

# **Articles of Association of Equity Trustees (UK & Europe) Ltd**

## **The Companies Act 2006 Company Limited by Shares**

(as adopted by special resolution passed  
On 13 March 2019)



**THE COMPANIES ACT 2006**  
**PRIVATE COMPANY LIMITED BY SHARES**  
**ARTICLES OF ASSOCIATION**  
**OF**  
**EQUITY TRUSTEES (UK & EUROPE) LTD**

(Adopted by special resolution passed on 13 March 2019)

**INTRODUCTION**

**INTERPRETATION**

**1. Interpretation**

1.1. The following definitions and rules of interpretation apply in these Articles:

<b>"Act"</b>	means the Companies Act 2006.
<b>"Adoption Date"</b>	means the date of adoption of these Articles.
<b>"Allocation Notice"</b>	has the meaning given in Article 19.11.2.
<b>"Applicant"</b>	has the meaning given in Article 19.11.2.
<b>"Articles"</b>	means the Company's articles of association for the time being in force.
<b>"Available Profits"</b>	means profits available for distribution within the meaning of part 23 of the Act.
<b>"Bad Leaver"</b>	means an Employee who becomes a Departing Employee by reason of ceasing to be employed by the Company as a result of: <ul style="list-style-type: none"><li>a) that Employee's fraud, dishonesty, serious misconduct, negligence or serious incompetence;</li><li>b) that Employee having been convicted of any criminal offence or infringement of any rules or regulations;</li><li>c) the Employee's voluntary resignation;</li><li>d) their employment terminating in circumstances where the Employee is offered, but declines to enter into a new service agreement or employment contract on terms materially similar to their existing service agreement;</li></ul>

e) the Employee treats himself as having been constructively dismissed other than in circumstances where a decision of an employment tribunal or court of competent jurisdiction determines that the circumstances of the termination of his employment amounted directly to constructive dismissal; or

f) the Employee is declared bankrupt.

<b>"Business Day"</b>	means a day other than a Saturday, Sunday or public holiday in England when banks in London are open for business.
<b>"CEO Shareholder"</b>	means each of Kevin Lavery and James Gardner
<b>"Chairman"</b>	has the meaning given to it in Article 6.6.
<b>"Company"</b>	means Equity Trustees (UK & Europe) Ltd (company number 10145592).
<b>"Company's Lien"</b>	has the meaning given to it in Article 28.1.
<b>"Conflict"</b>	has the meaning given in Article 8.1.
<b>"connected"</b>	has the meaning given in section 252 of the Act.
<b>"Controlling Stake"</b>	means more than 50 per cent of the Ordinary Shares in issue
<b>"Deemed Transfer Notice"</b>	means a Transfer Notice which is deemed to have been served by any of the provisions of these Articles, taken to be given on the terms of Article 15.8.
<b>"Default Provision"</b>	has the meaning given in Article 21.6.
<b>"Defaulting Shareholder"</b>	means a Shareholder the subject of a Default Provision.
<b>"Departing Employee"</b>	means an Employee who ceases to be a director or employee of, or consultant to, any Group Company and who does not continue as, or become, a director or employee of, or consultant to, any Group Company.
<b>"Directors"</b>	means the directors of the Company from time to time.
<b>"Dismissed Leaver"</b>	means an Employee who becomes a Departing Employee by reason of dismissal or termination by any Group Company other than in circumstances where that Employee is a Bad Leaver.
<b>"Dismissed Shareholder"</b>	a Minority Shareholder who becomes a Departing Employee where he is a Dismissed Leaver and who

	elects to retain its Shares in accordance with Article 22.4.
<b>"Drag Along Notice"</b>	has the meaning given in Article 23.2.
<b>"Drag Along Option"</b>	has the meaning given in Article 23.1.
<b>"Eligible Director"</b>	means a Director who would be entitled to vote on the matter at a meeting of Directors (but excluding any Director whose vote is not to be counted in respect of the particular matter).
<b>"Employee"</b>	means an individual who is, or has been, a director and/or an employee of, or who does provide or has provided consultancy services to, any Group Company.
<b>"EQT Director"</b>	has the meaning given in Article 6.1.
<b>"EQT UK"</b>	means EQT International Holdings (UK) Limited incorporated and registered in England and Wales with company number 10960134.
<b>"Excess Securities"</b>	has the meaning given in Article 14.5.3.
<b>"Exchange Securities"</b>	has the meaning given in Article 18.4.2.
<b>"Fair Value"</b>	has the meaning given in Article 20.3.
<b>"Financial Year"</b>	means an accounting reference period (as defined in section 391 of the Act) of the Company.
<b>"First Call Option"</b>	has the meaning given in Article 18.1.
<b>"First Call Option Notice"</b>	has the meaning given in Article 18.2.
<b>"First Call Option Period"</b>	means any time after the Initial Lock-up Date.
<b>"First Option Completion Date"</b>	has the meaning given in Article 18.3.2.
<b>"First Option Price"</b>	has the meaning given in Article 18.3.1.
<b>"Good Leaver"</b>	means an Employee who becomes a Departing Employee in circumstances where he is neither a Bad Leaver nor a Dismissed Leaver.
<b>"Group"</b>	means the Company, any subsidiary or any holding company from time to time of the Company, and any subsidiary from time to time of a holding company of the Company from time to time and <b>"Group Company"</b> will be construed accordingly.
<b>"holding company"</b>	has the meaning given in Article 1.11.
<b>"Independent Expert"</b>	means a member of the Institute of Chartered Accountants of England and Wales with at least 5

	years' experience as a valuer, appointed by a Shareholder Special Resolution.
<b>"Initial Funding Date"</b>	means 30 June 2020.
<b>"Initial Lock-up Date"</b>	means 1 October 2024.
<b>"Interested Director"</b>	has the meaning given in Article 8.1.
<b>"Issue Price"</b>	means in respect of any Share, the subscription price paid (or agreed to be paid) in respect of that Share, including any share premium.
<b>"Licensed Entity"</b>	means Equity Trustees Fund Services Limited, registered in England and Wales with company number 04856420.
<b>"Lien Enforcement Notice"</b>	means a notice in writing which complies with the requirements of Article 29.2.
<b>"Majority Shareholder"</b>	means EQT UK, for so long as EQT UK and the Members of the Same Group as EQT UK together hold in aggregate a Controlling Stake.
<b>"Majority Shareholder Consent"</b>	means the prior consent in writing of the Majority Shareholder.
<b>"Member of the Same Group"</b>	means as regards any company, a company which is from time to time a holding company or a subsidiary of that company or a subsidiary of any such holding company.
<b>"Minimum Transfer Condition"</b>	has the meaning given in Article 19.2.4.
<b>"Minority Director"</b>	has the meaning given in Article 6.3.
<b>"Minority Employee"</b>	means each Minority Shareholder who is an Employee.
<b>"Minority Shareholders"</b>	means each Shareholder other than a Majority Shareholder.
<b>"Model Articles"</b>	means the model articles for private companies limited by shares contained in Schedule 1 to The Companies (Model Articles) Regulations 2008 (SI 2008/3229), as amended prior to the Adoption Date.
<b>"New Shareholder"</b>	has the meaning given in Article 23.9.
<b>"Offeree"</b>	has the meaning given in Article 14.4.
<b>"Option Shares"</b>	has the meaning given in Article 20.2.
<b>"Ordinary Shares"</b>	means the ordinary shares of £1.00 each in the capital of the Company.

<b>"Permitted Transfer"</b>	means a transfer of Shares made in accordance with Article 16.
<b>"Permitted Transferee"</b>	means in relation to a Shareholder which is a company, a Member of the same group as that company.
<b>"Preference Share Offeree"</b>	has the meaning given in Article 14.3.
<b>"Preference Shares"</b>	means the preference shares of £1.00 each in the capital of the Company.
<b>"Preferred Dividend"</b>	has the meaning given in Article 10.2.
<b>"Proposed Buyer"</b>	has the meaning given in Article 23.1.
<b>"Proposed Sale Price"</b>	has the meaning given in Article 19.2.3.
<b>"Regulatory Capital Requirement"</b>	means the amount and type of capital and other funds which the Company and/or the Licensed Entity (as appropriate) is required to hold in accordance with Chapter 11 of the Financial Conduct Authority's Interim Prudential Sourcebook for Investment Business (IPRU-INV 11).
<b>"Relevant Securities"</b>	<p>means any Shares issued by the Company after the Adoption Date, other than:</p> <p>(a) the grant of any options under a Share Option Plan (and the issue of Shares on the exercise of any such options);</p> <p>(b) any Shares or other securities issued by the Company in order for the Company to comply with its obligations under these Articles and/or the Shareholders Agreement;</p> <p>(c) any Shares or other securities issued in consideration of the acquisition by the Company of any company or business which has been approved by Majority Shareholder Consent; and</p> <p>(d) any Preference Shares.</p>
<b>"Restricted Shares"</b>	has the meaning given in Article 21.8.
<b>"Sale Shares"</b>	has the meaning given in Article 19.2.1.
<b>"Seller"</b>	has the meaning given in Article 19.2.
<b>"Second Call Option"</b>	has the meaning given in Article 18.1.
<b>"Second Call Option Completion Date"</b>	has the meaning given in Article 18.7.2.
<b>"Second Call Option Period"</b>	means anytime after 1 October 2029.

<b>"Second Call Purchase Notice"</b>	has the meaning given in Article 18.6.
<b>"Second Option Price"</b>	has the meaning given in Article 18.7.1.
<b>"Shareholder"</b>	means a holder for the time being of any Share or Shares, but excluding any member holding Shares in treasury.
<b>"Shareholders Agreement"</b>	means the shareholders' agreement dated on or around the Adoption Date between the Company and the Shareholders (as the same may have been varied, supplemented, adhered to or superseded in accordance with its terms (or these Articles) for the time being).
<b>"Share Option Scheme"</b>	means any share option scheme of the Company which the Majority Shareholder identifies in writing as being a Share Option Scheme for the purposes of these Articles.
<b>"Shareholder Consent"</b>	means the prior consent in writing of a Shareholder Majority.
<b>"Shareholder Majority"</b>	means the holder(s) for the time being of not less than 51% of the total number of Ordinary Shares held by the Shareholders.
<b>"Shareholder Special Resolution"</b>	means a resolution of the Shareholders which is approved by Shareholders (who are not disqualified from voting on that resolution) who between them hold not less than 77% of the total number of Ordinary Shares held by all of the Shareholders who are not disqualified from voting on that resolution.
<b>"Shares"</b>	means the shares in the capital of the Company and includes the Ordinary Shares and the Preference Shares.
<b>"subsidiary"</b>	has the meaning given in Article 1.11.
<b>"Surplus Shares"</b>	has the meaning given in Article 19.9.3.
<b>"Transfer Notice"</b>	has the meaning given in Article 19.2.
<b>"Transfer Price"</b>	has the meaning given in Article 20.
<b>"Valuation Request"</b>	has the meaning given in Article 18.13.
<b>"Writing" or "written"</b>	means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise, save that, in relation to a Transfer Notice (or Deemed Transfer Notice), <b>"writing"</b> or <b>"written"</b> will not include the sending or supply of notices, documents or information in electronic form (other than by fax).

1.2. Headings in these Articles will not affect the interpretation of these Articles.

- 1.3. Unless the context otherwise requires, words in the singular will include the plural and the plural will include the singular.
- 1.4. Unless the context otherwise requires, a reference to one gender will include a reference to the other genders.
- 1.5. Save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Model Articles will 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 will have the same meanings in these Articles (but excluding any statutory modification of them not in force on the Adoption Date).
- 1.6. A reference in these Articles to:
  - 1.6.1. an "**Article**" is a reference to the relevant numbered article of these Articles; and
  - 1.6.2. a "**model article**" is a reference to the relevant article,unless expressly provided otherwise.
- 1.7. A reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time. A reference to a statute or statutory provision will include all subordinate legislation made from time to time under that statute or statutory provision.
- 1.8. Any words following the terms "**including**", "**include**", "**in particular**", "**for example**" or any similar expression will be construed as illustrative and will not limit the sense of the words, description, definition, phrase or term preceding those terms.
- 1.9. Where the context permits, other and otherwise are illustrative and will not limit the sense of the words preceding them.
- 1.10. A reference in these Articles to a holder, or the holder(s), of Shares or any class of Shares as the case may be will, in each case, be deemed to exclude any member holding Shares in treasury.
- 1.11. A reference to a "**holding company**" or a "**subsidiary**" means a holding company or a subsidiary (as the case may be) as defined in section 1159 of the Act and for the purposes only of the membership requirement contained in sections 1159(1)(b) and (c), a company will be treated as a member of another company even if its shares in that other company are registered in the name of:
  - 1.11.1. another person (or its nominee), by way of security or in connection with the taking of security; or
  - 1.11.2. its nominee.

In the case of a limited liability partnership which is a subsidiary of a company or another limited liability partnership, section 1159 of the Act will be amended so that: (a) references in sections 1159(1)(a) and (c) to voting rights are to the members' rights to vote on all or substantially all matters which are decided by a vote of the members of the limited liability partnership; and (b) the reference in section 1159(1)(b) to the right to appoint or remove a majority of its board of directors is to the right to appoint or remove members holding a majority of the voting rights.

## 2. Adoption of the Model Articles

- 2.1. The Model Articles (together with those provisions of Schedule 3 to The Companies (Model Articles) Regulations 2008 (SI 2008/3229) referred to in Article 28) will apply to the Company, except in so far as they are modified or excluded by these Articles or are inconsistent with these Articles, and, subject to any such modifications, exclusions or inconsistencies, will together with these Articles constitute the articles of association of the Company to the exclusion of any other articles or regulations set out in any statute or in any statutory instrument or other subordinate legislation. A copy is set out in the schedule to these Articles.
- 2.2. Model articles 7, 8, 9(1) and (3), 11(2) and (3), 12, 13, 14(1) to (4) (inclusive), 16, 18(e), 22, 26(5), 38, 39, 44(2), 49, 50 and 51 to 53 (inclusive) will not apply to the Company.
- 2.3. Model article 20 will be amended by the insertion of the words "and the secretary" before the words "properly incur".
- 2.4. In model article 25(2)(c), the words "evidence, indemnity and the payment of a reasonable fee" will be deleted and replaced with the words "evidence and indemnity".
- 2.5. Model article 29 will be amended by the insertion of the words ", or the name of any person(s) named as the transferee(s) in an instrument of transfer executed under article 28(2)," after the words "the transmittee's name".

## **DIRECTORS**

### **3. Number of Directors**

Unless otherwise determined by a Shareholder Special Resolution, the maximum number of Directors holding office at any one time shall be five.

### **4. Proceedings of Directors**

- 4.1. Any decision of the Directors must be taken at a meeting of Directors in accordance with these Articles or must be a decision taken in accordance with Article 4.3 (subject to Article 4.4 and Article 4.5). Subject to the Shareholders Agreement, all decisions made at any meeting of the Directors (or any committee of the Directors) will be made only by resolution and resolutions at any meeting of the Directors (or committee of the Directors) will be decided by a majority of votes.
- 4.2. No resolution may be passed at a meeting of the Directors (or any meeting of a committee of the Directors), unless:
  - 4.2.1. the nature of the business has been specified in the agenda; and
  - 4.2.2. two EQT Directors are present and voting at such meeting.
- 4.3. A unanimous decision of the Directors is taken when all Eligible Directors indicate to each other by any means that they share a common view on a matter.
- 4.4. A decision taken in accordance with Article 4.3 may take the form of a resolution in writing, where each Eligible Director has signed one or more copies of it, or to which each Eligible Director has otherwise indicated agreement in writing.
- 4.5. A decision may not be taken in accordance with Article 4.3 if the Eligible Directors would not have formed a quorum at a Directors' meeting to vote on the matter in accordance with Article 4.8 and Article 4.9.
- 4.6. Model articles 5(1) to (3) (inclusive) and 6(2) will be modified by the insertion of the words "(acting with Majority Shareholder Consent)" following each reference to "the directors" in such model articles.

- 4.7. Meetings of the Directors will take place at least once every calendar quarter. Any Director may call a meeting of the Directors, or authorise the company secretary (if any) to give such notice. The Company shall send to each Director (in electronic format if so required):
- 4.7.1. reasonable advance notice of each meeting of the board of Directors and each committee of it;
  - 4.7.2. a written agenda for each meeting of the board of Directors and each committee meeting, accompanied by all relevant papers; and
  - 4.7.3. as soon as practicable after each such meeting, a copy of the minutes or committee minutes of such meetings.
- 4.8. The quorum for any meeting (or, where specified below, part of a meeting) of the Directors will be three Eligible Directors, which must include:
- 4.8.1. for so long as there is at least one Minority Director in office, at least one Minority Director; and
  - 4.8.2. at least two EQT Directors.
- 4.9. If a quorum is not present within 30 minutes of the time specified for a directors' meeting in the notice of the meeting then it will be adjourned for 7 Business Days at the same time and place. If at the adjourned meeting a quorum is not present within 30 minutes of the time specified for the directors' meeting in the adjourned notice of the meeting, then those directors present will constitute a quorum.
- 4.10. For the purposes of any meeting (or part of a meeting) held pursuant to Article 8 to authorise a Conflict (as defined in Article 8.1), if there is only one Eligible Director in office other than the conflicted Director(s), the quorum for such meeting (or part of a meeting) will be one Eligible Director.
- 4.11. If the number of Directors in office for the time being is less than three, the Directors in office must not take any decision other than a decision to:
- 4.11.1. appoint further Directors; or
  - 4.11.2. call a general meeting so as to enable the Shareholders to appoint further Directors.
- 4.12. Where decisions of the Directors are taken by electronic means, such decisions will be recorded by the Directors in permanent form, so that they may be read with the naked eye.

## **5. Appointment and removal of Directors**

- 5.1. Model article 17(1) will be modified by the inclusion, at the end of that model article, of the words "provided that the appointment does not cause the number of Directors to exceed the maximum number set out in Article 6.1 of these Articles".
- 5.2. Model article 18 will be modified by the addition of the following events upon the occurrence of which a person will cease to be a Director:
- 5.2.1. he is convicted of a criminal offence (other than a minor motoring offence) and a majority of the other Directors resolve that he cease to be a Director;
  - 5.2.2. save in the case of an EQT Director, or a Minority Director a majority of the other Directors resolve that he cease to be a Director; and

- 5.2.3. in the case of an executive Director or a Minority Director, he ceases to be employed by the Company or other Group Company (as appropriate) and does not continue as an employee of any other Group Company.

## **6. EQT Director, Minority Director and Chairman**

- 6.1. The Majority Shareholder shall have the right to:
    - 6.1.1. appoint and maintain in office three directors (each an "EQT Director") of the Company (and as a member of each and any committee of the Board of Directors of the Company); and
    - 6.1.2. to remove any director so appointed and, upon their removal whether by the Majority Shareholder or otherwise, to appoint another person to act as an EQT Director in his place.
  - 6.2. Appointment and removal of an EQT Director shall be by written notice from the Majority Shareholder to the Company which shall take effect on delivery at its registered office or at any meeting of the Directors or committee thereof.
  - 6.3. For so long as a CEO Shareholder holds any Shares, that CEO Shareholder shall have the right to appoint himself as a director (each a "Minority Director") of the Company.
  - 6.4. Appointment and removal of a Minority Director shall be by written notice from the appointing CEO Shareholder to the Company which shall take effect on delivery at its registered office or at any meeting of the Directors or committee thereof.
  - 6.5. If a CEO Shareholder becomes a Departing Employee or ceases to hold any Shares then:
    - 6.5.1. they will be deemed to have given notice to the Company in accordance with Article 6.4 to remove the Minority Director (if any) which that CEO Shareholder appointed; and
    - 6.5.2. will not have the right to appoint a replacement Minority Director.
  - 6.6. EQT UK shall have the right to appoint any person as chairman of the board of Directors ("Chairman") and to remove and replace any such Chairman for as long as EQT UK remains the Majority Shareholder. In the event that EQT UK is no longer the Majority Shareholder, the Chairman shall be elected from amongst the Directors. If there are an equal number of votes for and against a question that does not require either a Special Majority Shareholder Resolution or a Special Majority Director Resolution, the Chairman has a casting vote, unless only two directors are present and entitled to vote on the question.
- ## **7. Transactions or other arrangements with the Company**
- 7.1. Subject to sections 177(5) and 177(6) and sections 182(5) and 182(6) of the Act and provided he has declared the nature and extent of his interest in accordance with the requirements of the Act, a Director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company:
    - 7.1.1. may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested;
    - 7.1.2. will be an Eligible Director for the purposes of any proposed decision of the Directors (or committee of the Directors) in respect of such existing or proposed transaction or arrangement in which he is interested;

- 7.1.3. will be entitled to vote at a meeting of Directors (or of a committee of the Directors) or participate in any unanimous decision, in respect of such existing or proposed transaction or arrangement in which he is interested;
- 7.1.4. may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm will be entitled to remuneration for professional services as if he were not a Director;
- 7.1.5. may be a Director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is otherwise (directly or indirectly) interested; and
- 7.1.6. will not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or a person connected with him) derives from any such transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such transaction or arrangement will be liable to be avoided on the grounds of any such interest or benefit nor will the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act.

## 8. Directors' conflicts

- 8.1. The Directors may, in accordance with the requirements set out in this Article 8, authorise any matter or situation proposed to them by any Director which would, if not authorised, involve a Director (an "Interested Director") breaching his duty under section 175 of the Act to avoid conflicts of interest ("Conflict").
- 8.2. Any authorisation under this Article 8 will be effective only if:
  - 8.2.1. the matter in question will have been proposed by any Director for consideration in the same way that any other matter may be proposed to the Directors under the provisions of these Articles;
  - 8.2.2. any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director; and
  - 8.2.3. the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's vote had not been counted.
- 8.3. Any authorisation of a Conflict under this Article 8 may (whether at the time of giving the authorisation or subsequently):
  - 8.3.1. extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;
  - 8.3.2. provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the Directors or otherwise) related to the Conflict;
  - 8.3.3. provide that the Interested Director will or will not be an Eligible Director in respect of any future decision of the Directors in relation to any resolution related to the Conflict;
  - 8.3.4. impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the Directors think fit;
  - 8.3.5. provide that, where the Interested Director obtains, or has obtained (through his involvement in the Conflict and otherwise than through his position as a Director of the Company) information that is confidential to a third party, he will not be obliged to disclose that information to the Company, or to use it in

relation to the Company's affairs where to do so would amount to a breach of that confidence; and

- 8.3.6. permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any meeting of the Directors and be excused from reviewing papers prepared by, or for, the Directors to the extent they relate to such matters.
- 8.4. Where the Directors authorise a Conflict, the Interested Director will be obliged to conduct himself in accordance with any terms and conditions imposed by the Directors in relation to the Conflict.
- 8.5. The Directors may revoke or vary such authorisation at any time, but this will not affect anything done by the Interested Director, prior to such revocation or variation, in accordance with the terms of such authorisation.
- 8.6. A Director, notwithstanding his office, may be a Director or other officer of, employed by, or otherwise interested (including by the holding of shares) in his appointor(s) (or any Permitted Transferee of such appointor(s)) and no authorisation under Article 8.1 will be necessary in respect of any such interest.
- 8.7. Any EQT Director will be entitled from time to time to disclose to EQT UK (and to any Member of the Same Group as EQT UK) such information concerning the business and affairs of the Company as he will at his discretion see fit.
- 8.8. A Director is not required, by reason of being a Director (or because of the fiduciary relationship established by reason of being a Director), to account to the Company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the Directors in accordance with these Articles or by the Company in general meeting (subject in each case to any terms and conditions attaching to that authorisation) and no contract will be liable to be avoided on such grounds.

## **9. Secretary**

The Directors may appoint any person who is willing to act as the secretary for such term, at such remuneration and upon such conditions as they may think fit and from time to time remove such person and, if the Directors so decide, appoint a replacement, in each case by a decision of the Directors.

## **SHARES AND DISTRIBUTIONS**

### **10. Dividends**

- 10.1. In respect of any Financial Year, the Available Profits of the Company may be used to pay dividends as set out in this Article 10.
- 10.2. Subject to Article 10.13, the Company will, without need for a resolution of the Directors, or the Company in general meeting and before application of any Available Profits to reserves or for any other purpose, pay in respect of each Preference Share a fixed, cumulative, preferential dividend ("**Preferred Dividend**") at an annual rate of 7% of the Issue Price per Preference Share to the person registered as its holder on the due date (such date determined in accordance with this Article 10).
- 10.3. Subject to Article 10.4, the Preferred Dividend will be paid in cash semi-annually on the last Business Day of March and September of each year.

- 10.4. All unpaid arrears and accruals of the Preferred Dividend will be paid on the date of redemption of all Preference Shares in accordance with Article 13.
- 10.5. The Company will not declare or pay any further dividend unless and until all arrears and accruals of the Preferred Dividend have been paid (if applicable).
- 10.6. Subject to Article 10.5 and Article 10.13, any further Available Profits which the Company may determine to distribute in respect of any Financial Year will be distributed among the holders of the Ordinary Shares pro rata to their respective holdings of Ordinary Shares.
- 10.7. Subject to the Act, the Directors may pay interim dividends **provided always** that the Available Profits of the Company justify the payment.
- 10.8. Each dividend declared in accordance with Article 10.6 will be distributed to the appropriate Shareholders pro rata according to the number of Ordinary Shares held by them respectively and will accrue daily (assuming a 365 day year) as well after as before the commencement of a winding up. All dividends are expressed net and will be paid in cash.
- 10.9. Unless the Company has insufficient Available Profits, the Preferred Dividend will, notwithstanding that such dividend is expressed to be cumulative, be paid immediately on the due date.
- 10.10. If, as a result of not having sufficient Available Profits, the Company is not lawfully permitted to pay the Preferred Dividend in full on the due date, it will pay the Preferred Dividend to the extent it is lawfully able to do so. The unpaid amount will:
  - 10.10.1. be a debt due from the Company; and
  - 10.10.2. accrue interest daily (assuming a 365 day year) at the rate of 10% per annum in respect of the period from the due date to the actual date of payment (both dates inclusive), compounded to the end of each calendar month and such interest will, to the extent outstanding for the time being, be paid on the date of payment of the Preferred Dividend in respect of which the relevant interest accrues.
- 10.11. If the Company is in arrears in paying the Preferred Dividend, the first Available Profits arising will be applied in or towards paying off any arrears of Preferred Dividend.
- 10.12. The Company will procure that the profits of any other Group Company available for distribution will from time to time (and to the extent lawful), be paid by way of dividend to the Company (or, as the case may be, the relevant Group Company that is its immediate holding company) to the extent necessary to permit lawful and prompt payment by the Company of the Preferred Dividend.
- 10.13. Notwithstanding any other provision of this Article 10, no dividend may be paid to the Company in respect of any Shares held in treasury.

## **11. Liquidation preference**

- 11.1. On a return of assets on liquidation, capital reduction or otherwise (other than a conversion or purchase of Shares), the assets of the Company remaining after the payment of its liabilities will be applied (to the extent that the Company is lawfully able to do so) in the following order of priority:
  - 11.1.1. first, in paying to the holders of the Preference Shares in respect of each Preference Share held the Issue Price of that Preference Share, together with a sum equal to any arrears and accruals of the Preferred Dividend in respect of that Preference Share calculated down to (and including) the date of the

return of capital and, if there is a shortfall of assets remaining to satisfy such payments in full, the proceeds will be distributed to the holders of the Preference Shares pro rata to the aggregate amounts due under this Article 11.1.1 to each such Preference Share held; and

- 11.1.2. second, in paying to the holders of the Ordinary Shares in respect of each Ordinary Share held the Issue Price of that Ordinary Share, together with a sum equal to any arrears and accruals of dividend in respect of that Ordinary Share and, if there is a shortfall of assets remaining to satisfy such payments in full, the proceeds will be distributed to the holders of the Ordinary Shares pro rata to the aggregate amounts due under this Article 11.1.2 to each such Share held; and
- 11.1.3. thereafter, in distributing the balance among the holders of the Ordinary Shares pro rata to the number of such Shares held.

## **12. Variation of class rights**

- 12.1. Whenever the share capital of the Company is divided into different classes of Shares, the special rights attached to any such class may only be varied or abrogated (either whilst the Company is a going concern or during or in contemplation of a winding up) with the consent in writing of the holders of at least 77% in nominal value of the issued Shares of that class (excluding any holder(s) of Restricted Shares), save that the special rights attached to the Preference Shares may only be varied or abrogated with Majority Shareholder Consent.
- 12.2. Without prejudice to the generality of Article 12.1, the special rights attaching to the Preference Shares will be deemed to be varied by the occurrence of any of the following events:
  - 12.2.1. the amendment or repeal of any provision of, or addition of any provision to, the memorandum of association or articles of association of any Group Company;
  - 12.2.2. the alteration in any manner (including, without limitation, by an increase, reduction, sub-division, consolidation, re-classification or a change in any of the rights attached) of any of the issued share capital or other securities of any Group Company or the creation by any Group Company of any shares or other securities (save as expressly provided otherwise in these Articles), but excluding in each case the issue of any shares or other securities on the exercise of any option, warrant or other right to acquire or subscribe for shares or other securities referred to in Article 12.2.3 and any redemption of the Preference Shares in accordance with Article 13;
  - 12.2.3. the grant of any option, warrant or other right to acquire or subscribe for shares in or other securities of any Group Company (whether or not pursuant to a Share Option Scheme);
  - 12.2.4. the approval of any merger, liquidation, dissolution or acquisition of any Group Company or the sale of all or any part of the business, undertaking or assets of any Group Company;
  - 12.2.5. the purchase by any Group Company of any Shares (other than pursuant to an authority granted under section 693A of the Act) or the redemption of any shares or other securities of any Group Company;
  - 12.2.6. the acquisition by any Group Company of any shares or other securities, or any option, warrant or other right to acquire or subscribe for any of the same, in any entity (whether or not incorporated);

- 12.2.7. save as expressly provided otherwise in these Articles, the application by capitalisation of any sum in or towards paying up any shares or other securities of any Group Company, or any other reduction of any amount standing from time to time to the credit of the share premium account or capital redemption reserve of any Group Company save in respect of a redemption of the Preference Shares in accordance with Article 13;
  - 12.2.8. the entering into by any Group Company of a voluntary winding up;
  - 12.2.9. the transferring of any profits to reserves or otherwise (save in the ordinary course of business) and the taking of any action (excluding payment of dividends) which will raise or may reduce the amount of the profits of any Group Company available for distribution;
  - 12.2.10. the redenomination of any of the issued share capital of any Group Company; and
  - 12.2.11. any Group Company incurring any obligation (whether or not conditional) to do any of the foregoing.
- 12.3. The creation of a new class of Shares which has preferential rights to one or more existing classes of Shares will not, except as provided in Article 12.2, constitute a variation of the rights of those existing classes of Shares.

### **13. Preference Shares Redemption Rights**

#### **Redemption at the option of the Company**

- 13.1. The Preference Shares may, subject to the Act, be redeemed by the Company at any time on not less than 20 Business Days' notice in writing to the holders of Preference Shares.
- 13.2. Any notice served in accordance with Article 13.1 will specify the particular Preference Shares to be redeemed and the proposed date for completion of the redemption.

#### **Redemption at the option of a holder**

- 13.3. A holder of Preference Shares may:
  - 13.3.1. if the rights attaching to the Preference Shares are varied without Majority Shareholder Consent; or
  - 13.3.2. at any time after the Initial Funding Date,
 require the Company to redeem all or some of its Preference Shares by serving a notice on the Company.
- 13.4. Subject to Articles 13.5 and 13.6, the date for completion of the redemption in the case of a redemption pursuant to Article 13.3 will be the date specified in the notice served on the Company by the holder of the relevant Preference Share which date must be at least 40 Business Days after the date of the notice.
- 13.5. If the Company is unable, because of having insufficient Available Profits, to redeem out of its Available Profits in full the relevant number of Preference Shares on the date on which it becomes obliged to do so in accordance with this Article 13, the Company will, subject to Article 13.6:
  - 13.5.1. redeem as many of such Preference Shares as can lawfully be redeemed (whether out of Available Profits, capital or a new issue of shares); and

13.5.2. redeem the balance immediately upon it becoming lawfully able to do so (whether out of Available Profits, capital or a new issue of shares).

13.6. If the redemption by the Company in full of the relevant number of Preference Shares on the date on which it becomes obliged to do so in accordance with this Article 13 would result in the Company and/or the Licensed Entity breaching any Regulatory Capital Requirement then the Company will, subject to Article 13.5:

13.6.1. redeem as many of such Preference Shares as can be redeemed without the Company and/or the Licensed Entity breaching any Regulatory Capital Requirement; and

13.6.2. redeem the balance immediately upon it becoming able to do so without the Company and/or the Licensed Entity breaching any Regulatory Capital Requirement.

13.7. If the Company is at any time redeeming less than all the Preference Shares from time to time in issue, the number of Preference Shares to be redeemed will be apportioned between those holders of the Preference Shares whose Preference Shares were due to be redeemed pro rata according to the number of Preference Shares held by them respectively at the date fixed for redemption.

#### **Amount Payable**

13.8. The amount payable for a Preference Share redeemed pursuant to this Article 13 ("Redemption Price") will be an amount equal to:

13.8.1. the amount paid up or credited as paid up on that Preference Share including any premium; and

13.8.2. a sum equal to any arrears or accruals of the Preferred Dividend in respect of that Preference Share.

13.9. The Company may redeem the Preference Shares for cash or, with the Majority Shareholder Consent, leave all or part of the Redemption Price outstanding as a debt.

#### **Manner of Redemption**

13.10. On the date of redemption of any Preference Shares under this Article 13 ("**Redemption Date**"), the Redemption Price (to the extent that it does not already constitute the same) will become a debt due from and immediately payable by the Company to the holders of such Preference Shares and will accrue interest daily (assuming a 365 day year) at a rate equal to the higher of:

13.10.1. 1% above the rate of the Preferred Dividend that would have payable from time to time on those Preference Shares had they not been redeemed in accordance with this Article 13; or

13.10.2. 5% above the base rate of the Bank of England,

in respect of the period from the due date to the actual date of payment (both dates inclusive), compounded to the end of each calendar month and such interest will, to the extent outstanding for the time being, be paid on the date of payment of the Redemption Price.

13.11. On a Redemption Date each of the holders of the Preference Shares falling to be redeemed will be bound to deliver to the Company, at the Company's registered office, the certificate(s) for such Preference Shares (or an indemnity, in a form reasonably satisfactory to the Board, in respect of any lost certificate) in order that the same may be cancelled. Upon such delivery, the Company will pay the Redemption Price to the

relevant holder (or, in the case of any joint holders, to the holder whose name stands first in the Company's register of members in respect of such Preference Shares).

13.12. If any certificate delivered to the Company pursuant to Article 13.11 includes any Preference Shares not falling to be redeemed on that Redemption Date, a new certificate in respect of those Preference Shares will be issued to the holder(s) thereof as soon as practicable thereafter (and, in any event, within 20 Business Days thereafter).

13.13. If the Company fails or is unable to redeem any of the Preference Shares in full on the Redemption Date for any reason whatsoever, all Available Profits (or other monies which may lawfully be applied for the purpose of redeeming Shares) will be solely applied in redeeming as many Preference Shares as possible.

#### **14. Pre-emption rights on the issue of further Shares**

14.1. Save to the extent authorised by these Articles, or authorised from time to time by a Shareholder Special Resolution, the Directors will not, save with Majority Shareholder Consent, exercise any power to allot Shares or to grant rights to subscribe for, or to convert any security into, any Shares.

14.2. In accordance with section 567(1) of the Act, sections 561 and 562 of the Act will not apply to an allotment of equity securities (as defined in section 560(1) of the Act) made by the Company.

14.3. Save with the consent of all Shareholders, if the Company proposes to allot any Preference Shares (other than Preference Shares allotted in accordance with the Shareholders Agreement or, while the Majority Shareholder is the sole holder of Preference Shares, Preference Shares allocated to the Majority Shareholder), those Preference Shares will not be allotted to any person unless the Company has first offered them to the holders (on the date of the offer) of the Preference Shares (each a "**Preference Share Offeree**") in the respective proportions that the number of such Preference Shares held by each such holder bears to the total number of Preference Shares held by all such holders (as nearly as possible without involving fractions) and on the same terms, and at the same price, as those Preference Shares are being, or are to be, offered to any other person.

14.4. Save with the consent of all Shareholders, if the Company proposes to allot any Relevant Securities, those Relevant Securities will not be allotted to any person unless the Company has first offered them to the holders (on the date of the offer) of the Ordinary Shares (each an "**Offeree**") in the respective proportions that the number of such Ordinary Shares held by each such holder bears to the total number of Ordinary Shares held by all such holders (as nearly as possible without involving fractions) and on the same terms, and at the same price, as those Relevant Securities are being, or are to be, offered to any other person.

14.5. An offer made under Article 14.3 will:

14.5.1. be in writing and give details of the number, class and subscription price (including any share premium) of the Preference Shares or Relevant Securities being offered;

14.5.2. remain open for a period of at least 20 Business Days from the date of service of the offer; and

14.5.3. stipulate that any Preference Share Offeree or Offeree who wishes to subscribe for a number of Preference Shares or Relevant Securities in excess of the number to which he is entitled under Articles 14.3 or 14.4 will, in his acceptance, state the number of excess Preference Shares or Relevant Securities ("**Excess Securities**") for which he wishes to subscribe.

- 14.6. If, on the expiry of an offer made in accordance with Articles 14.3 or 14.4, the total number of Preference Shares or Relevant Securities applied for is less than the total number of Preference Shares or Relevant Securities so offered, the Directors will allot the Preference Shares or Relevant Securities to the Preference Share Offerees or the Offerees in accordance with their applications, subject to a maximum of each Preference Share Offeree or Offeree's proportionate entitlement.
- 14.7. Any Preference Shares or Relevant Securities not accepted by Offerees pursuant to an offer made in accordance with Articles 14.3 or 14.4 will be used to satisfy any requests for Excess Securities made pursuant to Article 14.5.3. If there are insufficient Excess Securities to satisfy such requests, the Excess Securities will be allotted to the applicants in the respective proportions that the number of Preference Shares or Ordinary Shares held by each such applicant bears to the total number of the Preference Shares or Ordinary Shares held by all applicants (as nearly as possible without involving fractions or increasing the number of Excess Securities allotted to any Shareholder beyond that applied for by him). After those allotments, any Excess Securities will, subject to Article 14.9, be offered to any other person(s) as the Directors may, with Majority Shareholder Consent, determine, at the same price and on the same terms as the offer to the Shareholders.
- 14.8. If, after completion of the allotments referred to in Article 14.6 and Article 14.7, not all of the Preference Shares or Relevant Securities have been allotted, the balance of such Preference Shares or Relevant Securities will, subject to Article 14.9 be offered to any other person(s) as the Directors may, with Special Shareholder Consent, determine, at the same price and on the same terms as the offer to the Shareholders.
- 14.9. No Shares will be allotted to any current or prospective employee or director of any Group Company unless such person will first have entered into a joint election with the relevant Group Company under section 431 of the Income Tax (Earnings and Pensions) Act 2003.

## **15. Transfers of Shares: General**

- 15.1. In these Articles, reference to the transfer of a Share includes the transfer, assignment or other disposal of a beneficial or other interest in that Share, or the creation of a trust or encumbrance over that Share, and reference to a Share includes a beneficial or other interest in a Share.
- 15.2. No Share will be transferred, and the Directors will refuse to register a transfer of any Share, unless it is made in accordance with these Articles. Subject to Article 15.5, the Directors will register any duly stamped transfer made in accordance with these Articles, unless they suspect that the proposed transfer may be fraudulent.
- 15.3. If a Shareholder transfers (or purports to transfer) a Share other than in accordance with these Articles, he will, save with Majority Shareholder Consent to the contrary, be deemed to have immediately served a Transfer Notice in respect of all Shares held by him.
- 15.4. Any transfer of a Share by way of sale which is required to be made under Article 21 or Article 22 will be deemed to include a warranty that the transferor sells the Share with full title guarantee.
- 15.5. The Directors will, as a condition to the registration of any transfer of Shares, require the transferee to execute and deliver to the Company a deed agreeing to be bound by the terms of the Shareholders Agreement, in such form as the Directors may reasonably require (but not so as to oblige the transferee to have any obligations or liabilities greater than those of the proposed transferor). If any condition is imposed in accordance with this Article 15.5, the transfer may not be registered unless and until that deed has been executed and delivered to the Company's registered office by the transferee.

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

- 15.6.1. any holder (or the legal representatives of a deceased holder); or
- 15.6.2. any person named as a transferee in a transfer lodged for registration; or
- 15.6.3. such other person as the Directors may reasonably believe to have information relevant to that purpose,

to provide the Company with any information and evidence that the Directors think fit regarding any matter which they deem relevant to that purpose.

15.7. If any such information or evidence referred to in Article 15.6 is not provided to enable the Directors to determine to their reasonable satisfaction that no breach has occurred, or that as a result of the information and evidence provided the Directors are reasonably satisfied that a breach has occurred, the Directors will immediately notify the holder of such Shares of that fact in writing and then, unless otherwise directed in writing by the Majority Shareholder:

15.7.1. the relevant Shares will cease to confer on the holder of them any rights:

- 15.7.1.1. to vote (whether on a show of hands, on a poll or otherwise and whether in person, by proxy or otherwise), including in respect of any resolution of any class of Shares;
- 15.7.1.2. to receive dividends or other distributions (other than the amount to which they may be entitled pursuant to the application of Article 10.2) otherwise attaching to those Shares; or
- 15.7.1.3. to participate in any future issue of Shares issued in respect of those Shares; and

15.7.2. the Directors may, by notice in writing to the relevant holder, determine that a Transfer Notice will be deemed to have been given in respect of some or all of his Shares with effect from the date of service of the notice (or such later date as may be specified in such notice).

The Directors may (with Majority Shareholder Consent) reinstate the rights referred to in Article 15.7.1 at any time and, in any event, such rights will be reinstated in respect of any Shares transferred pursuant to Article 15.7.2 on completion of such transfer.

15.8. Unless expressly provided otherwise in these Articles, if a Transfer Notice is deemed to have been given under these Articles, the Deemed Transfer Notice will be treated as having specified that:

- 15.8.1. it does not contain a Minimum Transfer Condition; and
- 15.8.2. the Seller wishes to transfer all the Shares held by him (including any Shares acquired after the date the relevant Transfer Notice is deemed given but before completion of the transfer of Shares pursuant to the relevant Transfer Notice) to the other Shareholders on a pro rata basis and for par value.

15.9. Any Transfer Notice (but not a Drag Along Notice (as defined in Article 23)) served in respect of the transfer of any Share which has not completed before the date of service of a Deemed Transfer Notice will (save with Majority Shareholder Consent to the contrary) automatically be revoked by the service of a Deemed Transfer Notice.

## **16. Permitted transfers of Shares**

16.1. The Majority Shareholder may transfer all, or some only of its Shares to a Permitted Transferee.

16.2. If the Majority Shareholder completes a Permitted Transfer of all of its Shares to a Permitted Transferee but that Permitted Transferee ceases to be a Member of the Same Group as the Majority Shareholder then the Permitted Transferee will, within 10 Business Days of ceasing to be a Member of the Same Group as the Majority Shareholder, transfer the Shares held by it to:

16.2.1. the Majority Shareholder; or

16.2.2. a Member of the Same Group as the Majority Shareholder,

(which in either case is not in liquidation), without any price or other restriction. If the Permitted Transferee fails to make a transfer in accordance with this Article 16.2, a Transfer Notice will be deemed to have been given in respect of such Shares on the expiry of the period set out in this Article 16.2.

## 17. Restrictions on Transfer

17.1. Prior to the Initial Lock-up Date, no Minority Shareholder may transfer or enter into any agreement to transfer all or any of his or its Shares except:

17.1.1. with the express Majority Shareholder Consent; or

17.1.2. where the Minority Shareholder is required to transfer all or any of his or its Shares in accordance with Articles 19, 21, 22, 23 or 24.

## 18. Call Option

18.1. The Majority Shareholder shall be entitled, but shall not be obliged, to purchase and call for the transfer of Shares held by any Minority Shareholder in accordance with the provisions of:

18.1.1. Article 18.2 to 18.5 (the "**First Call Option**"); and/or

18.1.2. Article 18.6 to 18.9 (the "**Second Call Option**").

### *First Call Option*

18.2. The Majority Shareholder may at any time during the First Call Option Period but following determination of the First Option Price in accordance with Article 18.4.1, issue a purchase notice to all (and not some only) of the Minority Shareholders exercising the First Call Option ("**First Call Option Notice**").

18.3. The First Call Option Notice must state:

18.3.1. the price payable for the Shares the subject of the First Call Option Notice (the "**First Option Price**"); and

18.3.2. the completion date of the proposed sale and transfer (the "**First Option Completion Date**"), which shall be not less than 5 Business Days and not more than 15 Business Days following the date on which the First Call Option Notice is served.

18.4. The First Option Price:

18.4.1. will be determined in accordance with Articles 18.13 or 20.2 as at a date not more than three months prior to the date of the First Call Option Notice; and

18.4.2. must be payable in cash or, at the option of the Majority Shareholder and subject to the agreement of the relevant Minority Shareholder, by the issue or transfer of shares or other securities in another body corporate (the "**Exchange Securities**").

18.5. If the Majority Shareholder issues a First Call Option Notice then each Minority Shareholder must on the First Option Completion Date:

18.5.1. sell to the Majority Shareholder 50 per cent. of all of the Shares held by that Minority Shareholder for the First Option Price; and

18.5.2. deliver to the Majority Shareholder his share certificate(s) or suitable indemnity and such standard form of stock transfer as is necessary in the circumstances in respect of his Shares upon payment by the Majority Shareholder of the First Option Price.

*Second Call Option*

18.6. The Majority Shareholder may at any time during the Second Call Option Period but following determination of the Second Option Price in accordance with Article 18.8.1, issue a purchase notice to all (and not some only) of the Minority Shareholders exercising the Second Call Option ("**Second Call Purchase Notice**").

18.7. The Second Call Purchase Notice must state:

18.7.1. the price payable for the Shares the subject of the Second Call Purchase Notice (the "**Second Option Price**"); and

18.7.2. the completion date of the proposed sale and transfer (the "**Second Call Option Completion Date**"), which shall be not less than 5 Business Days and not more than 15 Business Days following the date on which the Second Call Purchase Notice is served.

18.8. The Second Option Price:

18.8.1. will be determined in accordance with Articles 18.13 or 20.2 as at a date not more than three months prior to the date of the Second Call Purchase Notice; and

18.8.2. may be settled in cash or, at the option of the Majority Shareholder and subject to the agreement of the relevant Minority Shareholder, by the issue or transfer of shares or other securities in another body corporate.

18.9. If the Majority Shareholder issues a Second Call Purchase Notice then each Minority Shareholder must on the Second Call Option Completion Date:

18.9.1. sell to the Majority Shareholder all of the Shares held by that Minority Shareholder for the Second Option Price; and

18.9.2. deliver to the Majority Shareholder his share certificate(s) or suitable indemnity and such standard form of stock transfer as is necessary in the circumstances in respect of his Shares upon payment by the Majority Shareholder of the Second Option Price or the transfer of the Exchange Securities (as applicable).

*General*

18.10. Any Shares purchased pursuant to this Article 18 shall be transferred by the relevant Minority Shareholder with full title guarantee, free and clear of any and all encumbrances.

18.11. The right of the Majority Shareholder to purchase any Shares in accordance with this Article 18 may be assigned by the Majority Shareholder to any Member of the Same Group.

18.12. If any shareholder does not execute transfer(s) in respect of Shares registered in his name in accordance with this Article 18, the defaulting Shareholder will be deemed to have irrevocably appointed any person nominated for the purpose by the EQT Directors to be his agent to execute, complete and deliver a transfer of those Shares in favour of the proposed purchaser against receipt by the Company of the consideration due for the relevant shares. The Company's receipt of the consideration due will be a good discharge to the purchaser, who will not be bound to see its application. The Company will hold the consideration on trust for the relevant Shareholder(s) without obligation to pay interest. Subject to stamping, the Directors will without delay register the transfer(s), after which the validity of such proceedings will not be questioned by any person. Each Shareholder will surrender his Share certificate(s) (or, where appropriate provide an indemnity in respect of it in a form satisfactory to the Directors), although it will be no impediment to registration of shares under this Article that no share certificate has been produced. On (but not before) such surrender or provision, the defaulting Shareholder(s) will be entitled to the consideration for the Shares transferred on his behalf, without interest.

18.13. The Majority Shareholder may at any time before the exercise of the First Call Option or Second Call Option provide the Minority Shareholders with a written request seeking agreement of the First Option Purchase Price or the Second Option Purchase Price as applicable ("**Valuation Request**"). Following the making of a Valuation Request the Shareholders must use all reasonable endeavours to discuss in good faith with a view to agreeing a value for the First Option Purchase Price or Second Option Purchase Price. If the Shareholders cannot agree the First Option Purchase Price or Second Option Purchase Price will be determined in accordance with Article 20.2.

#### **19. Pre-emption rights on the transfer of Shares**

19.1. Except where the provisions of Articles 16, 18, 21, 22, 23 or 24 apply, any transfer of Shares by a Shareholder will be subject to the pre-emption rights in this Article 19.

19.2. A Shareholder who wishes to transfer Shares (a "**Seller**") will, before transferring or agreeing to transfer any Shares, give notice in writing (a "**Transfer Notice**") to the Company specifying:

19.2.1. subject to Article 15.8.2, the number of Shares he wishes to transfer ("**Sale Shares**");

19.2.2. the name of the proposed transferee, if any;

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

19.2.4. subject to Article 15.8.1, whether the Transfer Notice is conditional on all or a specific number of the Sale Shares being sold (a "**Minimum Transfer Condition**").

19.3. Once given, a Transfer Notice may only be withdrawn with Majority Shareholder Consent.

19.4. A Transfer Notice (or Deemed Transfer Notice) constitutes the Company the agent of the Seller for the sale of the Sale Shares at the Transfer Price.

19.5. As soon as practicable following the later of:

19.5.1. receipt of a Transfer Notice (or in the case of a Deemed Transfer Notice, the date such notice is deemed to be served); and

19.5.2. the determination of the Transfer Price,

the Directors will (unless the Transfer Notice is withdrawn in accordance with Article 19.3) offer the Sale Shares for sale in the manner set out in the remaining provisions of this Article 19 at the Transfer Price. Each offer will be in writing and will give details of the number and Transfer Price of the Sale Shares offered.

19.6. If the Seller is a Minority Shareholder, the Company will offer the Sale Shares solely to the Majority Shareholder on the basis set out in Article 19.8 to Article 19.14 (inclusive).

19.7. If the Seller is the Majority Shareholder the Company will offer the Sale Shares to the Minority Shareholders in each case on the basis set out in Article 19.8 to Article 19.14 (inclusive).

19.8. An offer of Sale Shares made in accordance with Article 19.6 or 19.7 must invite Eligible Shareholders to apply in writing within the period from the date of the offer to the date 20 Business Days after the offer (both dates inclusive) ("**Offer Period**") for the maximum number of Sale Shares they wish to buy.

19.9. Subject to Article 19.10 if:

19.9.1. at the end of the Offer Period, the number of Sale Shares applied for is equal to or exceeds the number of Sale Shares, the Directors will allocate the Sale Shares to each Eligible Shareholder who has applied for Sale Shares in the proportion which his existing holding of Shares bears to the total number of Shares held by all Eligible Shareholders. Fractional entitlements will be rounded down to the nearest whole number (save where such rounding would result in not all Sale Shares being allocated, in which case, the allocation of any such fractional entitlements will be determined by the Directors). No allocation will be made to a Shareholder of more than the maximum number of Sale Shares which he has stated he is willing to buy;

19.9.2. not all Sale Shares are allocated following allocations in accordance with Article 19.9.1, but there are applications for Sale Shares that have not been satisfied, the Directors will allocate the remaining Sale Shares to such applicants in accordance with the procedure set out in Article 19.9.1. The procedure set out in this Article 19.9.2 will apply on any number of consecutive occasions until either all Sale Shares have been allocated or all applications for Sale Shares have been satisfied; and

19.9.3. at the end of the Offer Period, the total number of Sale Shares applied for is less than the number of Sale Shares, the Directors will allocate the Sale Shares to the Eligible Shareholders in accordance with their applications. The balance (the "**Surplus Shares**") will, subject to Article 19.10, be dealt with in accordance with Article 19.14.

19.10. Where the Transfer Notice contains a Minimum Transfer Condition:

19.10.1. any allocation made under Article 19.9 will be conditional on the fulfilment of the Minimum Transfer Condition; and

19.10.2. if the total number of Sale Shares applied for under Article 19.8 is less than the number of Sale Shares, the Board will notify the Seller and all those Shareholders to whom Sale Shares have been conditionally allocated stating that the condition has not been met and that the relevant Transfer Notice has lapsed with immediate effect.

19.11. Where either:

19.11.1. the Transfer Notice does not contain a Minimum Transfer Condition; or

19.11.2. allocations have been made in respect of all the Sale Shares,

the Directors will, when no further offers or allocations are required to be made under Article 19.9, give notice in writing of the allocations of Sale Shares (an "**Allocation Notice**") to the Seller and each Shareholder to whom Sale Shares have been allocated (each an "**Applicant**"). The Allocation Notice will specify the number of Sale Shares allocated to each Applicant and the place and time for completion of the transfer of the Sale Shares (which will be at least 5 Business Days, but not more than 20 Business Days, after the date of the Allocation Notice).

19.12. On the date specified for completion in the Allocation Notice, the Seller will, against payment from an Applicant, transfer the Sale Shares allocated to such Applicant, in accordance with any requirements specified in the Allocation Notice. In the event that the Seller has outstanding liabilities to the Applicant, the Applicant will be entitled to set off all or some of those outstanding liabilities against the payment of the Transfer Price to the Seller.

19.13. If the Seller fails to comply with Article 19.12:

19.13.1. the Chairman (or, failing him, any other Director or some other person nominated by a resolution of the Directors) may, as agent and attorney on behalf of the Seller:

19.13.1.1. complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Applicants;

19.13.1.2. receive the Transfer Price and give a good discharge for it (and no Applicant will be obliged to see to the distribution of the Transfer Price); and

19.13.1.3. (subject to the transfer being duly stamped) enter the Applicants in the register of Shareholders as the holders of the Shares purchased by them; and

19.13.2. the Company will pay the Transfer Price into a separate bank account in the Company's name on trust (but without interest) for the Seller until he has delivered his certificate(s) for the relevant Shares (or an indemnity, in a form reasonably satisfactory to the Directors, in respect of any lost certificate, together with such other evidence (if any) as the Board may reasonably require to prove good title to those Shares) to the Company.

19.14. Where a Transfer Notice lapses pursuant to Article 19.10.2 or an Allocation Notice does not relate to all the Sale Shares, then, subject to Article 19.15, the Seller may, at any time during the 20 Business Days following the date of lapse of the Transfer Notice, or the date of service of the Allocation Notice as the case may be, transfer the Sale Shares (in the case of a lapsed offer) or the Surplus Shares (as the case may be) to any person at a price at least equal to the Transfer Price. The sale of the Sale Shares (following the lapse of a Transfer Notice) in accordance with this Article 19.14 will continue to be subject to any Minimum Transfer Condition.

19.15. The Seller's right to transfer Shares under Article 19.14 does not apply if the Directors reasonably consider that:

- 19.15.1. the transferee is a person (or a nominee for a person) whom the Directors determine to be a competitor (or a Member of the Same Group as a competitor) of the business of any Group Company;
- 19.15.2. the sale of the Sale Shares is not bona fide or the price is subject to a deduction, rebate or allowance to the transferee; or
- 19.15.3. the Seller has failed or refused to promptly provide information available to him and reasonably requested to enable it to form the opinion referred to in Article 19.15.2.

## **20. Valuation**

- 20.1. The Transfer Price for each Sale Share the subject of a Transfer Notice (or Deemed Transfer Notice) will, save where expressly provided otherwise in these Articles, be the price per Sale Share (in cash) agreed between the Directors (any Director with whom the Seller is connected not voting), acting with Majority Shareholder Consent and Shareholder Consent, and the Seller or, in default of agreement within 15 Business Days of the date of service of the Transfer Notice (or, in the case of a Deemed Transfer Notice, the date on which the board of Directors first has actual knowledge of the facts giving rise to such deemed service), the Fair Value of each Sale Share calculated in accordance with Article 20.3.
- 20.2. The First Option Price and the Second Option Price for each Share the subject of a First Option Purchase Notice or a Second Option Purchase Notice respectively (the "Option Shares") will be the price per Option Share agreed between the Shareholders in accordance with Article 18.13 or, in default of agreement within 20 Business Days of the date on which the Majority Shareholder makes a Valuation Request in accordance with Article 18.13, the Fair Value of each Option Share calculated in accordance with Article 20.3.
- 20.3. The Fair Value of any Shares required to be determined by the Independent Expert under a provision of the Articles will be the price per Share determined by the Independent Expert on the following bases and assumptions:
  - 20.3.1. valuing the Shares as on an arm's-length sale between a willing seller and a willing buyer as at the date the Transfer Notice was served (or deemed served), the date the Valuation Request was made or the date the Minority Employee becomes a Departing Employee, as applicable;
  - 20.3.2. if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;
  - 20.3.3. that the Shares are capable of being transferred without restriction;
  - 20.3.4. valuing the Shares as a rateable proportion of the total value of all the issued Shares without any premium or discount being attributable to the percentage of the issued share capital of the Company which they represent; and
  - 20.3.5. reflecting any other factors which the Independent Expert reasonably believes should be taken into account.
- 20.4. If any difficulty arises in applying any of these assumptions or bases then the Independent Expert will resolve that difficulty in whatever manner it will in its absolute discretion think fit.
- 20.5. The Directors will give the Independent Expert access to all accounting records or other relevant documents of the Group, subject to it agreeing such confidentiality provisions as the Directors may reasonably impose.

- 20.6. The parties are entitled to make submissions to the Independent Expert and will provide (or procure that others provide) the Independent Expert with such assistance and documents as the Independent Expert may reasonably require for the purpose of reaching a decision.
- 20.7. The Independent Expert will act as expert and not as arbitrator and its determination will be final and binding on the parties (in the absence of fraud or manifest error).
- 20.8. The Independent Expert will be requested to determine the Fair Value within 20 Business Days of its appointment and to deliver its certificate to the Company. Forthwith upon receipt, the Company will deliver a copy of the certificate to the Seller, the Minority Shareholders, a Departing Employee or a Defaulting Shareholder as applicable.
- 20.9. The cost of obtaining the Independent Expert's certificate in relation to the Sale Shares under Article 19 will be borne by the parties equally or in such other proportions as the Independent Expert directs unless:
- 20.9.1. the Seller withdraws the relevant Transfer Notice in accordance with Article 19.3; or
- 20.9.2. in respect of a Deemed Transfer Notice, the Fair Value is less than the price per Sale Share offered to the Seller by the Directors before the appointment of the Independent Expert,
- in which case the Seller will bear the cost.
- 20.10. The cost of obtaining the Independent Expert's certificate in relation to:
- 20.10.1. the Option Shares; or
- 20.10.2. the Shares of a Minority Employee that becomes a Departing Employee in accordance with Article 22.2.1,
- will be borne by the Shareholders equally.
- 20.11. The cost of obtaining the Independent Expert's certificate in relation to Shares the subject of a Deemed Transfer Notice under Article 21.7 will be borne by the Company.

## **21. Compulsory transfers - General**

- 21.1. A person entitled to a Share in consequence of the bankruptcy of a Shareholder (or equivalent procedure in any jurisdiction outside England and Wales) will be deemed to have given a Transfer Notice in respect of that Share at such time as the Directors may determine.
- 21.2. If a Shareholder which is a body corporate either suffers or resolves to appoint a liquidator, administrator or administrative receiver over it, or any material part of its assets (other than a voluntary liquidation for the purpose of a bona fide scheme of solvent amalgamation or reconstruction) or suffers or takes any equivalent action in any jurisdiction outside England and Wales, that Shareholder will be deemed to have given a Transfer Notice in respect of all Shares held by it at such time as the Directors may determine.
- 21.3. If there is a change in control (as 'control' is defined in section 1124 of the Corporation Tax Act 2010) of any Shareholder which is a company, then unless:
- 21.3.1. the Shareholder is a subsidiary of EQT Holdings Limited; and

21.3.2. following the change of control the Shareholder remains a subsidiary of EQT Holdings Limited,

it will be bound at any time, if and when required in writing by the Directors to do so, to give (or procure the giving in the case of a nominee) a Transfer Notice in respect of all the Shares registered in its name (or the name of its nominee(s)) save that, where that Shareholder acquired Shares as a Permitted Transferee, it will first be permitted to transfer those Shares back to the Shareholder from whom it received its Shares or to any other Permitted Transferee of the Shareholder from whom it received its Shares before being required to serve a Transfer Notice.

- 21.4. If a Shareholder is found guilty of a criminal offence which in the opinion of the other Shareholders is adverse to the interests, or reputation, of another Shareholder or a Group Company, that Shareholder will be deemed to have given a Transfer Notice in respect of all Shares held by it at such time as the Directors may determine.
- 21.5. If a Shareholder materially breaches a provision of the Shareholders Agreement or the Articles and such breach and its effects are not fully cured within 60 days, or such other period agreed to by the non-breaching shareholders, that Shareholder will be deemed to have given a Transfer Notice in respect of all Shares held by it at such time as the Directors may determine.
- 21.6. Upon the giving of a Deemed Transfer Notice under Article 21.1, 21.2, 21.3, 21.4 or 21.5 (each a "Default Provision") the Company shall offer the Shares the subject of that Deemed Transfer Notice to the other Shareholders on a pro rata basis to their existing shareholding. The price per Share the subject of a Deemed Transfer Notice given under a Default Provision shall be the par value of the relevant Share.
- 21.7. If a Shareholder dies, becomes incapable to act or otherwise loses their capacity to exercise their rights and obligations under the Shareholders Agreement or the Articles, that Shareholder will be deemed to have given a Transfer Notice in respect of all Shares held by them at such time as the Directors may determine. The Company shall offer the Shares the subject of a Deemed Transfer Notice under this Article 21.7 to the other Shareholders on a pro rata basis to their existing shareholding, for Fair Value.
- 21.8. Forthwith upon a Transfer Notice being deemed to be served under Article 21 the Shares subject to the relevant Deemed Transfer Notice ("**Restricted Shares**") will cease to confer on the holder of them any rights:
- 21.8.1. to vote (whether on a show of hands, on a poll or otherwise and whether in person, by proxy or otherwise), including in respect of any resolution of any class of Shares;
- 21.8.2. to receive dividends or other distributions otherwise attaching to those Shares; or
- 21.8.3. to participate in any future issue of Shares issued in respect of those Shares.

The Directors may reinstate the rights referred to in Article 21.4 at any time and, in any event, such rights will be reinstated in respect of any Shares transferred pursuant to Article 21 on completion of such transfer.

## **22. Compulsory transfers – Departing Employees**

- 22.1. Subject to Article 22.4, if a Minority Employee becomes a Departing Employee, the Directors will direct and require the Minority Employee to transfer all their Shares, to one of the following:
- 22.1.1. the Majority Shareholder;

- 22.1.2. a Group Company;
- 22.1.3. a person or persons intended to take the relevant Employee's place;
- 22.1.4. any other person approved in writing by the Majority Shareholder.

The relevant Minority Employee will transfer all of the Shares that they are directed to transfer free from all Encumbrances and together with all rights attaching to them on the terms set out in this Article 22.

- 22.2. The price of the Shares to be transferred pursuant to Article 22.1 will be:
  - 22.2.1. if the Minority Employee is a Good Leaver, the price per Share determined in accordance with Article 20; and
  - 22.2.2. if the Minority Employee is a Bad Leaver at any time, the price per Share will be the par value of the relevant Share.
- 22.3. If any Shareholder does not execute transfer(s) in respect of Shares registered in his name in accordance with Article 22.1, the defaulting Shareholder will be deemed to have irrevocably appointed any person nominated for the purpose by the EQT Director to be his agent to execute, complete and deliver a transfer of those Shares in favour of the proposed purchaser against receipt by the Company of the consideration due for the relevant Shares. The Company's receipt of the consideration due will be a good discharge to the purchaser, who will not be bound to see its application. The Company will hold the consideration on trust for the relevant shareholder(s) without obligation to pay interest. Subject to stamping, the Directors will without delay register the transfer(s), after which the validity of such proceedings will not be questioned by any person. Each Shareholder will surrender his share certificate(s) (or, where appropriate provide an indemnity in respect of it in a form satisfactory to the directors), although it will be no impediment to registration of shares under this Article that no share certificate has been produced. On (but not before) such surrender or provision, the defaulting Shareholder(s) will be entitled to the consideration for the shares transferred on his behalf, without interest.
- 22.4. If a Minority Employee becomes a Departing Employee where he is a Dismissed Leaver, the Minority Employee may, within 10 Business Days of the Directors directing the Minority Employee to transfer all its Shares in accordance with Article 22.1, elect by notice in writing to the Company to retain its Shares. Subject to Article 22.5, if a Minority Shareholder validly elects to retain its Shares then it shall not be obliged to transfer its Shares in accordance with this clause 22.
- 22.5. If, at any time following an election to retain its Shares in accordance with Article 22.4, a Dismissed Shareholder carries on or is concerned, engaged or interested (directly or indirectly), in any capacity whatsoever, in any trade or business in the United Kingdom or Ireland that is the same as, substantially similar to, or competing with, the trade or business of the Company or any material part of it, then despite Article 22.4 the Directors may direct and require the Dismissed Shareholder to transfer all of its Shares in accordance with Article 22.1. The price of the Shares to be transferred pursuant to Article 22.1 will be the price per Share determined in accordance with Article 20.
- 22.6. Any transfer of Shares made in accordance with this Article 22 will not be subject to any other restrictions on transfer contained in these Articles.
- 22.7. For the avoidance of doubt, clause 17 shall continue to apply to a Dismissed Shareholder following the election to retain Shares in accordance with Article 22.4.
- 23. Drag along

- 23.1. If the Majority Shareholder wishes to sell a Controlling Stake to a bona fide purchaser on arm's-length terms ("**Proposed Buyer**"), the Majority Shareholder will have the option ("**Drag Along Option**") to require all the other holders of Shares, including the Company in respect of Shares held in treasury, if any ("**Called Shareholders**") to sell and transfer all their interest in the Shares free from Encumbrances and with full title guarantee to the Proposed Buyer (or as the Proposed Buyer may direct) in accordance with the provisions of this Article 23.
- 23.2. The Majority Shareholder may exercise the Drag Along Option by giving notice in writing to that effect (a "**Drag Along Notice**") to the Proposed Buyer and each Called Shareholder, at least 30 Business Days prior to the intended completion of the transfer of the Controlling Stake. A Drag Along Notice will specify:
- 23.2.1. that the Called Shareholders are required to transfer all their Shares ("**Called Shares**") pursuant to this Article 23;
  - 23.2.2. the identity of the Proposed Buyer (and, if relevant, the transferee(s) nominated by the Proposed Buyer);
  - 23.2.3. the consideration payable for the Called Shares which, subject to the Shares being of the same class or having similar rights, must be the same price per Share as the Proposed Buyer will pay per Share for the Controlling Stake;
  - 23.2.4. the proposed date of completion of transfer of the Called Shares.
- 23.3. Once given, a Drag Along Notice may not be revoked save with the prior consent of the Directors, acting with Majority Shareholder Consent. However, a Drag Along Notice will lapse if, for any reason, the Majority Shareholder has not completed the transfer of the Controlling Stake to the Proposed Buyer (or as the Proposed Buyer may direct) within 30 Business Days of serving the Drag Along Notice. The Majority Shareholder may serve further Drag Along Notices following the lapse of any particular Drag Along Notice.
- 23.4. No Drag Along Notice will require a Called Shareholder to agree to any terms except those specifically set out in this Article 23.
- 23.5. Completion of the sale and purchase of the Called Shares will take place on the same date as, and conditional upon the completion of, the sale and purchase of the Controlling Stake unless:
- 23.5.1. all of the Called Shareholders and the Majority Shareholder otherwise agree; or
  - 23.5.2. that date is less than 30 Business Days after the date of service of the Drag Along Notice, in which case completion of the sale and purchase of the Called Shares will take place 30 Business Days after the date of service of the Drag Along Notice.
- 23.6. Within 30 Business Days of the Majority Shareholder serving a Drag Along Notice on the Called Shareholders, the Called Shareholders will deliver stock transfer forms for their Shares in favour of the Proposed Buyer (or as the Proposed Buyer may direct), together with the share certificate(s) in respect of those Shares (or a suitable indemnity in respect thereof) to the Company. On the expiration of that 30 Business Day period the Company will pay the Called Shareholders, on behalf of the Proposed Buyer, the amounts they are respectively due pursuant to Article 23.2.3 to the extent the Proposed Buyer has put the Company in the requisite funds. The Company's receipt for the amounts due pursuant to Article 23.2.3 will be a good discharge to the Proposed Buyer. The Company will hold the amounts due to the Called Shareholders pursuant to Article 23.2.3 in trust for the Called Shareholders without any obligation to pay interest.

- 23.7. To the extent that the Proposed Buyer has not, on the expiration of the 30 Business Day period, put the Company in funds to pay the amounts due pursuant to Article 23.2.3, the Called Shareholders will be entitled to the return of the stock transfer forms and share certificate(s) (or suitable indemnity) for the relevant Shares and the Called Shareholders will have no further rights or obligations under this Article 23 in respect of their Shares.
- 23.8. If any Called Shareholder fails to deliver to the Company a duly executed stock transfer form (or forms) in respect of the Called Shares held by him (together with the share certificate(s) in respect of those Called Shares (or a suitable indemnity in respect thereof)) the defaulting Called Shareholder will be deemed to have appointed any person nominated for the purpose by the Majority Shareholder to be his agent and attorney to execute and deliver all necessary transfers on his behalf, against receipt by the Company (on trust for such holder) of the consideration payable for the Called Shares. After the Proposed Buyer (or person(s) nominated by the Proposed Buyer) has been registered as the holder of any such Called Shares, the validity of such proceedings will not be questioned by any person. Failure to produce a share certificate will not impede the registration of any transfer of Shares under this Article 23.
- 23.9. Upon any person, following the issue of a Drag Along Notice, becoming a Shareholder (or increasing an existing shareholding) including, without limitation, pursuant to the exercise of any option, warrant or other right to acquire or subscribe for, or to convert any security into, Shares, whether or not pursuant to a Share Option Scheme (a "**New Shareholder**"), a Drag Along Notice will be deemed to have been served upon the New Shareholder, on the same terms as the previous Drag Along Notice, who will then be bound to sell and transfer all such Shares acquired by him to the Proposed Buyer (or as the Proposed Buyer may direct) and the provisions of this Article 23 will apply mutatis mutandis to the New Shareholder, save that completion of the sale of such Shares will take place forthwith upon the later of the Drag Along Notice being deemed served on the New Shareholder and the date of completion of the sale of the Called Shares. References in this Article 23.9 to a person becoming a Shareholder (or increasing an existing shareholding) will include the Company, in respect of the acquisition of any of its own Shares.
- 23.10. A transfer of Called Shares to a Proposed Buyer (or as the Proposed Buyer may direct) pursuant to a sale in respect of which a Drag Along Notice has been duly served will not be subject to the pre-emption provisions of Article 19.
- 23.11. Any Transfer Notice or Deemed Transfer Notice served in respect of the transfer of any Share which has not completed before the date of service of a Drag Along Notice will automatically be revoked by the service of a Drag Along Notice.

#### **24. Tag along**

- 24.1. This Article 24 will not apply to any transfer of Shares by the Majority Shareholder to a Member of the Same Group.
- 24.2. Subject to Article 24.1, if:
- 24.2.1. the Majority Shareholder transfers a Controlling Stake to a Proposed Buyer; and
- 24.2.2. the Majority Shareholder does not exercise the Drag Along Option,
- then the Proposed Buyer will be required to make an offer (the "**Tag Offer**") to each of the Minority Shareholders to purchase the number of Ordinary Shares specified in Article 24.3 (the "**Tag Shares**").
- 24.3. If a Tag Offer is required to be made, then the Proposed Buyer must offer to purchase from the Minority Shareholders the same proportion of the Ordinary Shares held by each Minority Shareholder as the Ordinary Shares purchased by the Proposed Buyer from the

Majority Shareholder represented of the total number of Ordinary Shares held by the Majority Shareholder.

- 24.4. The Proposed Purchaser must give written notice of the Tag Offer to the Company (the "**Tag Notice**") no later than 5 Business Days after completion of the acquisition of the Controlling Stake from the Majority Shareholder.
- 24.5. The terms of the Tag Offer will be that:
- 24.5.1. it will be open for acceptance for not less than 20 Business Days from the date of the Tag Notice ("**Tag Expiry Date**"), and will be deemed to have been rejected if not accepted in accordance with the terms of the offer and within the period during which it is open for acceptance;
  - 24.5.2. the form of consideration and value of such consideration for the Tag Shares will be the same per Ordinary Share as the consideration per Ordinary Share received by the Majority Shareholder from the Proposed Buyer; and
  - 24.5.3. the Accepting Shareholder(s) will be required to adhere to the Tag Along Documents.
- 24.6. The Tag Notice will specify:
- 24.6.1. the number of Tag Shares that the Accepting Shareholders are entitled to transfer to the Proposed Purchaser;
  - 24.6.2. the terms of sale to which Accepting Shareholders are required to adhere and enclose copies of the stock transfer form, share certificate or indemnity for lost share certificate, and any other documentation required by the Tag Offeror to be executed by the Accepting Shareholder(s) (the "Tag Along Documents") (if any) relating thereto;
  - 24.6.3. the identity of the Proposed Purchaser;
  - 24.6.4. the Tag Price for each class of the Tag Shares; and
  - 24.6.5. the proposed place, date and time of Tag Completion.
- 24.7. The Company will promptly send copies of the Tag Notice and Tag Along Documents (if any) to each Minority Shareholder at their address shown on the Company's register of members.
- 24.8. Any Minority Shareholder who wishes to accept the Tag Offer (an "**Accepting Shareholder**") must serve an irrevocable and unconditional written notice on the Company (the "**Acceptance Notice**") before the Tag Expiry Date.
- 24.9. The Acceptance Notice will make the Company the agent of the Accepting Shareholder(s) for the sale of the Tag Shares on the terms of the Tag Offer, together with all rights attached and free from encumbrances.
- 24.10. Within 3 Business Days after the Tag Expiry Date the Company will notify the Proposed Purchaser of the names and addresses of the Accepting Shareholders who have accepted the Tag Offer.
- 24.11. On or before Tag Completion, each Accepting Shareholder will deliver executed Tag Along Documents (if any) in respect of his Tag Shares to the Company. Subject always to receipt thereof, on Tag Completion the Company will pay each Accepting Shareholder, on behalf of the Proposed Purchaser, the Tag Price due, to the extent only that the Tag Offeror has put the Company in the requisite cleared funds or other form of consideration. Payment to the Accepting Shareholder will be made to the address on the Company's

register of members. The Company's receipt for the Tag Price due will be a good discharge to the Proposed Purchaser who will not be bound to see its application. Pending compliance by the Accepting Shareholder with the obligations in this Article 24, the Company will hold any funds or other form of consideration received from the Proposed Purchaser in respect of the Tag Shares on trust for the defaulting Accepting Shareholder, without any obligation to pay interest.

- 24.12. If any Accepting Shareholder does not transfer the Tag Shares registered in his name and execute all of the Tag Along Documents (if any), the Directors may authorise any Director to be his agent to execute, complete and deliver a transfer of those Tag Shares in favour of the Proposed Purchaser, against receipt by the Company of the consideration due for the relevant Tag Shares. The Company's receipt of the consideration due will be a good discharge to the Proposed Purchaser, who will not be bound to see its application. The Company will hold the consideration on trust for the relevant Accepting Shareholder(s) without any obligation to pay interest. Subject to stamping, the Directors will without delay register the transfer(s), after which the validity of such transfer(s) will not be questioned by any person. Each defaulting Accepting Shareholder will surrender his share certificate(s) (or, where appropriate, provide an indemnity in respect of it in a form satisfactory to the Directors) although it will be no impediment to registration of Shares under this article that no share certificate has been produced. On such surrender or provision and the execution of all the Tag Along Documents, the defaulting Accepting Shareholder(s) will be entitled to the consideration for the Tag Shares transferred on his behalf, without interest.
- 24.13. The Company will be entitled to hold the consideration for the Tag Shares payable to any Accepting Shareholder on behalf of any Accepting Shareholder without any obligation to pay interest for so long as the Accepting Shareholder does not execute all of the Tag Along Document to the satisfaction of the Directors.
- 24.14. Any transfer of shares made by the Accepting Shareholders in accordance with this Article 24 will not be subject to any other restrictions on transfer contained in these Articles.

## **DECISION MAKING BY SHAREHOLDERS**

### **25. General meetings**

- 25.1. No business other than, subject to Article 25.2, the appointment of the chairman of the meeting is to be transacted at a general meeting unless a quorum is present at the commencement of the meeting and also when that business is voted on.
- 25.2. The Chairman will chair general meetings. If there is no Chairman in office for the time being, or the Chairman is unable to attend any general meeting, the Directors present (or, if no Directors are present, the meeting) must appoint another Director present at the meeting (or, if no Directors are present, a Shareholder) to chair the meeting and the appointment of the chairman of the meeting must be the first business of the meeting.

### **26. Voting**

- 26.1. Subject to any other provisions in these Articles concerning voting rights, the voting rights of the Shares are set out in this Article 26.

#### *Preference Shares*

- 26.2. The Preference Shares will have the right to receive notice of, and to attend and speak at, all general meetings of the Company, but other than in accordance with Article 26.4 below have no right to vote.

### *Ordinary Shares*

- 26.3. Each Ordinary Share will have the right to receive notice of and to attend, speak and vote at all general meetings of the Company.

### *Swamping Rights*

- 26.4. Preference Shares will carry no right to vote at general meetings of the Company unless at the date of the meeting:

26.4.1. there has been a material breach of the Shareholders Agreement or these Articles by either the Company or the holders of the Ordinary Shares which has or might reasonably be considered likely to have a material and adverse effect on the Majority Shareholder's investment in the Company; or

26.4.2. the Company has not redeemed for any reason any of the Preference Shares which have fallen due for redemption,

in which case Article 26.5 will apply.

- 26.5. On the occurrence of an event specified in Article 26.4, and for so long as the circumstances comprising such event continue to subsist, the Majority Shareholder will be entitled to vote at every general meeting of the Company in accordance with this Article 26, except that the number of votes attaching to the Preference Shares at any such general meeting will represent 95 per cent of the voting rights attaching to all Shares after the application of this Article.

### *Poll Vote*

- 26.6. A poll may be demanded at any general meeting by any qualifying person (as defined in section 318 of the Act) present and entitled to vote at the meeting.

- 26.7. Model article 44(3) will be amended by the insertion of the words "A demand so withdrawn will not invalidate the result of a show of hands declared before the demand was made" as a new paragraph at the end of that model article.

- 26.8. Model article 45(1) will be amended by:

26.8.1. the deletion of model article 45(1)(d) and its replacement with the words "is delivered to the company in accordance with the Articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate"; and

26.8.2. the insertion of the words "and a proxy notice which is not delivered in such manner will be invalid, unless the Directors, in their discretion, accept the notice at any time before the meeting" as a new paragraph at the end of that model article.

### **27. Purchase of own shares**

- 27.1. Subject to the Act but without prejudice to any other provision of these Articles (including, without limitation, Article 13.2.5), the Company may purchase its own shares in accordance with Chapter 4 of Part 18 of the Act, including (without limitation) with cash up to any amount in a financial year not exceeding the lower of:

27.1.1. £15,000; and

- 27.1.2. the value of 5% of the Company's share capital.
- 27.2. Subject to the remaining provisions of this Article 26, on a purchase of Shares in accordance with Chapter 4 of Part 18 of the Act, the Company may:
  - 27.2.1. hold the Shares (or any of them) in treasury;
  - 27.2.2. deal with any of the Shares, at any time, in accordance with section 727; or
  - 27.2.3. cancel any of the Shares, at any time, in accordance with section 729 of the Act.
- 27.3. The provisions of Articles 16.4 to 16.11 (inclusive) will apply to a sale or transfer of Shares held in treasury pursuant to Article 26.2(b) save that, for the purposes of this Article 26.3:
  - 27.3.1. reference in Article 16 to an allotment will include the sale or transfer of Shares; and
  - 27.3.2. reference in the definition of "Relevant Securities" to Shares "issued after the Adoption Date" will include Shares to be sold or transferred by the Company, that immediately before the sale or transfer were, in each case, held by the Company as treasury shares

## **28. Company's Lien over Shares**

- 28.1. The Company has a lien ("**Company's Lien**") over every Share which is registered in the name of a person indebted or under any liability to the Company, whether he is the sole registered holder of the Share or one of several joint holders, for all monies payable by him (either alone or jointly with any other person) to the Company, whether payable immediately or at some time in the future.
- 28.2. The Company's Lien over a share:
  - 28.2.1. takes priority over any third party's interest in that Share; and
  - 28.2.2. extends to any dividend or other money payable by the Company in respect of that Share and (if the lien is enforced and the Share is sold by the Company) the proceeds of sale of that Share.

- 28.3. The Directors may at any time decide that a Share which is or would otherwise be subject to the Company's Lien will not be subject to it, either wholly or in part.

## **29. Enforcement of the Company's Lien**

- 29.1. Subject to the provisions of this Article 29, if:
  - 29.1.1. a Lien Enforcement Notice has been given in respect of a Share; and
  - 29.1.2. the person to whom the notice was given has failed to comply with it,the Company may sell that Share in such manner as the Directors decide.
- 29.2. A Lien Enforcement Notice:
  - 29.2.1. may only be given in respect of a Share which is subject to the Company's Lien and in respect of a sum payable to the Company for which the due date for payment has passed;

- 29.2.2. must specify the Share concerned;
- 29.2.3. must require payment of the sum within 14 clear days of the notice (that is, excluding the date on which the notice is given and the date on which that 14 day period expires);
- 29.2.4. must be addressed either to the holder of the Share or to a transmittee of that holder; and
- 29.2.5. must state the Company's intention to sell the Share if the notice is not complied with.

**29.3. Where Shares are sold under this Article 29:**

- 29.3.1. the Directors may authorise any person to execute an instrument of transfer of the Shares to the purchaser or to a person nominated by the purchaser; and
- 29.3.2. the transferee is not bound to see to the application of the consideration, and the transferee's title is not affected by any irregularity in or invalidity of the process leading to the sale.

**29.4. The net proceeds of any such sale (after payment of the costs of sale and any other costs of enforcing the Company's Lien) must be applied:**

- 29.4.1. first, in payment of so much of the sum for which the lien exists as was payable at the date of the Lien Enforcement Notice; and
- 29.4.2. second, to the person entitled to the Shares at the date of the sale, but only after the certificate for the Shares sold has been surrendered to the Company for cancellation, or an indemnity in a form reasonably satisfactory to the Directors has been given for any lost certificates, and subject to a lien equivalent to the Company's Lien over the Shares before the sale for any money payable by that person (or his estate or any joint holder of the shares) after the date of the Lien Enforcement Notice.

**29.5. A statutory declaration by a Director or the company secretary that the declarant is a Director or the company secretary and that a Share has been sold to satisfy the Company's Lien on a specified date:**

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

### **ADMINISTRATIVE ARRANGEMENTS**

**30. Means of communication to be used**

**30.1. Subject to Article 30.3, any notice, document or other information will be deemed served on, or delivered to, the intended recipient:**

- 30.1.1. if delivered by hand, on signature of a delivery receipt or at the time the notice, document or other information is left at the address; or
- 30.1.2. if sent by fax, at the time of transmission; or

- 30.1.3. if sent by pre-paid first class post, recorded delivery or special delivery to an address in the United Kingdom, at 9.00 am on the second Business Day after posting; or
- 30.1.4. if sent by pre-paid airmail to an address outside the country from which it is sent, at 9.00 am on the fifth Business Day after posting; or
- 30.1.5. if sent by reputable international overnight courier to an address outside the country from which it is sent, on signature of a delivery receipt or at the time the notice, document or other information is left at the address; or
- 30.1.6. if sent or supplied by e-mail, one hour after the notice, document or information was sent or supplied; or
- 30.1.7. 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; and
- 30.1.8. if deemed receipt under the previous paragraphs of this Article 30.1 would occur outside business hours (meaning 9.00 am to 5.30 pm Monday to Friday on a day that is not a public holiday in the place of deemed receipt), at 9.00 am on the day when business next starts in the place of deemed receipt. For the purposes of this Article, all references to time are to local time in the place of deemed receipt.

30.2. To prove service, it is sufficient to prove that:

- 30.2.1. if delivered by hand or by reputable international overnight courier, the notice was delivered to the correct address; or
- 30.2.2. if sent by fax, a transmission report was received confirming that the notice was successfully transmitted to the correct fax number; or
- 30.2.3. if sent by post or by airmail, the envelope containing the notice was properly addressed, paid for and posted; or
- 30.2.4. if sent by e-mail, the notice was properly addressed and sent to the e-mail address of the recipient.

30.3. A Transfer Notice (or Deemed Transfer Notice) may not be served or delivered in electronic form (other than by fax), or by means of a website.

30.4. In proving that any notice, document or information was properly addressed, it will suffice to show that the notice, document or information was addressed to an address permitted for the purpose by the Act.

### **31. Indemnity and insurance**

31.1. Subject to Article 31.2, but without prejudice to any indemnity to which a Relevant Officer is otherwise entitled:

- 31.1.1. each Relevant Officer will be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a Relevant Officer in the actual or purported execution and/or discharge of his duties, or in relation thereto including (in each case) any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted, or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part, or in connection with any application in which the court grants him, in

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

- 31.1.2. 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 31.1 and otherwise may take any action to enable such Relevant Officer to avoid incurring such expenditure.
- 31.2. This Article 31 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.
- 31.3. The Directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any Relevant Officer in respect of any Relevant Loss.
- 31.4. In this Article 31:
  - 31.4.1. **"Relevant Loss"** means any loss or liability which has been or may be incurred by a Relevant Officer in connection with that Relevant Officer's duties or powers in relation to the Company (or other Group Company) or any pension fund of the Company (or other Group Company); and
  - 31.4.2. **"Relevant Officer"** means any director or other officer or former director or other officer of any Group Company.

## **32. Data protection**

- 32.1. Each of the Shareholders and Directors (from time to time) consents to the processing of his personal data by the Company, its Shareholders and Directors (each a **"Recipient"**) for the purposes of due diligence exercises, compliance with applicable laws, regulations and procedures and the exchange of information amongst themselves. A Recipient may process such personal data either electronically or manually.
- 32.2. The personal data that may be processed for such purposes under this Article 32 will include any information which may have a bearing on the prudence or commercial merits of investing in, or disposing of any Shares (or other investment or security) in, the Company. Save as required by law, court order or any regulatory authority, that personal data will not be disclosed by a Recipient or any other person, except to:
  - 32.2.1. a Member of the Same Group as the Recipient (each a **"Recipient Group Company"**);
  - 32.2.2. employees, directors and professional advisers of that Recipient or any Recipient Group Company; and
  - 32.2.3. funds managed by any of the Recipient Group Companies.
- 32.3. Each of the Shareholders and Directors consent (from time to time) to the transfer of such personal data to persons acting on behalf of any Recipient and to the offices of any Recipient, both within and outside the European Economic Area, for the purposes stated above, where it is necessary or desirable to do so.

## **Schedule: The Model Articles**