means a person entitled to a Share by reason of the death or bankruptcy of a Shareholder or otherwise by operation of law

18.2 **Interpretation** In these Articles, where the context admits and unless specified to the contrary

18.2.1 words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Act shall have the same meanings in these Articles,

18.2.2 a reference to an "Article" is a reference to the relevant article of these Articles,

18.2.3 words and expressions defined in any part of these Articles have the same meanings throughout these Articles,

- 18 2 4 a reference to the issue of a Share includes the allotment of a Share,
- 18 2 5 use of the singular is deemed to include the plural, use of any gender is deemed to include every gender and any reference to a person is deemed to include a corporation, a partnership and other body or entity, and (in each case) vice versa,
- 18 2 6 references to the "directors" means the directors of the Company acting as a board or the directors of the Company present or deemed to be present at a duly convened board meeting at which a quorum is present,
- 18 2 7 a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of (i) any subordinate legislation from time to time made under it and (ii) any amendment or re-enactment, and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts,
- 18 2 8 in relation to any Shareholder, references to any English legal term for any action, remedy, method of judicial proceeding, insolvency proceeding, event of incapacity, legal status, court, governmental or administrative authority or agency, official or any legal concept, practice or principle or thing shall in respect of any jurisdiction other than England where that Shareholder is domiciled, resident, incorporated or carries on business be deemed to include what most approximates in that jurisdiction to the English legal term concerned,
- 18 2 9 the headings shall not affect the interpretation of these Articles