

PRIVATE COMPANY LIMITED BY SHARES

NOTICE OF WRITTEN RESOLUTION

of

ARROW BUSINESS COMMUNICATIONS HOLDINGS LIMITED

(Registered No. 10233878)

(the "Company")

Notice is hereby given that, in accordance with Chapter 2 of Part 13 of the Companies Act 2006, the following resolutions were passed by the shareholders of the Company entitled to vote thereon by way of a written resolution on 17 October 2017 and that.

- resolution 1 be passed as an ordinary resolution; and
- resolutions 2, 3 and 4 be approved as special resolutions,

(together the "**Resolutions**"):

**ORDINARY RESOLUTION**

- 1 "THAT in substitution for any existing power under section 551 of the 2006 Act and without prejudice to the exercise of any such authority prior to the date hereof, the Directors are authorised generally to allot without the authority of the Company in general meeting up to a maximum of £92 70 in nominal amount of shares of the Company (comprising 10,900 C ordinary shares of £0.001 each; 20,900 deferred D shares of £0.001 each and 60,900 deferred E shares of £0.001 each) at any time or times from the date of adoption of these Articles until the date occurring five years after such date. The aforesaid authority may be revoked or varied by the Company in general meeting and may be renewed by the Company in general meeting for a further period not exceeding five years. The Company may make any offer or agreement before the expiry of this authority which would or might require relevant securities to be allotted after this authority has expired and the Directors may allot relevant securities in pursuance of any such offer or agreement notwithstanding the expiry of this authority. In this paragraph, references to the allotment of shares shall include the grant of rights to subscribe for, or to convert any security into shares "

**SPECIAL RESOLUTIONS**

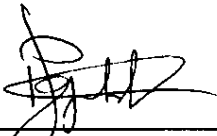
"THAT

- 2 10,000 B ordinary shares of £0.001 each in the capital of the Company issued and registered in the name of Siobhan McElhinney be reclassified as 10,000 E ordinary shares of £0.001 each in the capital of the Company, such shares having the rights and being subject to the same restrictions as set out in the New Articles as defined in and as to be adopted pursuant to resolution 3 below;



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3. the regulations contained in the document attached hereto and for the purposes of identification initialled by a Director be and are hereby approved and adopted as the articles of association of the Company in substitution for and to the exclusion of all existing articles of association of the Company (the "**New Articles**"); and
4. in accordance with section 570 of the Companies Act 2006, the Directors be and are hereby generally and unconditionally empowered to allot equity securities (as defined in section 560 of the Act) pursuant to the authority conferred by the New Articles as if section 561 of the Act did not apply to the allotment, such power to expire on the date five years from the passing of this resolution but so that such power shall allow the Company to make offers or agreements before the expiry of this power which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of such offers or agreements as if the power conferred hereby had not expired "



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Director for and on behalf of  
Arrow Business Communications Holdings  
Limited

Dated 17 October 2017

**PROJECT ALPHABET**  
**THE COMPANIES ACT 2006**  
**PRIVATE COMPANY LIMITED BY SHARES**

**ARTICLES OF ASSOCIATION**

of

**DMWSL 826 LIMITED**

(the "Company")

Registered No. 10233878

Incorporated in England and Wales on the 15th day of June 2016

Adopted on the 17<sup>th</sup> day of October 2017

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**THE COMPANIES ACT 2006**  
**PRIVATE COMPANY LIMITED BY SHARES**  
**ARTICLES OF ASSOCIATION OF**  
**DMWSL 826 LIMITED**  
**Company number 10233878**  
**(the "Company")**

**1. PRELIMINARY**

- 1.1. The Company is a private company within the meaning of section 4(1) of the Companies Act 2006 (the "**Act**") established subject to the provisions of the Act *including any statutory modification or re-enactment thereof for the time being in force* and the articles contained in The Model Form Articles for private companies limited by shares as set out in The Companies (Model Articles) Regulations 2008 (Statutory Instrument 2008 No. 3229) (the "**Model Articles**") with the exception of articles 2, 13, 14, 17 to 20 (inclusive), 22(2), 24(2)(c), 26, 38, 41, 44(1), 44(2), 52 and 53, and of any other articles which are inconsistent with the additions and modifications hereinafter set forth.
- 1.2. The liability of the members is limited to the amount, if any, unpaid on the shares held by them.
- 1.3. *In accordance with the Act, the objects of the Company shall be unrestricted.*
- 1.4. The name of the Company may be changed by resolution of the Directors (with Investor Director Consent).
- 1.5. Subject to Investor Director Consent and the Act, the Company may purchase its own Shares to the extent permitted by section 692(1ZA) of the Act.

**2. INTERPRETATION**

In these Articles, unless the context otherwise requires, words and expressions shall bear the meaning ascribed to them in Schedule 1 to these Articles and the Schedules to these Articles shall be part of and construed as one with these Articles.

**3. SHARE CAPITAL**

The share capital of the Company as at the date of adoption of these Articles is divided into:

- 3.1. 500,000 issued A Ordinary Shares;
- 3.2. 310,000 issued B Ordinary Shares;
- 3.3. 159,100 issued C Ordinary Shares;

- 3.4. 20,000 issued D Ordinary Shares;
- 3.5. up to 10,900 unissued C Ordinary Shares;
- 3.6. 10,900 issued E Ordinary Shares;
- 3.7. up to 20,000 unissued Deferred D Shares; and
- 3.8. up to 60,900 unissued Deferred E Shares.

#### **4. RIGHTS ATTACHING TO THE SHARES**

##### **4.1. Share Rights**

The rights and restrictions attaching to the Ordinary Shares are as follows:

##### **4.1.1. Income**

Any profits which the Directors may lawfully determine to distribute in respect of any financial year (the amount to be determined being the "Relevant Distribution") shall be distributed amongst the holders of the Ordinary Shares (excluding (i) any Ordinary Shareholder who is a Very Bad Leaver and (ii) any C Ordinary Shareholder, in respect of his C Ordinary Shares, and/or any E Ordinary Shareholder in respect of his E Ordinary Shares, who is a Bad Leaver) pro rata to the number of Ordinary Shares held by each of such holders (excluding any Ordinary Shareholder who is a Very Bad Leaver in respect of all his Ordinary Shares and any C Ordinary Shareholder in respect of his C Ordinary Shares, and/or E Ordinary Shareholder in respect of his E Ordinary Shares, who is a Bad Leaver). There will be no Relevant Distribution in respect of any Deferred Share, subject to any buy back of such Deferred Share in accordance with these Articles. For so long as there are Unallocated Shares (as defined in the Investment Agreement) (and if any D Ordinary Shares are converted to Deferred D Shares the relevant number of D Ordinary Shares which converted into Deferred D Shares shall be deemed Unallocated Shares), but subject to any future issue of shares other than pursuant to clause 14 of the Investment Agreement or transfers in accordance with these Articles of Ordinary Shares (i) by a holder of Ordinary Shares which is not an Investor to holder of Ordinary Shares which is an Investor and (ii) by a holder of Ordinary Shares which is an Investor to a holder of Ordinary Shares which is not an Investor, or the operation of clause 12 of the Investment Agreement, the holders of the Ordinary Shares (taken together) (other than the (i) holders of A Ordinary Shares and (ii) any Ordinary Shareholder who is a Very Bad Leaver and (iii) any C Ordinary Shareholder, in respect of his C Ordinary Shares, and/or any E Ordinary Shareholder in respect of his E Ordinary Shares, who is a Bad Leaver) shall be entitled in aggregate to 50% of any Relevant Distribution and the holders of A Ordinary Shares shall be entitled in aggregate to the remaining 50% of any Relevant Distribution.

#### 4.1.2. Capital

On a Realisation Event, the Shareholder Proceeds shall be distributed as at the date on which the relevant Realisation Event takes place amongst the holders of Ordinary Shares *pro rata* to the number of Ordinary Shares held by each of them and *pari passu* (according to the number of such Shares held) as if all of such Ordinary Shares constituted a single class provided that (i) with Investor Consent, a total payment of £1 may be made for each entire class of issued Deferred Shares which are not Deferred E Shares (which payment shall be deemed satisfied on payment to any one holder of Deferred Shares) and (ii) a payment to the holders of the issued Deferred E Shares who shall be entitled to an amount equal to the Subscription Price for each Deferred E Share held (or if the Shareholder Proceeds per Ordinary Share are less than the Subscription Price, an amount per Deferred E Share equal to the Shareholder Proceeds per Ordinary Share) (provided that the maximum aggregate amount which can be due in respect of all Deferred E Shares under this (ii) shall be £60,900) and the holders of the Deferred Shares shall have no further entitlement to any Shareholder Proceeds. For so long as there are Unallocated Shares (as defined in the Investment Agreement) (and if any D Ordinary Shares are converted to Deferred D Shares the relevant number of D Ordinary Shares which converted into Deferred D Shares shall be deemed Unallocated Shares), but subject to any future issue of shares other than pursuant to clause 14 of the Investment Agreement or transfers in accordance with these Articles of Ordinary Shares (i) by a holder of Ordinary Shares which is not an Investor to holder of Ordinary Shares which is an Investor and (ii) by a holder of Ordinary Shares which is an Investor to a holder of Ordinary Shares which is not an Investor, or the operation of clause 12 of the Investment Agreement, the holders of the Ordinary Shares (taken together) other than the holders of A Ordinary Shares shall be entitled in aggregate to 50% of the Shareholder Proceeds and the holders of A Ordinary Shares shall be entitled in aggregate to the remaining 50% of the Shareholder Proceeds (assuming in each such reference to Shareholder Proceeds that it is a share sale that it is a sale of the entire issued share capital of the Company).

The foregoing provisions of Article 4.1.2 shall be subject to the following overriding provisions:

- (A) Upon a Sale, the holders of those Shares not acquired by the relevant purchaser(s) shall not be entitled to any allocation of Shareholder Proceeds in accordance with this Article 4.1.2 and the 50% references above shall be adjusted accordingly.
- (B) If a Listing is proposed then, immediately prior to and conditional on the Listing taking place, the Company shall complete all necessary steps required to reorganise, recapitalise, convert or reclassify the issued share capital of the Company which is constituted by Ordinary Shares for the

purpose of ensuring the Company has a single class of ordinary shares at the time of the Listing.

- (C) When determining the amount of the Shareholder Proceeds in the case of any Exit, the cash value of any non-cash consideration payable in connection with such Exit shall be included at the amount as finally determined by the Valuer acting as an expert and not as an arbitrator.
- (D) This paragraph shall only apply in relation to any element of Shareholder Proceeds which is deferred or contingent consideration; if such circumstances arise, the Shareholder Proceeds allocated on completion of the relevant Realisation Event will exclude the element of consideration which is deferred or contingent which instead will be dealt with subsequent to such completion of the Realisation Event (as appropriate) in accordance with the following provisions of this paragraph. On each occasion on which any deferred and/or contingent consideration which is not so allocated shall in fact be received by the Shareholders (or any of them), the provisions of Article 4.1.2 shall be reopened and reapplied as at the date of the Realisation Event treating the late receipt as Shareholder Proceeds to determine the allocation of the same and, for that purpose, the calculations used in allocating consideration already received shall be reworked provided always that no value already allocated shall be re-allocated and this provision shall serve only to allocate the additional consideration later received. The Company and the Shareholders agree that the provisions of this paragraph shall remain in full force and effect (as covenants on the part of each of them) following completion of any Realisation Event occurring after the Adoption Date and notwithstanding any proposed amendment or replacement of these Articles following completion of such Realisation Event.
- (E) On a sale or other disposal of the whole or substantially the whole of the business, assets or undertaking of the Group, the surplus assets remaining after payment of the Company's liabilities shall be distributed (to the extent the Company is lawfully permitted to do so) in accordance with this Article 4.1.2, provided that if it is not lawful for the Company to distribute its surplus assets in accordance with this Article 4.1.2, the members shall exercise all powers (in their capacity as members) as is required by the Majority Investor (including actions that may be necessary to put the Company into voluntary liquidation) to achieve a distribution in accordance with this Article 4.1.2.



#### 4.1.3. Voting

- (a) All shareholder votes shall be taken on a poll. Subject to Articles 4.3, 4.4 and 14.3, every holder of Ordinary Shares (excluding any Bad Leaver and Very Bad Leaver) who (being an individual) is present or (being a corporation) is present by a duly authorised representative (not being himself a member entitled to vote) shall have one vote for every Ordinary Share of which he is the holder. If the holder of Ordinary Shares is not able to vote on account of his being a Bad Leaver or Very Bad Leaver, the votes attached to his Ordinary Shares shall be cast as the holders of the majority of B Ordinary Shares who are not Leavers direct or, if all the holders of B Ordinary Shares are Leavers, how the holders of a majority of the C Ordinary Shares who are not Leavers direct or if all the holders of C Ordinary Shares are Leavers, there shall no such direction and the shares shall not voted (and, if in a particular case, there is no direction from the majority, how the Manager Director shall nominate). The Deferred Shares shall have no right to vote.
- (b) For so long as there are Unallocated Shares (as defined in the Investment Agreement) (and if any D Ordinary Shares are converted to Deferred D Shares the relevant number of D Ordinary Shares which so converted into Deferred D Shares shall be deemed to be Unallocated Shares, but subject to any future issue of shares other than pursuant to clause 14 of the Investment Agreement or transfers in accordance with these Articles of Ordinary Shares (i) by a holder of Ordinary Shares which is not an Investor to holder of Ordinary Shares which is an Investor and (ii) by a holder of Ordinary Shares which is an Investor to a holder of Ordinary Shares which is not an Investor, or the operation of clause 12 of the Investment Agreement, the holders of the Ordinary Shares (taken together) other than the holders of A Ordinary Shares shall be entitled in aggregate to 50% of the Voting Rights and the holders of A Ordinary Shares shall be entitled in aggregate to the remaining 50% of the Voting Rights.

#### 4.2. Variation of Class rights

- (a) 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 with the consent in writing of the holders of more than 75% of the issued shares of that class or with the sanction of an extraordinary or special resolution (as appropriate) passed at a separate meeting of the holders of that class, save that any such voting shall be subject to the provisions of Articles 4.3, 4.4 and 14.3. To every such separate general meeting, all the provisions of these Articles relating to general meetings of the Company (and to proceedings at general meetings including, for the avoidance of doubt, Articles 4.3, 4.4 and 14.3) shall, mutatis mutandis, apply.

(b) The rights attaching to the A Ordinary Shares and B Ordinary Shares include the requirement that the following provisions apply:

- (i) In addition to any other approval required by law or these Articles, each of the Shareholders shall exercise all voting and class rights he may have, whether as a director or shareholder in relation to the Company or any other member of the Group so as to procure, to the extent that he is lawfully able and insofar as it is reasonably practicable to do so and, where acting in his capacity as a director, subject to any statutory and fiduciary duties as a director through the exercise of such voting and class rights, that no member of the Group shall, and the Company shall not and the Company will procure that no member of the Group (other than the Company), shall do any of the things set out in Schedule 2 without prior Investor Consent and, subject to clause 8.7 of the Investment Agreement, Chris Russell Consent in accordance with paragraph (iii) below or any of the things set out in clause 8.6 of the Investment Agreement (subject to the provisos set out in that clause) without Manager Consent.
- (ii) In addition to any other approval required by law or these Articles, each of the Shareholders shall exercise all voting and class rights he may have, whether as a director or shareholder in relation to the Company or any other member of the Group so as to procure, to the extent that he is lawfully able to do so and insofar as it is reasonably practicable to do so and, where acting in his capacity as a director, subject to any statutory and fiduciary duties as a director through the exercise of such voting and class rights, that no member of the Group shall, the Company shall not and the Company will procure that no other member of the Group (other than the Company) shall, do any of the things set out in Schedule 3 without prior Investor Director Consent (as defined in the Investment Agreement) in accordance with paragraph (iii) below.
- (iii) Any consent required by paragraphs (i) or (ii) shall be in writing or if the consent of a particular director included in a duly minuted meeting of the Board and may consist of one document or several documents whether or not in like form. Any request for Investor Consent shall be sent by the Company to each holder of A Ordinary Shares and each Investor Director and any request for Chris Russell Consent shall be sent to Christopher Russell.

These rights are not entrenched provisions within the meaning of section 22 of Companies Act 2006.

(c) The B Ordinary Shares, the C Ordinary Shares, the D Ordinary Shares, the E Ordinary Shares and the Deferred Shares shall be deemed to be one class of share for class purposes provided that the special rights

attached to such class may only be varied or abrogated with the consent in writing of the holders of more than 75% of the issued B Ordinary Shares or with the sanction of an extraordinary or special resolution (as appropriate) passed at a separate meeting of the holders of the B Ordinary Shares, save that any such voting shall be subject to the provisions of Articles 4.3, 4.4 and 14.3.

#### 4.3. Conversion to Deferred Shares

4.3.1. If Further C Shares (up to no more than 60,900) are issued in accordance with the Investment Agreement, a corresponding number of E Ordinary Shares will be automatically converted without the sanction of the E Ordinary Shareholder or any other person into Deferred E Shares (on a one for one basis and up to the number of E Ordinary Shares in issue from time to time). If Christopher Russell becomes a Very Bad Leaver or ceases to be a holder of B Ordinary Shares prior to Exit (other than due to a Permitted Transfer), all of the E Ordinary Shares will be automatically converted without the sanction of any E Ordinary Shareholder or any other person into Deferred E Shares (on a one for one basis and up to the number of E Ordinary Shares in issue from time to time). To the extent not converted under this Article 4.3.1, the E Ordinary Shares shall not be subject to the leaver provisions in article 14 (other than Article 14.3).

4.3.2. Subject to the Act, any Deferred Shares may be purchased by the Company at any time at its option for:

- (a) one penny for all the Deferred D Shares registered in the name of any holder(s) without obtaining the sanction of the holder(s);
- (b) the Subscription Price per Deferred E Share registered in the name of any holder(s) (which shall be £1 in respect of the Deferred E Shares arising from conversion of the E Ordinary Shares issued on the date of adoption of these Articles) without obtaining the sanction of the holder (and, subject to the Act, the Company shall purchase such Deferred E Shares as soon as reasonably practicable but any failure to do so due to this being prohibited by the Act shall not (for so long as the prohibition exists) give any Deferred E Shareholder any rights against the Company or any right to any interest or other sum in light of the delay in completing any repurchase.

Conversion of Ordinary Shares into Deferred Shares shall give the Company irrevocable authority to give on behalf of the holder consent to cancellation of such Deferred Shares on purchase, to purchase the Deferred Shares as set out above and to appoint any person to execute any transfer (or any agreement to transfer) such Deferred Shares to the Company (or such person as it may determine subject to payment of the Subscription Price in the case of the Deferred E Shares or the payment of the sums referred to in Article 4.1.2 in respect of Deferred

Shares). No Deferred Share may be transferred otherwise than as contemplated by this Article 4.3.2 without the prior written consent of the Board including Investor Director Consent.

- 4.3.3. Upon such conversion of any Ordinary Share into a Deferred Share, the Company shall be entitled to enter the holder of the Deferred Shares on the register of members of the Company as the holder of the appropriate number of Deferred Shares (of the relevant class) as from the date of conversion. Upon conversion the relevant holder shall deliver to the Company at its registered office the shares certificate(s) (to the extent not already in the possession of the Company) (or an indemnity for lost certificate in a form acceptable to the Board) for the Ordinary Shares so converting and upon such delivery there shall be issued to share certificate(s) for the number of Deferred Shares (of the relevant class) resulting from the relevant conversion and any remaining Ordinary Shares.

#### 4.4. Trigger Event

- 4.4.1. Each and every time and for so long as there is a Trigger Event and a written notice has been duly served upon the Company in accordance with the relevant provisions of the Investment Agreement in respect thereof by any holder of A Ordinary Shares:

- (a) each member shall exercise all and any voting rights (including, without limitation, voting on any written resolution of the Company's shareholders or voting at any class meeting or on any class consent or written class resolution) attaching to the shares held by him as directed in writing by the holders of the majority of the A Ordinary Shares with the principal purpose of resolving (i) the matters giving rise to the Trigger Event A Default (the "**Default Matters**") and (ii) any actual and material negative issues adversely affecting the Group which in the reasonable opinion of the Board have arisen during the Action Plan Period (the "**New Matters**") (provided that if the Default Matters are resolved in accordance with the Investment Agreement, this article shall NOT be available to remedy any New Matters which have not been resolved at that time); and/or
- (b) subject to clause 12.4 of the Investment Agreement (if applicable), each member (other than Trigger Event Investors (as defined in clause 12.4 of the Investment Agreement)) shall not be entitled to receive (without Investor Director Consent) any further securities in the Company issued by way of rights issue or otherwise; and/or
- (c) subject to clause 12.4 of the Investment Agreement (if applicable), new securities may be issued by the Company (with Investor Director Consent), ranking ahead of or pari passu with any securities of any member of the Group which

are already in issue, and amendments to these Articles may be made in respect thereof (with Investor Director Consent); and/or

- (d) the holders of the majority of the A Ordinary Shares may, by notice in writing addressed to the Company signed by or on behalf of each of them and delivered to the Office, appoint any person or persons to be a Director.

Each member (other than any holder of A Ordinary Shares) hereby appoints as his attorney and agent any person nominated by the holders of the majority of the A Ordinary Shares to take any actions in his name and on his behalf to implement all or any of the provisions of Articles 4.3 to 4.4.

## 5. ISSUES OF SHARES

### 5.1. Pre-emption rights on issue

- 5.1.1. (A) Save as otherwise agreed by special resolution (to include the approval of the Majority Investor and Chris Russell Consent (if required under these Articles or the Investment Agreement) and Manager Consent (if required under these Articles or the Investment Agreement), (B) save for any allotment of Further C Shares and/or Unallocated Shares to any existing or prospective employee or director or contractor or consultant of any member of the Group in accordance with clause 14 of the Investment Agreement and the issue of Deferred D Shares or Deferred E Shares on conversion, (C) save for any allotment of New CEO Shares (as defined in the Investment Agreement) pursuant to clause 14 of the Investment Agreement, (D) save for any allotment of C Ordinary Shares in accordance with clause 14 of the Investment Agreement, (E) save for the allotment of shares issued in consideration of any acquisition by the Company or any member of the Group of any company or business, such acquisition having received the consent of the Board (and any approvals required under clause 8 of the Investment Agreement), (F) save for any allotment of shares undertaken pursuant to clause 12 of the Investment Agreement (paragraphs (A), (B), (C), (D), (E), (F) shall be the "**Permitted Issues**") (which Permitted Issues shall take place without any need to comply with the following provisions of this Article 5.2 or 5.3 and are hereby irrevocably approved and authorised to be issued and shall be allotted and issued by the Directors on behalf of the Company), any shares for the time being unissued and any new shares from time to time created ("shares" for the purpose of this Article 5.2 to include any rights to subscribe for such shares whether pursuant to options, warrants, convertible securities or otherwise) the issue of which has been approved in accordance with the Investment Agreement shall before they are issued to any person (the "**Third Party Issue**") be offered to the holders of Ordinary Shares (other than Leavers who are Bad Leavers or Very Bad Leavers) (the "**Offer**"). The Offer shall be made to each relevant Shareholder by written notice from the Company specifying the number of the shares offered (the

"Offered Shares") and the subscription price per share and limiting a time (being not less than 28 days) (the "**Time Period**") within which the Offer, if not accepted, will be deemed to have been declined. The written notice of the Offer shall invite each relevant Shareholder to state by notice in writing to the Company within the Time Period whether he is willing to subscribe for any of the Offered Shares and, if so, for what maximum number of such Offered Shares (the "**Subscription Maximum**") he is willing to subscribe. A person who, pursuant to such notice, expresses a willingness to subscribe for any Offered Shares is referred to herein as a "**Subscriber**". Within seven days of the expiration of the Time Period, the Company shall allocate and allot the Offered Shares amongst the Subscribers. Each allocation among the Subscribers shall, in respect of Offered Shares over which competition exists, be made pro-rata according to the number of Ordinary Shares held by each Subscriber relative to the total number of Ordinary Shares held by all Subscribers immediately prior to the date of the Offer but individual allocations shall not exceed the Subscription Maximum for which the relevant Subscriber has expressed a willingness to subscribe. If any shares comprised in the Offer are declined or deemed to be declined (the "**Declined Shares**"), the Offer in respect of such Declined Shares shall be withdrawn.

- 5.1.2. Each Offer shall be conditional upon the Subscriber also subscribing for the same proportion of any debt instruments or other securities to be issued by any member of the Group in connection with the issue of shares which triggers the requirement of the Offer as nearly as possible as the nominal amount of Offered Shares actually granted or allotted to the Subscriber bears to the total nominal amount of the Offered Shares actually granted or allotted to all Subscribers.
- 5.1.3. Any Declined Shares (and any of the debt instruments and other securities referred to in Article 5.2.2 which are not accepted or subscribed for by the members) shall be at the disposal of the Directors who may (within a period of three months from the end of the last Offer period under Article 5.2), subject to Investor Consent and in accordance with the Articles, allot, grant options over or otherwise dispose of the same to such persons at a price per share/ debt instrument and on terms no less favourable than that/ those at which the same were offered to the members.
- 5.2. There is no Article 5.2.
- 5.3. In accordance with Section 570 of the Act, sub-Section (1) of Section 561 of the Act shall be excluded from applying to the allotment of equity securities (as defined in Section 560 of the Act).
- 5.4. No shares or other securities or debt instruments of any member of the Group shall be allotted or transferred to any current or prospective employee or director (or any associated person (as defined in section 421C of Income Tax (Earnings and Pensions) Act 2003 of any such employee or director of the Group) unless such person shall first have entered into a joint election under

section 431 of the Income Tax (Earnings and Pensions) Act 2003 with the relevant member of the Group who is the employer (or similar).

#### 5.5. **Partial Interest**

The Company shall not be bound by or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any interest in any fractional part of a share or (except only as otherwise provided by these Articles or by law) any other rights in respect of any share except an absolute right to the entirety thereof held by the registered holder. The Company shall however be entitled to register trustees as such in respect of any shares.

#### 5.6. **Lien**

The Company shall have a first and paramount lien on every share for all moneys (whether presently payable or not) payable at a fixed time or called in respect of that share and the Company shall also have a first and paramount lien on all shares standing registered in the name of a single person or in the name of any person jointly with another or others for all monies presently payable by him or any of them or his estate or their estates to the Company in connection with the unpaid amount if any of the subscription price payable for the shares. The Directors may at any time declare any share to be wholly or in part exempt from the provisions of this article.

### 6. **TRANSFER OF SHARES**

- 6.1. The Directors shall register any transfer of shares made in accordance with the provisions of Articles 12 to 18 (*permitted transfers, pre-emptive transfers, compulsory transfers, fair price, tag-along, drag-along and co-sale*) (the "**Approved Transfers**"). Save for the Approved Transfers, the transfer of shares (or any interest therein) shall not be permitted (and such transfer or purported transfer shall be void) unless such consents as may be required to such transfer are obtained in accordance with clauses 14.6 and 14.7 of the Investment Agreement. Save as aforesaid, the Directors shall decline to register any transfer of any shares. The restrictions on transfer contained in these Articles and the Investment Agreement shall apply to all transfers and transmissions by operation of law or otherwise of Shares (or any interest therein).
- 6.2. Subject to such of the restrictions set out in these Articles as may be applicable, any member may transfer all or any of his shares by instrument of transfer in writing in any usual or common form or in any other form which the Directors may approve. The instrument of transfer shall be executed by or on behalf of the transferor and (except in the case of fully paid shares) by or on behalf of the transferee and the transferor shall remain the holder of the shares and as such a member of the Company until the name of the transferee is entered in the Register of Members in respect thereof.
- 6.3. No person shall be registered as a holder of Shares representing 0.8% or more of the issued Ordinary Shares (assuming that the Unallocated Shares have

been issued but excluding the Deferred Shares) after the Adoption Date unless he has executed and delivered to the Company a Deed of Adherence agreeing to be bound by the Investment Agreement in his capacity as a Manager or an Investor or a party (as appropriate).

## **7. GENERAL MEETINGS**

- 7.1. No business shall be transacted at any general meeting unless a quorum of members is present (in person or by proxy or, if a corporation, by a duly authorised representative) at the time when the meeting proceeds to business. Save as otherwise provided in these Articles, the quorum shall be two members, one of whom shall be an Investor who is a holder of A Ordinary Shares and one of whom shall be a holder of B Ordinary Shares.
- 7.2. If a quorum is not present within half an hour of the time appointed for a general meeting, the general meeting shall be adjourned to such day and at such time and place as the Majority Investor may determine, or in all other cases the meeting shall stand adjourned to such day and at such time and place as the Directors may determine and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting the members present shall be a quorum provided that the only business to be considered at such adjourned meeting shall be the business set out in the notice of the original meeting.
- 7.3. A resolution in writing (i) in respect of the passing of an ordinary resolution, signed by the holders of a simple majority of the total Voting Rights of eligible members (as defined in the Act) of the Company; or (ii) in respect of the passing of a special resolution, signed by a 75% majority of the total Voting Rights of eligible members (as defined in the Act) of the Company; in each case shall be as valid and effectual as if it had been passed at a general meeting of the Company duly convened and held. Any special resolution to be passed as a written resolution must state on the face of the resolution that it is to be passed as a special resolution.
- 7.4. Any written resolution may consist of several documents in the like form each signed by one or more of the members or their duly appointed attorneys or representatives and the signature in the case of a corporation which is a member shall be sufficient if made by a director or the secretary thereof or by its duly appointed attorney(s) or representative(s).
- 7.5. No resolution not previously approved by the Directors (acting with Investor Director Consent) shall be moved by any member other than a Director at a general meeting unless the member intending to move the same shall have left a copy thereof with his name and address at the Office at least three clear days prior to such meeting.
- 7.6. A notice of every general meeting shall be given to every member entitled to attend whether or not he shall have supplied to the Company an address within the United Kingdom for the giving of notices.



## 8. DIRECTORS

- 8.1. The quorum for the transaction of the business of the Directors, unless the Company has only one director, shall be two, one of whom shall be any Investor Director (unless no such Investor Director is, at the relevant time, appointed or unless any Investor Director waives such right in writing) and one of whom shall be the Manager Director (unless no such director is, at the relevant time, appointed or unless each such director waives such right in writing). A person who holds office only as an alternate director shall, if his appointor is not present, be counted in the quorum.
- 8.2. If a quorum is not present within half an hour of the time appointed for a meeting of Directors (the "**Original Meeting**") the meeting shall stand adjourned to such day and at such time and place as the Directors may determine and shall notify to the Investor Directors and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting the Directors present shall be a quorum provided that the only business which may be transacted at that meeting is the business set out in the notice of the Original Meeting.
- 8.3. Unless and until otherwise determined by ordinary resolution of the Company (with the approval of the Majority Investor) and subject to the terms of the Investment Agreement, the minimum number of directors shall be one and there shall be no maximum number. A sole director shall have all the power and authority vested in the Directors in terms of these Articles.
- 8.4. A director shall not be required to hold shares of the Company in order to qualify for office as a director, but he shall be entitled to receive notice of and attend and speak at all general meetings of the Company or meetings of any class of members of the Company.
- 8.5. A director who is in any way, whether directly or indirectly, interested in an actual or proposed transaction or arrangement with the Company shall declare the nature and extent of his interest at a meeting of the Board or any committee of the Board in accordance with Section 177 and/or Section 182 of the Act. Subject to such disclosure as aforesaid, and to any terms and conditions imposed by the directors in accordance with Article 8.16 and subject to the proviso that a director (other than any Investor Director) who is interested in any Relevant Contract as a seller or shareholder shall not be entitled to attend or vote at a meeting where Action in respect of a Relevant Contract is being considered without Investor Director Consent (but this proviso shall only apply to the extent of the business at such a meeting in relation to such Action), a director may vote in respect of any contract or proposed transaction or arrangement in which he is interested and if he does so vote his vote shall be counted and he may be counted in ascertaining whether a quorum is present at any meeting at which any such contract or proposed transaction or arrangement shall come before the directors for consideration and may retain for his own absolute use and benefit all profits and advantages accruing to him therefrom and from any Relevant Contract approved by the other directors. For the purposes of this Article:

- 8.5.1. a general notice given to the directors that a director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the director has an interest in any such transaction of the nature and extent so specified; and
- 8.5.2. a director need not declare an interest under this Article 8.5:
  - (a) if it cannot reasonably be regarded as likely to give rise to a conflict of interest;
  - (b) of which the director is not aware, although for this purpose a director is treated as being aware of matters of which he ought reasonably to be aware;
  - (c) if, or to the extent that, the other directors are already aware of it, and for this purpose the other directors are treated as aware of anything of which they ought reasonably to be aware based on information provided to them by the Company or the directors; or
  - (d) if, or to the extent that, it concerns the terms of his service contract that have been, or are to be, considered at a board meeting.
- 8.6. The office of a director shall be vacated:
  - 8.6.1. if he becomes bankrupt or suspends payment of or compounds with his creditors generally on account of financial difficulties;
  - 8.6.2. if he becomes of unsound mind or a patient for the purpose of any statute relating to mental health or otherwise mentally incapacitated;
  - 8.6.3. if by notice in writing to the Company he resigns his office;
  - 8.6.4. if he is prohibited by law from being a director;
  - 8.6.5. if he, not being an Investor Director or a Manager Director, is removed from office by notice in writing signed by all his co-Directors and served upon him;
  - 8.6.6. if he, not being an Investor Director or a Manager Director, is removed from office by notice in writing signed by the holders of shares representing more than 50% of the aggregate number of issued Ordinary Shares plus Investor Consent and (if applicable) Chris Russell Consent and such notice is delivered at the Office or at a meeting of the Directors;
  - 8.6.7. if he, not being an Investor Director or a Manager Director, shall for more than six consecutive months have been absent without permission of the Directors from meetings of the Directors held

during that period and the Directors resolve that his office be vacated;  
and/or

- 8.6.8. *if removal of a Manager Director is required in terms of clause 11.3 of the Investment Agreement.*
- 8.7. The Directors shall (acting by majority and subject to any approvals required under the Investment Agreement) have power at any time to appoint any person to be a director of the Company either to fill a casual vacancy or as an addition to the existing Directors.
- 8.8. The ordinary remuneration of the executive directors (excluding, for the avoidance of doubt, the Investor Director who is not entitled to any fees personally and the Manager Director (who is not an employee of any member of the Group) who is not entitled to any fees) for their services as directors shall from time to time be determined by the Remuneration Committee. The terms of the reference of the Remuneration Committee are detailed in clause 16.1 of the Investment Agreement and where there is any contradiction between the remit of the Remuneration Committee and the terms of these Articles, the terms of reference of the Remuneration Committee shall prevail.
- 8.9. The Directors may repay to any director all such reasonable expenses as he may properly incur in attending meetings of the Directors or of any committee of the Directors or general meetings of the Company or any class of members of the Company or otherwise in or about the business of the Company. In the event of any director (other than an Investor Director or a Manager Director in his capacity as such) necessarily performing or rendering any special duties or services to the Company outside his ordinary duties as a director the Directors may pay such director special remuneration and such special remuneration may be paid by way of salary, commission, participation in profits or otherwise as may be arranged and approved by the Board (acting with Investor Director Consent).
- 8.10. Subject to the terms of clause 8 of the Investment Agreement, the Directors may from time to time appoint one or more of their number to an executive office (including that of Chief Executive Officer, Chief Financial Officer, Managing Director, Deputy or Assistant Managing Director, Manager or any other salaried executive office) for such period and on such terms and conditions as they shall think fit and, subject to the terms and conditions of any agreement entered into in any particular case, may revoke such appointment. Subject to the terms and conditions of any such agreement the appointment of any director as aforesaid shall be determined if he ceases for any cause to be a director.
- 8.11. Subject to the approval of the Remuneration Committee (where required in terms of its terms of reference (as set out in clause 16.1 of the Investment Agreement)), a Chief Executive Officer, Chief Financial Officer, Managing Director, Deputy or Assistant Managing Director, Manager or other executive officer as aforesaid shall receive such remuneration (either by way of salary, commission, participation in profits or pension or otherwise howsoever,

whether similar to the foregoing or not) as the Board (acting with Investor Director Consent) may determine.

- 8.12. Subject to the terms of clause 8 of the Investment Agreement, the Directors on behalf of the Company and without the approval of any resolution of the Company may establish, maintain, participate in and contribute to, or procure the establishment and maintenance of, participation in and contribution to, any pension, superannuation, benevolent or life assurance fund, scheme or arrangement (whether contributory or otherwise) for the benefit of any persons (including Directors, former Directors, officers and former officers) who are or shall have been at any time in the employment or service of the Company or of any company which at the time is or was a subsidiary or a holding company of the Company or another subsidiary of a holding company of the Company (as defined in section 1159 of the Act) or otherwise associated with the Company or of the predecessors of the Company in business or of any such other company as aforesaid, or for the benefit of the relations, spouses, widows, families, connections or dependants of any such persons or for the benefit of any other persons whose service or services have directly or indirectly been of benefit to the Company and their relations, connections or dependants, and the Directors on behalf of the Company (subject to the terms of clause 8 of the Investment Agreement) and without the approval of any resolution of the Company may grant or procure the grant of donations, gratuities, pensions, allowances, including allowances on death, or other payments or benefits of any kind to any of such persons as aforesaid; and the Directors on behalf of the Company (subject to the terms of clause 8 of the Investment Agreement) and without the approval of any resolution of the Company may establish, subsidise, subscribe to or support institutions, associations, clubs, schools, funds or trusts calculated or considered to be for the benefit of any of such persons as aforesaid or otherwise for the advancement of the interests and well-being of the Company or of any such other company as aforesaid or its members; and the Directors on behalf of the Company (subject to the terms of clause 8 of the Investment Agreement) and without the approval of any resolution of the Company, may make payments for or towards the insurance of any of such persons as aforesaid. Subject to approval of the Directors on behalf of the Company (subject to the terms of clause 8 of the Investment Agreement) being obtained, any such director or ex-director may participate in and retain for his own benefit any such donation, gratuity, pension, allowance, payment or other benefit conferred under or pursuant to this Article and the receipt thereof shall not disqualify any person from being or becoming a director of the Company.
- 8.13. Subject to the terms of clause 8 of the Investment Agreement, the Directors on behalf of the Company and without the approval of any resolution of the Company may establish and contribute to any employees' share scheme (within the meaning of Section 1166 of the Act) for the purchase or subscription by trustees of shares of the Company or of a holding company of the Company and may lend money to the Company's employees to enable them to purchase or subscribe for shares of the Company or of a holding company of the Company; and (in addition to such clause 8, subject to Article 5) may establish and maintain any option or incentive scheme whereby

selected employees (including salaried directors and officers) of the Company are given the opportunity of acquiring shares in the capital of the Company; and may formulate and carry into effect any scheme for sharing the profits of the Company with its employees (including salaried directors and officers) or any of them. Any director may participate in and retain for his own benefit any such shares, profit or other benefit conferred under or pursuant to this Article and the receipt thereof shall not disqualify any person from being or becoming a director of the Company.

8.14. A resolution in writing signed by all the Directors from time to time shall be as valid and effectual as a resolution passed at a meeting of the Directors duly convened and held and may consist of several documents in the like form, each signed by one or more of the Directors.

8.15. A meeting of the Directors or of a committee of the Directors may consist of a conference between directors who are not all in one place, but of whom each is able (directly or by telephonic communication) to speak to each of the others, and to be heard by each of the others simultaneously. A director taking part in such a conference shall be deemed to be present in person at the meeting and shall be entitled to vote or be counted in a quorum accordingly. Subject to the Act, all business transacted in such manner by the Directors or a committee of the Directors shall for the purposes of these Articles be deemed to be validly and effectively transacted at a meeting of the Directors or a committee notwithstanding that fewer than two directors or alternate directors are physically present at the same place. Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the chairman of the meeting then is. The word "meeting" in these Articles shall be construed accordingly.

#### 8.16. Conflicts of Interest

8.16.1. The conflict of interest provisions contained in the Act in particular section 173(2)(b) should be read in the light of the following Articles dealing with conflicts of interest.

8.16.2. If a situation arises in which a Director (the "**Conflicted Director**") has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company (including without limitation, in relation to the exploitation of any property, information or opportunity, whether or not the Company could take advantage of it) (a "**Situation**") the following provisions shall apply:

- (a) the Directors (other than the Conflicted Director who shall not be counted in the quorum at the meeting and shall not vote on the resolution) (acting with Investor Director Consent); or
- (b) the members (by ordinary resolution or by notice in writing given to the Company by the holders of a majority of the Voting Rights),

may resolve to authorise such Situation and the continuing performance by the Conflicted Director of his duties and confirm that

the existence of such Situation shall not give rise to a breach of the duty of the Conflicted Director pursuant to section 175 of the Act (or as such section may be amended or restated or re-numbered from time to time). Any such authorisation may be subject to such conditions as the Directors (other than the Conflicted Director who shall not be counted in the quorum at the meeting and shall not vote on the resolution) (acting with the approval of any Investor Director) or members (as applicable) may consider necessary or desirable.

8.16.3. Any proposed authorisation under Article 8.16.2 may only be given in respect of a matter which constitutes a Situation in which a Director who is not an Investor Director has, or can have a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company, if an Investor Director has given his consent to such authorisation.

8.16.4. In the execution of his duty to promote the success of the Company it is acknowledged that the Investor Director and the Manager Director shall be entitled to have regard to and take into consideration but not prioritise (unless to so give priority would not result in him being in breach of his statutory and other duties as a director):

- (a) the interests of the person or party or entity who has appointed him (the "**Appointer**"); or
- (b) his interests as a shareholder or holder of loan notes,

and in doing so such Director shall not have infringed their duty to exercise independent judgement in accordance with section 173 of the Act (or as such section may be amended or restated or re-numbered from time to time). This Article 8.16.4 shall also be subject to the terms of Article 8.16.6

8.16.5. Notwithstanding Article 8.16.2 above, the existence of the following Situations relating to the Investor Director which do or may give rise to a conflict arising as a result of the Investor Director's involvement with and relationship with his Appointer and the investment strategy and operations of the Appointer, shall be hereby authorised, without further approval being required by the Directors and/or the members (as appropriate) and consequently shall not give rise to a breach of duty to avoid conflicts of interest:

- (i) if the Investor Director is a shareholder in and/or member and/or partner and/or employee of the Appointer or if the Investor Director has any economic interest in an investment fund in relation to which the Appointer forms part of the relevant fund structure;
- (ii) if the Appointer acquires a competitor of or a supplier to the Company or any other company within the Group, or a material interest therein;

- (iii) if the Appointer or any person connected with the Appointer wishes to take up an opportunity that had been offered to, but declined by the Group;
- (iv) if the *Investor Director* is appointed by the Appointer or any person connected with the Appointer or is otherwise appointed as a director of any other company outside the Group, other than a competitor of the Group;
- (v) if the Group is considering a refinancing proposed by or supported by the Appointer;
- (vi) if the Investor wishes to exit its investment in the Group by way of a Sale or Listing or a sale of assets by the Group or otherwise;
- (vii) if an Investor Director accepts a benefit from a third party conferred by reason of his being a Director of the Company or his doing (or not doing) anything as a Director, provided such benefit falls within section 176(4) of the Act (or as such section may be amended or restated or renumbered from time to time);
- (vii) if an Investor has an interest in or is a party to or gives consents or withholds consent or gives any direction pursuant to the Investment Agreement, these Articles or any other Transaction Document (as defined in the Investment Agreement);

and the Investor Director shall be entitled to attend, be counted in the quorum and vote at any meeting of the Directors notwithstanding any such conflict or potential conflict.

8.16.6. Notwithstanding Article 8.16.2 above:

- (a) the existence of the following Situations relating to any *Manager Director* (who is not an executive director) or other non executive director holding Ordinary Shares ("**Relevant Director**") shall be hereby authorised, without further approval being required by the Directors and/or the members (as appropriate) and consequently shall not give rise to a breach of duty to avoid conflicts of interest:
  - (i) if the Relevant Director is a shareholder in the Company or any of its subsidiaries or holds any debt in the Company or any of its subsidiaries;
  - (ii) if the Group is considering a refinancing of any loan notes held by the Relevant Director;

- (iii) if the Relevant Director wishes to exit its investment in the Group by way of a Sale or Listing or a sale of assets by the Group or otherwise;
  - (iv) if the Relevant Director has an interest in or is a party to or gives consents or withholds consent or gives any direction pursuant to the Investment Agreement, these Articles or any other Transaction Document (as defined in the Investment Agreement).
- (b) a Manager Director who is an executive director holding Ordinary Shares shall not be in breach of duty to avoid conflicts of interest simply by exercising the specific contractual rights conferred on him under these Articles, the Investment Agreement and any documentation entered into by him in connection therewith, provided that he exercises any discretion in so doing in good faith and otherwise than in a capricious manner.

8.16.7. Where a Director obtains confidential information (other than through his position as a Director, consultant, contractor or employee of the Company) that is confidential to a third party, he will not be obliged to disclose it to the Company or to use it in relation to the Company's affairs in circumstances where to do so would amount to a breach of that confidence.

## 9. ALTERNATE DIRECTORS

- 9.1. Any director may at any time by writing under his hand and deposited at the Office, or delivered at a meeting of the Directors, appoint any person to be his alternate director and may in like manner at any time terminate such appointment. If such alternate director is not another director, such appointment, unless made by any Investor Director or (in the case of any appointment made by a director who is not an Investor Director) previously approved in writing by Investor Director Consent, shall have effect only upon and subject to being so approved, approval not to be unreasonably withheld or delayed (provided that the appointment of an alternate by any Investor Director shall be effective immediately on notice of such appointment being given to the Company and shall not require the approval of the Directors or approval under clause 8 of the Investment Agreement)).
- 9.2. The appointment of an alternate director shall determine on the happening of any event which if he were a director would cause him to vacate such office or if his appointor ceases to be a director.
- 9.3. An alternate director shall (except when absent from the United Kingdom) be entitled to receive notice of all meetings of the Directors and of all meetings of committees of the Directors of which his appointor is a member and shall be entitled to attend and vote as a director at any such meetings at which his appointor is not personally present and generally at such meetings to perform all the functions of his appointor as a director in his absence and for the



purposes of the proceedings at such meeting the provisions of these Articles shall apply as if he were a director. If his appointor is for the time being absent from the United Kingdom or temporarily unable to act through ill-health or disability, an alternate director's signature to any resolution in writing of the Directors shall be as effective as the signature of his appointor. Every person acting as an alternate director shall have one vote for each director for whom he acts as alternate (in addition to his own vote if he is also a director). An alternate director shall not (save as aforesaid) have power to act as a director or be deemed to be a director for the purposes of these Articles.

- 9.4. An alternate director may be repaid expenses and shall be entitled to be indemnified by the Company to the same extent *mutatis mutandis* as if he were a director but he shall not be entitled to receive from the Company any remuneration except only such proportion (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct.

## 10. BORROWING AND OTHER POWERS

Subject to the terms of clause 8 of the Investment Agreement (and any requirement in the Investment Agreement to consult with Christopher Russell), the Directors may exercise all the powers of the Company without limit as to amount to borrow and raise money and to accept money on deposit and to grant any security, mortgage, charge or discharge as they may consider fit for any debt or obligation of the Company or which is binding on the Company in any manner or way in which the Company is empowered so to grant and similarly as they may consider fit to enter into any guarantee, contract of indemnity or suretyship in any manner or way in which the Company is empowered so to enter into.

## 11. INDEMNITY AND INSURANCE

- 11.1. Without prejudice to any other indemnity which may from time to time be applicable, a relevant officer (as hereinafter defined) of the Company or an associated company (as hereinafter defined) shall, subject to the prior approval of the majority of the Board (acting reasonably), be indemnified out of the assets of the Company against:

- (a) any liability incurred by that officer in connection with any negligence, default, breach of duty or breach of trust in relation to the Company or an associated company,
- (b) any liability incurred by that officer in connection with the activities of the Company or an associated company in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the Act); and
- (c) any other liability incurred by that officer as an officer of the Company or an associated company,

provided always that this Article 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.

In this Article and in Article 11.2:

- (i) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate, and
- (ii) a "relevant officer" means any Director, former Director, company secretary or former company secretary or other officer or employee or former officer or employee of the Company or an associated company (but not its auditor) including any company in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the Act) or employees' share scheme in respect of the Company or an associated company.

- 11.2. 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 (as hereinafter defined).

In this Article a "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 any associated company (including any company in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the Act) or employees' share scheme in respect of the Company or any associated company.

- 11.3. Without prejudice to the generality of Article 8.5 at a meeting of the Directors where such insurance is under consideration a Director may form part of the quorum and vote notwithstanding any interest he may have in such insurance.

## **12. PERMITTED TRANSFERS**

- 12.1. Subject to obtaining any approval required under clause 14.6 of the Investment Agreement and subject to Articles 6.2 and 6.3, the following transfers of shares (other than E Ordinary Shares save where Investor Director Consent has been obtained to any transfer of E Ordinary Shares (such consent to be given on death to his estate) or such transfer is made pursuant to clause 14.3.3 of the Investment Agreement) may be made without restriction as to price or otherwise and without any requirement to offer such shares pursuant to the provisions of Article 13 (*pre-emptive transfers*) and without any requirement to comply with the provisions of Article 16 (*Drag Along*) or Article 17 (*Tag Along*) or Article 18 (*Right of First Offer*), namely any transfer:

- 12.1.1. by any member being a company to any holding company of such company or to any direct or indirect subsidiary of such company or of any such holding company;

- 12.1.2. by any person (who is not an Employee Member) holding shares as a nominee or on trust (whether directly or indirectly) for an employee share scheme to any other nominee or trustee of the same scheme;
- 12.1.3. by any nominee or trustee to the beneficiary or any other nominee or trustee of the same beneficiary;
- 12.1.4. by any Employee Member other than in respect of D Ordinary Shares to any Privileged Relation or Family Settlement subject always to the following in relation to any transfer under this Article 12.1.4:
  - (a) at any given time other than on death, an Employee Member must hold a number of Ordinary Shares which is not less than the total amount of Ordinary Shares held by Privileged Relations and Family Settlements related to that Employee Member but excluding any E Ordinary Shares and excluding any Ordinary Shares which have been issued by the Company to or acquired (other than under this Article 12.1.4) by any such Privileged Relations and/or Family Settlements;
  - (b) such transferee undertaking in a form approved by the Board (acting with Investor Director Consent) (such form to include the grant to such person as the Board (acting with Investor Director Consent) or failing such agreement, such person nominated by the person(s) representing Investor Director Consent, nominates (nomination being given promptly) of a power of attorney in respect of such shares) that such transferee will be bound by the provisions of these Articles (in particular, the provisions of Article 14 (*compulsory transfers*)) as if such transferee were the Employee Member and the transferred shares remained held by the Employee Member);
  - (c) on completion of any transfer in accordance with the foregoing provisions of this Article 12.1.4 the transferee shall be deemed to have conferred irrevocable authority on such person as the Board (acting with Investor Director Consent) or failing such agreement, such person nominated by the person(s) representing Investor Director Consent, nominates (nomination being given promptly) as his attorney or agent to sign any resolution, consent, transfer form or other document whatsoever and/or take any action in the Employee Member's name and on his behalf to implement the provisions of Article 14 (*compulsory transfers*));
- 12.1.5. by the nominee or trustees of any trust established for the benefit of employees or directors (or former employees or directors) of any company in the Group to the beneficiaries of such trust (or any of them) as may be approved by the Board (acting with Investor Director Consent) and/or by any member to the trustees of such trust to hold on trust for the benefit of the beneficiaries of the trust;

- 12.1.6. by any member which is an investment fund and/or collective investment scheme and/or limited partnership and/or investment trust and/or investment company (each a "fund") (and/or a trustee, nominee, custodian, manager, adviser or general partner of any fund) to:
- (a) the holders of units in, or a nominee or trustee for the holders of units in, or partners in, or members of or investors in such fund;
  - (b) a nominee, custodian, general partner, manager, adviser or trustee for such fund;
  - (c) another fund, whether or not already a member of the Company (or trustee, nominee, custodian, manager, adviser or general partner of another fund)) which is managed or advised by the same manager or adviser as the transferor or by any member of the same group of companies of such manager or adviser;
  - (d) to any Investor or underlying investor in any Investor;
  - (e) to any manager or investment adviser for the time being of any Investor, to any company which is in the same group as the manager or investment adviser for the time being of any Investor;
  - (f) to a nominee, custodian, manager, adviser, general partner or trustee of, or to a member of the same group as the transferor or any of the persons referred to in Articles 12.1.6(a) and 12.1.6(b);
  - (g) to any member of the GCP Group; or
- 12.1.7. in accordance with clause 14.3.3 or 14.6 of the Investment Agreement; or
- 12.1.8. any transfer of Sellers' Shares (as defined in Article 16) by any Investor Seller (as defined in Article 16) or any other transfer in connection with the operation of Article 16 (*drag along*), Article 17 (*tag along*) and/or Article 18 (*Right of First Offer*); or
- 12.1.9. by any member (other than holders of A Ordinary Shares) with prior Investor Director Consent and the consent of Chris Russell for so long as he is a shareholder.

If any person to whom shares are transferred pursuant to Articles 12.1.1 to 12.1.5 (inclusive) above ceases to be within the required relationship with the original transferor of such shares, such shares shall be transferred back to the original transferor (or to any other person falling within the required relationship with the original transferor) forthwith upon such relationship ceasing (and such transfer may be made without restriction as to price or

otherwise) and, if the holder of such shares fails to make such transfer within such period as the Board or Investor Director reasonably requires, the holder shall, if required by the Board or Investor Consent, be deemed to have served a separate Transfer Notice in respect of all of such shares then held by him and the provisions of Article 13 (*pre-emptive transfers*) shall apply save that the Specified Price shall be deemed to be the nominal value of the shares the subject of the deemed transfer and the shares shall first be offered to the original transferor.

### 13. PRE-EMPTIVE TRANSFERS

13.1. Save where otherwise provided in these Articles, this Article 13 does not apply to transfers which take place under Article 12 (*permitted transfers*), Article 14 (*compulsory transfers*), Article 16 (*drag along*) (including those transfers referred to in Article 16.4) or Article 17 (*tag along*) (including those transfers referred to in Article 17.5) and transfers in accordance with Article 18 (together the "**Exempt Transfers**"). Save for the Exempt Transfers, no member or person entitled by transmission shall transfer or dispose of or agree to transfer or dispose of or grant any interest or right in any issued Ordinary Share to any person (a "**transferee**") without first obtaining consent where required under clause 14.6 of the Investment Agreement (if required) and without first offering the same for transfer in accordance with this Article. Such offer, which may be in respect of all or part only of the Ordinary Shares held by the proposing transferor and shall be made by the proposing transferor by the giving in writing of a notice (a "**Transfer Notice**"). Except in the case of a Leaver Transfer Notice (which may not be withdrawn), where the Board (with Investor Director Consent) does not consent to the price specified in the Transfer Notice in respect of the Sale Shares and the price is not agreed between the proposing transferor and the Board (with Investor Director Consent), the proposing transferor may, within seven days of receipt of notification of the Fair Price, withdraw the Transfer Notice. Otherwise, a Transfer Notice may only be withdrawn with the consent of the Board and Investor Director Consent.

13.2. Each Transfer Notice shall specify the number and class of Ordinary Shares offered (the "**Sale Shares**") and the price at which the Sale Shares are offered, the identity(ies) of the proposed transferee(s) (if any) and whether the Transfer Notice is conditional on all or a specific number of the Sale Shares being sold. The Transfer Notice shall constitute the Company as the agent of the proposing transferor for the sale of the Sale Shares in accordance with this Article 13.2, at the following price (the "**Specified Price**"):

13.2.1. at the price specified in the Transfer Notice, with the consent of the Board (with Investor Director Consent); or

13.2.2. failing such Board consent and/or Investor Director Consent within 10 Business Days, at such other price as may be agreed between the proposing transferor and the Board (with Investor Director Consent) within the aforesaid period of 10 Business Days; or

13.2.3. if such price cannot be so agreed within 10 Business Days, at the Fair Price as determined by the Valuer.

- 13.3. Subject to Article 13.11, upon receipt or deemed receipt by the Company of the Transfer Notice the Directors shall forthwith give written notice to the holders of Ordinary Shares (other than any Leaver who is a Bad Leaver or Very Bad Leaver) and the proposing transferor), of the number and description of the Sale Shares and the Specified Price and the identity(ies) of the proposed transferee(s), inviting each of such holders to state by notice in writing to the Company within 21 days whether he is willing to purchase any and, if so, what maximum number of the Sale Shares ("**Maximum**") he is willing to purchase. A person who, pursuant to such a notice, expresses a willingness to purchase any Sale Shares is referred to in this Article 13 as a "**Purchaser**" (with "**Purchasers**" being construed accordingly).
- 13.4. Within 10 days of the expiration of the said period of 21 days the Directors shall, subject to Articles 13.6 and 13.11 below, allocate the Sale Shares to or amongst the Purchasers and such allocation shall be made so far as practicable as follows:

(1) Sale Shares	(2) Allocated first to	(3) Allocated second to
A Ordinary Shares	Purchasers who are A Ordinary Shareholders pro rata in accordance with A Ordinary Shares held by all Purchasers	Purchasers who are holders of B, C and E Ordinary Shares pro rata in accordance with the B Ordinary Shares and C Ordinary Shares and E Ordinary Shares held by all Purchasers
B and C Ordinary Shares and any other class of Shares (excluding A Ordinary Shares) in issue from time to time	<p>In the case of Shares (other than A and B and E Ordinary Shares):</p> <p>Apply Article 13.11.</p> <p>In the case of B and E Ordinary Shares: B Ordinary Shareholders as at the Completion Date (as defined in the Investment Agreement) who remain B Ordinary Shareholders at the relevant time (pro rata in accordance with their holdings of B Ordinary Shares).</p>	<p>Purchasers who are (in the following order of priority):</p> <p>(ii) B, C and E Ordinary Shareholders other than those listed in column (2) (pro rata in accordance with their respective holdings of B, C and E Ordinary Shares);</p> <p>(iii) then to A Ordinary Shareholders (pro rata in accordance with their respective holdings of A Ordinary Shares).</p>

- 13.5. Each allocation among the relevant persons identified in Article 13.4 shall, in the case of competition, be made pro-rata to the number of shares of the class or classes of the relevant allocation as set out in Article 13.4 but individual allocations shall not exceed the Maximum which the relevant person shall have expressed a willingness to purchase.
- 13.6. If the Transfer Notice shall state that the proposing transferor is not willing to transfer part only of the Sale Shares or less than a specific number of Sale Shares, no allocation shall be made unless all or such specified number (as the case may be) of the Sale Shares are allocated.
- 13.7. Forthwith upon such allocation being made, the Purchasers to or amongst whom such allocation has been made shall be bound to pay to the Company (as agent for the proposing transferor) the Specified Price for, and to accept a transfer of, the Sale Shares so allocated to them respectively and the proposing transferor shall be bound forthwith upon payment to him of the Specified Price as aforesaid to deliver to the Company (as agent for the Purchasers) such documents as are required to transfer such shares to the respective Purchasers.
- 13.8. If, in any case, the proposing transferor, after having become bound to transfer Sale Shares as aforesaid, makes default in so doing the Company may receive the Specified Price and any person duly nominated by the Board or, failing any such nomination, any person nominated by any Investor Director, shall forthwith be appointed as the duly appointed attorney or agent of the proposing transferor with full power to execute, complete and deliver, in the name and on behalf of the proposing transferor, a transfer of the relevant Sale Shares to the transferee and (subject to the transfer being duly stamped) the name of the transferee shall be entered in the Register of Members as the holder or holders by transfer of the shares so purchased by him or them. The Company shall forthwith pay the purchase money into a separate bank account in the Company's name and shall hold such money in trust for the proposing transferor until he shall deliver up his certificate or certificates for the relevant shares to the Company (or an indemnity in respect thereof reasonably satisfactory to the Company) when he shall thereupon be paid the purchase money. The Company shall have no liability to pay or account for any interest on any such monies. The issue of a receipt by the Company therefor shall be a good discharge to the Purchasers and after their names shall have been entered in the Register of Members in exercise of the aforesaid power, the validity of the transactions shall not be questioned by any person.
- 13.9. If, at the expiration of the period of 10 days referred to in Article 13.4 above, any of the Sale Shares have not been allocated in accordance with the provisions of this Article 13 (including, for the avoidance of doubt, as a result of the operation of Article 13.6), the proposing transferor may at any time within a period of 60 days after the expiration of the said period of 10 days referred to in Article 13.4 above transfer such unallocated Sale Shares to the

proposed transferee(s) (if any) specified in the Transfer Notice at any price not being less than the Specified Price provided that:

- 13.9.1. if the Transfer Notice shall contain the statement referred to in Article 13.6 the proposing transferor shall not be entitled hereunder to transfer any of such unallocated Sale Shares unless in aggregate all of such unallocated Sale Shares are so transferred; and
- 13.9.2. the Board or the Majority Investor may require to be satisfied on reasonable grounds that such unallocated Sale Shares are being transferred in pursuance of a bona fide sale for the Specified Price without any deduction, rebate or allowance whatsoever to the transferee and if not so satisfied shall refuse to register the instrument of transfer.
- 13.10. The restrictions on transfer contained in this Article shall apply to all transfers and transmissions by operation of law or otherwise of Ordinary Shares.
- 13.11. If the proposing transferor is an Employee Member as a result of the operation of Article 14, and the Sale Shares are not A Ordinary Shares, B Ordinary Shares or E Ordinary Shares, the Sale Shares may be allocated, as specified by the Board (acting with Investor Director Consent) to any existing or prospective employee, director (other than any Investor Director), contractor and/or consultant of any member of the Group and/or to an Employee Trust, in which event the provisions of Articles 13.3 to 13.7 (inclusive) and 13.9 shall not apply to the Sale Shares allocated pursuant to this Article 13.11. For the avoidance of doubt, the provisions of Articles 13.3 to 13.7 shall apply to any Sale Shares not allocated pursuant to this Article 13.11.
- 13.12. In the event that the Sale Shares are to be allocated to an Employee Trust the Company shall fund the acquisition of the Sale Shares by the Employee Trust subject to such funding being available and lawful. Any Sale Shares acquired by the Employee Trust will at any time subsequently and when so required by the Board (acting with Investor Director Consent) be transferred free of the pre-emption provisions contained in Article 13 to any existing or prospective employee or director or contractor or consultant of any member of the Group at such price as the Board (with Investor Director Consent) may approve.

#### **14. LEAVER PROVISIONS**

##### **14.1. Compulsory Transfer of B and C Ordinary Shares held by Very Bad Leaver**

- 14.1.1. Subject to Article 14.3, the Board (acting with Investor Director Consent) or, if the Board fails to act when required to do so by any Investor Director, any Investor Director (who shall be deemed to be acting with the authority of the Board) may serve notice in writing on any Very Bad Leaver (a "VBL Transfer Notice") requiring him (or them) to offer for sale all of the B Ordinary Shares and/or C Ordinary Shares then held by him ("VBL Shares") (subject to Article 14.1.4) to the persons referred to in Article 14.1.3 at the price specified in Article 14.1.2.



Upon service of a VBL Transfer Notice, the Very Bad Leaver shall be bound to transfer such shares in accordance with the VBL Transfer Notice on the date which the VBL Transfer Notice may specify save that, if applicable, the Board (acting with Investor Director Consent) or if the Board fails to act when required to do so by any Investor Director, any Investor Director, may defer such transfer date in order that (if applicable) the Fair Price can be determined in accordance with these Articles and/or any part of the process set out in Article 14.1.3 can be completed.

A VBL Transfer Notice arising in terms of this Article shall supersede any previous Transfer Notice or Leaver Transfer Notice which has not completed.

- 14.1.2. A VBL Transfer Notice served pursuant to this Article 14.1 shall be deemed to provide that the sale price in respect of each of the VBL Shares shall be the lower of (i) the price per share paid therefor by the relevant Very Bad Leaver (and not, for the avoidance of doubt, his Permitted Transferee (if any)) (including any premium paid thereupon) and (ii) the Fair Price (the "**VBL Price**").
- 14.1.3. Subject to Article 14.1.4, any VBL Transfer Notice shall constitute the Company as the agent of the proposing transferor for the sale of the VBL Shares in accordance with the following provisions of this Article 14.1.3, at the VBL Price.
  - (a) The Company shall, not later than two Business Days following the date of the VBL Transfer Notice (or (if applicable) such later date as may be necessary in order to allow determination of the Fair Price), serve written notice on the other holders of Ordinary Shares in the priority set out in Article 13.4 (other than any Leaver who is a Bad Leaver or Very Bad Leaver) of the number and description of the VBL Shares and the VBL Price inviting each of such holders to state by notice in writing to the Company within 14 days whether he is willing to purchase any and, if so, what maximum number of the Leaver's Shares ("**Maximum**") he is willing to purchase. A person who, pursuant to such a notice, expresses a willingness to purchase any VBL Shares is referred to in this Article 14.1. as a "**Purchaser**" (with "**Purchasers**" being construed accordingly).
  - (b) Within five days of the expiration of the said period of 14 days the Company shall allocate the VBL Shares to or amongst the Purchasers and such allocation shall be made so far as practicable as stated in the table in Article 13.4.
  - (c) Individual allocations to Purchasers shall not exceed the Maximum which the relevant Purchaser shall have expressed a willingness to purchase.

- (d) Forthwith upon such allocation being made, the Purchasers to or amongst whom such allocation has been made shall be bound to pay to the Company (as agent for the proposing transferor) the VBL Price for, and to accept a transfer of, the VBL Shares so allocated to them respectively and the Very Bad Leaver shall be bound forthwith upon payment to him of the VBL Price as aforesaid to deliver to the Company (as agent for the Purchasers) such documents as are required to transfer such shares to the respective Purchasers.
- (e) If, in any case, the Very Bad Leaver, after having become bound to transfer the VBL Shares as aforesaid, makes default in so doing the Company may receive the VBL Price and any person nominated in writing by the Board (acting with Investor Director Consent), or failing such nomination, any person nominated by any Investor Director, shall forthwith be appointed as the duly appointed attorney or agent of the proposing transferor with full power to execute, complete and deliver, in the name and on behalf of the Very Bad Leaver, a transfer of the VBL Shares to the transferee and (subject to the transfer being duly stamped) the name of the transferee shall be entered in the Register of Members as the holder or holders by transfer of the shares so purchased by him or them. The Company shall forthwith pay the purchase money into a separate bank account in the Company's name and shall hold such money in trust for the Very Bad Leaver until he shall deliver up his certificate or certificates for the relevant shares to the Company (or an indemnity in respect thereof reasonably satisfactory to the Company) when he shall thereupon be paid the purchase money. The Company shall have no liability to pay or account for any interest on any such monies. The issue of a receipt by the Company therefor shall be a good discharge to the Purchasers and after their names shall have been entered in the Register of Members in exercise of the aforesaid power the validity of the transactions shall not be questioned by any person.
- (f) If, at the expiration of the period of 10 days referred to above, any of the VBL Shares have not been allocated in accordance with the provisions of this Article 14.1.3 (such shares being the "Excess VBL Shares"), Article 14.1.3(g) shall apply to such shares.
- (g) The Excess VBL Shares shall be allocated, as specified by the Board (acting with Investor Director Consent) or failing such agreement or refusal by the Board to consider any such allocation, as specified by any Investor Director, to any existing or prospective employee, director (other than any Investor Director), contractor and/or consultant of any member of the Group and/or to an Employee Trust.

- (h) In the event that the Excess VBL Shares are to be allocated to an Employee Trust the Company shall fund the acquisition of the Excess VBL Shares by the Employee Trust subject to such funding being available and lawful. Any Excess VBL Shares acquired by the Employee Trust will at any time subsequently and when so required by (and on such terms as determined by) the Board (with Investor Director Consent) shall be transferred free of the pre-emption provisions contained in Article 13 to any existing or prospective employees of the Company or any of its subsidiaries.

14.1.4. If a Very Bad Leaver acquires any shares (whether upon exercise of options or other rights to acquire shares in the Company or otherwise) after his relevant date of cessation (the "**New Shares**"), the Board (acting with Investor Director Consent) or, if the Board fails to act when required to do so by any Investor Director, any Investor Director (who shall be deemed to be acting with the authority of the Board) may, at any time with effect from the date of acquisition of such New Shares, serve a further VBL Transfer Notice in respect of all or any of the New Shares acquired by him.

**14.2. Compulsory Transfer of C Ordinary Shares held by any Leaver (other than a Very Bad Leaver to which Article 14.1 shall apply)**

14.2.1. Subject to Article 14.3, the Board (acting with Investor Director Consent) or, if the Board fails to act when required to do so by any Investor Director, any Investor Director (who shall be deemed to be acting with the authority of the Board) may serve notice in writing on any Leaver (other than a Very Bad Leaver) (a "**Leaver Transfer Notice**") requiring him (or them) within 12 months of the date on which he becomes a Leaver, or if the status of the Leaver is disputed, within 12 months of determination of the status of the Leaver by a relevant court or tribunal to offer for sale all of the C Ordinary Shares then held by him ("**Leaver's Shares**") (subject to Article 14.2.4) to the persons referred to in Article 14.2.3 at the price specified in Article 14.2.2.

Upon service of a Leaver Transfer Notice, the Leaver shall be bound to transfer such shares in accordance with the Leaver Transfer Notice on the date which the Leaver Transfer Notice may specify save that, if applicable, the Board (acting with Investor Director Consent) or if the Board fails to act when required to do so by any Investor Director, any Investor Director, may defer such transfer date in order that (if applicable) the Fair Price can be determined in accordance with these Articles and/or any part of the process set out in Article 14.2.3 can be completed.

A Leaver Transfer Notice arising in terms of this Article shall supersede any previous Transfer Notice which has not completed.

14.2.2. A Leaver Transfer Notice served pursuant to this Article 14.2 shall be deemed to provide that the sale price in respect of each of the Leaver's Shares (the "Leaver Price") shall be as follows:

**(a) Good Leaver**

In respect of each Leaver's Share held by a Good Leaver, the higher of (i) the price per share paid in cash therefor by the relevant Good Leaver (and not, for the avoidance of doubt, his Permitted Transferee (if any)) (including any premium paid thereupon) and (ii) the Fair Price.

**(b) Bad Leaver**

In respect of each Leaver's Share held by a Bad Leaver, the lower of (i) the price per share paid therefor by the Bad Leaver (and not, for the avoidance of doubt, his Permitted Transferee (if any)) (including any premium paid thereupon) and (ii) the Fair Price.

**(c) Intermediate Leaver**

In respect of each Leaver's Share held by an Intermediate Leaver:

- (A) in respect of the Unvested Shares, the lower of (i) the price per share paid therefor by the relevant Leaver (and not, for the avoidance of doubt, his Permitted Transferee (if any)) (including any premium paid thereupon) and (ii) the Fair Price;
- (B) in respect of the Vested Shares, the higher of (i) the price per share paid in cash therefor by the relevant Leaver (and not, for the avoidance of doubt, his Permitted Transferee (if any)) (including any premium paid thereupon) and (ii) the Fair Price.

If a holder of C Ordinary Shares is an Intermediate Leaver, with effect from the period commencing on the later of the Completion Date (as defined in the Investment Agreement) and the first date on which the Intermediate Leaver (and not, for the avoidance of doubt, his Permitted Transferee (if any)) became an Employee Member, until the fifth anniversary thereof, the C Ordinary Shares shall vest on a straight line basis (calculated daily) from 100% unvested at the beginning of such period to 100% vested on such fifth anniversary provided that if a holder of C Ordinary Shares is an Intermediate Leaver in the 12 month period with effect from the period commencing on the later of the Completion Date (as defined in the Investment Agreement) and the first date on

which the Intermediate Leaver (and not, for the avoidance of doubt, his Permitted Transferee (if any)) became an Employee Member all of his C Ordinary Shares shall be treated as Unvested Shares.

14.2.3. Subject to Article 14.2.4, any Leaver Transfer Notice shall constitute the Company as the agent of the proposing transferor for the sale of the Leaver's Shares in accordance with the following provisions of this Article 14.2.3, at the Leaver Price.

- (a) The Company shall, not later than two Business Days following the date of the Leaver Transfer Notice (or (if applicable) such later date as may be necessary in order to allow determination of the Fair Price), serve written notice on the other holders of Ordinary Shares in the priority set out in Article 13.4 (other than any Leaver who is a Bad Leaver or Very Bad Leaver) of the number and description of the Leaver's Shares and the Leaver Price inviting each of such holders to state by notice in writing to the Company within 14 days whether he is willing to purchase any and, if so, what maximum number of the Leaver's Shares ("**Maximum**") he is willing to purchase. A person who, pursuant to such a notice, expresses a willingness to purchase any Leaver's Shares is referred to in this Article 14.2 as a "**Purchaser**" (with "**Purchasers**" being construed accordingly).
- (b) Within five days of the expiration of the said period of 14 days the Company shall allocate the Leaver's Shares to or amongst the Purchasers and such allocation shall be made so far as practicable as stated in the table in Article 13.4.
- (c) Individual allocations to Purchasers shall not exceed the Maximum which the relevant Purchaser shall have expressed a willingness to purchase.
- (d) Forthwith upon such allocation being made, the Purchasers to or amongst whom such allocation has been made shall be bound to pay to the Company (as agent for the proposing transferor) the Leaver Price for, and to accept a transfer of, the Leaver's Shares so allocated to them respectively and the Leaver shall be bound forthwith upon payment to him of the Leaver's Price as aforesaid to deliver to the Company (as agent for the Purchasers) such documents as are required to transfer such shares to the respective Purchasers.
- (e) If, in any case, the Leaver, after having become bound to transfer the Leaver's Shares as aforesaid, makes default in so doing the Company may receive the Leaver's Price and any person nominated in writing by the Board (acting with Investor Director Consent), or failing such nomination, any person nominated by any Investor Director, shall forthwith be

appointed as the duly appointed attorney or agent of the proposing transferor with full power to execute, complete and deliver, in the name and on behalf of the Leaver, a transfer of the Leaver's Shares to the transferee and (subject to the transfer being duly stamped) the name of the transferee shall be entered in the Register of Members as the holder or holders by transfer of the shares so purchased by him or them. The Company shall forthwith pay the purchase money into a separate bank account in the Company's name and shall hold such money in trust for the Leaver until he shall deliver up his certificate or certificates for the relevant shares to the Company (or an indemnity in respect thereof reasonably satisfactory to the Company) when he shall thereupon be paid the purchase money. The Company shall have no liability to pay or account for any interest on any such monies. The issue of a receipt by the Company therefor shall be a good discharge to the Purchasers and after their names shall have been entered in the Register of Members in exercise of the aforesaid power the validity of the transactions shall not be questioned by any person.

- (f) If, at the expiration of the period of 10 days referred to above, any of the Leaver's Shares have not been allocated in accordance with the provisions of this Article 14.2.3 (such shares being the "Excess Leaver's Shares"), Article 14.2.3(g) shall apply to such shares.
- (g) The Excess Leaver's Shares shall be allocated, as specified by the Board (acting with Investor Director Consent) or failing such agreement or refusal by the Board to consider any such allocation, as specified by any Investor Director, to any existing or prospective employee, director (other than any Investor Director), contractor and/or consultant of any member of the Group and/or to an Employee Trust.

14.2.4. The Board (with Investor Director Consent) may, by notice in writing served on the Company and the Leaver prior to the expiry of three months from the date upon which the relevant person became a Leaver, specify that a Bad Leaver shall be deemed to be a Good Leaver or Intermediate Leaver and/or specify that an Intermediate Leaver shall be deemed to be a Good Leaver and/or specify that a Leaver shall be deemed not to be Leaver and/or specify a smaller number of Ordinary Shares held by the Leaver shall be Leaver's Shares (in each case, for any purpose of this Article 14 and/or any other provision of these Articles and/or the Investment Agreement).

14.2.5. If a Leaver (other than a Very Bad Leaver) acquires any shares (whether upon exercise of options or other rights to acquire shares in the Company or otherwise) after his relevant date of cessation (the "New Shares"), the Board (acting with Investor Director Consent) or, if the Board fails to act when required to do so by any Investor

Director, any Investor Director (who shall be deemed to be acting with the authority of the Board) may, at any time within 12 months of the date of acquisition of such New Shares, serve a further Leaver Transfer Notice in respect of all or any of the New Shares acquired by him.

- 14.3. Notwithstanding any other provision herein contained but subject to Article 4.1.3(b), the following provisions of this Article shall apply to any Bad Leaver or Very Bad Leaver who holds any Ordinary Shares:

14.3.1. he shall not be entitled to attend, speak or vote at (or to receive any notice of) any general or class meeting of the Company's shareholders and his Shares will be deemed to be non-voting for the purposes of determining whether any resolution has been passed;

14.3.2. if a written resolution of the Company or any class of shares is proposed, he will not have any vote and his Shares will be deemed to be non-voting for the purposes of determining whether any resolution has been passed;;

14.3.3. in relation to any matter where the consent of the holders of the class or classes of shares held by him is required he shall not be entitled to attend, speak, vote or determine his approval on such matter and his Shares will be ignored for the purposes of determining whether the level of approval required and the level of approval obtained;

and he hereby appoints any person nominated by the Board (with Investor Director Consent) or, failing such nomination by the Board, any person nominated by any Investor Director, from time to time as his agent/ attorney to sign any such resolution, consent, transfer form or other document and/or take any other act in his name and on his behalf to implement articles 4.1.3 (a) and (b).

- 14.4. Unless the Board (acting with Investor Director Consent) determines that this Article 14.4 shall not apply and subject to Article 14.5, all of the D Ordinary Shares held by any Leaver shall automatically convert without the sanction of the D Ordinary Shareholder or any other person into Deferred D Shares (on the basis of one Deferred D Share for each D Ordinary Share held) on the date such person becomes a Leaver.
- 14.5. Notwithstanding the foregoing provisions of this Article 14, the Board (acting with Investor Director Consent) may determine prior to any conversion under Article 14.4 that in place of such a conversion under Article 14.4 the D Ordinary Shareholder shall, on becoming a Leaver, transfer some or all of his D Ordinary Shares to such employee of the Group as the Board (acting with Investor Director Consent) determines, such transfer to be with full title guarantee and free from encumbrances. The D Ordinary Shares shall be transferred for their nominal value unless a greater price is specified by the Board (again acting with Investor Director Consent).

## 15. FAIR PRICE

15.1. "Fair Price" means the price per share as at the date of the occurrence of the event which triggered the requirement to agree or determine Fair Price. In the event the Fair Price requires to be calculated as a result of a Leaver becoming a Leaver, the Fair Price shall be the Fair Price of a share which is the subject of the Leaver Transfer Notice as at the date of the proposed transfer of the Leaver's Shares, as agreed between the selling shareholder and the Board (with Investor Director Consent) or, if the Board fails to act when required to do so by any Investor Director, any Investor Director, within 21 days or, in the absence of such agreement, as certified in writing by the Valuer. The determination of the Fair Price by a Valuer shall be in accordance with the following provisions:

- 15.1.1. the Valuer shall determine the sum in cash which a willing buyer would offer to a willing seller for the whole of the issued share capital of the Company on the basis that before a transfer of the Ordinary Shares could be completed he would be required to acquire all of the outstanding Loan Notes at a price per note (payable in cash) equal to all amounts of interest and principal and other sums outstanding in respect of each such note. In doing so he will consider on the same basis as a willing reasonable buyer the cash, cash equivalent, working capital and other debt items of the Group (but without double counting);
- 15.1.2. divide the resultant figure by the number of issued Ordinary Shares plus the number of Unallocated Shares (as defined in the Investment Agreement) plus the outstanding options or rights to acquire Ordinary Shares to the extent that such options or rights are exercisable or would be exercisable assuming a Sale at the price per share calculated under this Article 15 (assuming exercise of such options or rights in full and assuming that any Ordinary Shares which are available to be allocated pursuant to the Investment Agreement and/or which the Company has promised or agreed to allocate have been issued);
- 15.1.3. there shall be no addition or subtraction of any premium or discount arising in relation to the size of the holding the subject of the relevant transfer, or in relation to any restrictions on the transferability or voting of the shares arising only out of the provisions of these Articles or in relation to any control or veto rights available to the Investor or otherwise;
- 15.1.4. the Valuer shall take into account in relation to determining the appropriate figure for Article 15.1 above any bona fide offer from any third party to purchase any holdings of any shares;
- 15.1.5. in the event of a valuation as a result of a shareholder being a Leaver, if the Valuer in his sole discretion considers it appropriate, the Valuer shall take into account the impact on the business of the Group as a result of the relevant shareholder becoming a Leaver.



- 15.2. Where Article 14 requires a Fair Price to be determined under this Article 15 (the "**Leaver Valuation**") and a Fair Price has already been determined in accordance with this Article 15 in relation to another Leaver in the three months prior to the date of the Leaver Valuation, the Board (with Investor Director Consent) may if it is reasonable to do so (or, in the event this discretion is not exercised when required by the Investor Director, any Investor Director may) elect to use that prior valuation to determine the Fair Price for the Leaver Valuation which shall be final and binding on the Leaver (and/or his Permitted Transferee) who is subject to the Leaver Valuation.
- 15.3. The costs of the Valuer shall be borne between the Company and the selling shareholder equally or in such proportions as the Valuer shall determine to be fair and reasonable in the circumstances.
- 15.4. For the avoidance of doubt, to the extent to which the Fair Price cannot be agreed in accordance with this Article 15 and a Valuer is to be appointed, the terms of engagement of the relevant Valuer shall be at the determination of the Board (acting reasonably and with Investor Director Consent) or, if the Board fails to act when required to do so by any Investor Director, any Investor Director, and the relevant Leaver (acting reasonably) or transferor (acting reasonably).
- 15.5. Any Valuer appointed under these Articles shall be considered to be acting as an expert and not as an arbitrator and its decision shall be final and binding on the parties (in the absence of fraud or manifest error).
- 15.6. The Company will give the Valuer access to all accounting records or other relevant documents of the Company which are in existence subject to them agreeing such confidentiality provisions as the Board or any Investor Director acting on behalf of the Board may reasonably impose.
- 15.7. The Valuer shall be requested to reach its determination as soon as practicable and in any event within 20 Business Days of its appointment and to notify the Board and the Majority Investor of its determination. The Company shall deliver a copy of the determination to the relevant transferor(s) (or their agent) as soon as reasonably practicable after receipt.

## 16. **DRAG ALONG**

Subject to Article 18, if the Majority Investor (the "**Investor Seller**") wishes to transfer all of its/their Ordinary Shares (the "**Sellers' Shares**") to a bona fide purchaser on arm's length terms (the proposed transferee shall be defined as the "**Buyer**"), where the Buyer has agreed in writing to acquire the Sellers' Shares and the CR Consent has been obtained (if applicable), the Buyer may by written notice to the Company served within 60 days of the unconditional agreement by the Buyer in respect of such acquisition (save for any condition in respect of the operation of this Article 16) require the Company as agent for the Buyer to serve notices (in this Article each a "**Drag Along Notice**") on all Shareholders who are not the Investor Seller ("**Minority Shareholders**") requiring them to sell to the Buyer or any person identified by the Buyer all of their Shares at (i) a consideration per Share (including any contingent or

deferred consideration) (insofar as it can be ascertained at the date of the Drag Along Notice) which is the amount to which the Minority Shareholder would be entitled if the total consideration proposed to be paid by the Buyer for the entire issued share capital of the Company were distributed to the Minority Shareholders and the Investor Seller in accordance with the provisions of Article 4.1.2 provided that in respect of the Minority Shareholders who have been served with Drag Along Notices:

- 16.1.1. the consideration payable to Minority Shareholders (and the terms and conditions applicable thereto) shall be in same form (subject to Article 16.1.2) and paid at the same time (subject to Article 16.3) as it is paid to the Investor Seller and (if the Loan Notes have not been repaid or become repayable) the Buyer shall be obliged to purchase or procure the repayment of all of the Loan Notes held by the Minority Shareholder (or any person to whom they have transferred Loan Notes in accordance with the Investment Agreement) at a price not less than the aggregate principal and accrued interest then outstanding on the Loan Notes concerned (less any taxation which is required by law to be deducted);
- 16.1.2. if the form of the consideration (or any part thereof) payable to the Investor Seller by the Buyer in respect of the Investor Seller's Shares is non-cash consideration (excluding the right to receive contingent or deferred consideration which would be payable in cash upon it ceasing to be contingent or deferred), then the Investor Seller may (with CR Consent (if applicable)) direct that the form of consideration payable to the Minority Shareholders in lieu of such non cash consideration shall be cash consideration for each relevant Ordinary Share which is of equivalent value (as at the relevant date of transfer of the Minority Shareholder's shares) to such non-cash consideration, as determined by the Valuer (the Valuer taking account of the reasonable representations of the Manager Director);
- 16.1.3. for the avoidance of doubt, in determining the consideration payable to the Investor Seller and the Minority Shareholders for their Shares for the purposes of this Article 16, (unless and to the extent the Investor Seller otherwise directs) any option, warrant or other right or opportunity offered to employees of the Company or its subsidiaries to subscribe for or acquire any share, debt instrument or other security in the capital of the Buyer or any group undertaking of the Buyer which is in addition to the consideration offered for each Sellers' Share shall be disregarded; and
- 16.1.4. any reasonable and properly incurred costs, fees and expenses incurred in relation to the sale of the Sellers' Shares and/or any Shares of the Minority Shareholders which are not borne by the Company or the Buyer (other than costs, fees and expenses relating to an individual seller's personal tax or estate advice or planning) shall be borne in accordance with clause 13.8 of the Investment Agreement.

The Company shall serve the Drag Along Notice(s) forthwith and for the period of 21 days from the service of the Drag Along Notice the Minority Shareholders shall not be entitled to transfer their shares to anyone except the Buyer or a person identified by the Buyer.

- 16.2. The Buyer shall complete the purchase of all shares in respect of which a Drag Along Notice has been given at the same time and no later than 21 days from the date of the serving of such Drag Along Notice(s). The consideration shall be payable in full without any set off. Any transfer pursuant to a Drag Along Notice shall not require the proposing transferor to give a Transfer Notice.
- 16.3. If a Minority Shareholder, on the expiration of 21 days from the service of the Drag Along Notice, shall have not transferred his shares to the Buyer or a person identified by the Buyer against payment of the price therefor or satisfaction of the applicable consideration therefor, the Directors shall authorise some person to execute and deliver on his behalf as his agent or attorney any necessary transfer in favour of the Buyer or the person identified by the Buyer, and the Minority Shareholder shall, upon such execution, receive the consideration in respect of such shares and the Company shall thereupon (subject to the transfer being duly stamped) cause the name of the Buyer (or the person identified by the Buyer) to be entered into the Register of Members as the holder of the relevant shares. Pending such transfer the Company shall hold the consideration in trust for the Minority Shareholder but shall not be bound to earn or pay interest thereon. The issue of a receipt by the Company for the consideration shall be a good receipt for the price for the relevant shares but the Buyer shall not be discharged from procuring that the Company pays such monies to the Minority Shareholder which shall be made following delivery by the Minority Shareholder of the certificate in respect of the shares or an indemnity (in a form agreed between the Minority Shareholder (acting reasonably) and the Buyer) in respect of the same. After the name of the Buyer or the person identified by the Buyer has been entered in the Register of Members in purported exercise of the aforesaid powers the validity of proceedings shall not be questioned by any person.
- 16.4. Article 13 does not apply to:
  - 16.4.1. any transfer of the Sellers' Shares by the Investor Seller or any transfer of Shares by any Investor ((if relevant) together with any Shares to be transferred by other Shareholders approved by the Majority Investor) in connection with the operation of the foregoing terms of this Article 16; and/or
  - 16.4.2. any transfer of Shares in respect of which (and pursuant to) any Drag Along Notice has been given.
- 16.5. For the avoidance of doubt nothing in these Articles shall prevent the issue of a new Drag Along Notice immediately prior to or following the lapse or withdrawal of an existing Drag Along Notice in which case such newly served notice shall supersede and revoke any earlier such notice, notwithstanding that the relevant acceptance and purchase period as may be designated in the original Drag Along Notice may not have expired.

## 17. TAG ALONG

- 17.1. Subject to Article 18, if the Majority Investor (the "**Investor Seller**") wishes to transfer all of its/their Ordinary Shares whether as a single transfer or series of connected transfers (the "**Sellers' Shares**") to a bona fide purchaser or purchasers on arm's length terms (other than where the transfer is being made pursuant to Articles 12 or 18) (the proposed transferee shall be defined as the "**Buyer**") (each a "**Proposed Sale**"), then, unless the provisions of Article 16 (*Drag Along*) have been operated to call for a transfer of the shares held by the Minority Shareholders, the Investor Seller shall give written notice to all members (the "**Other Shareholders**") of such Proposed Sale at least 10 Business Days prior to the proposed date of completion thereof (the "**Tag Along Notice**"). Such Tag Along Notice shall set out, to the extent not described in any accompanying documents, the identity of the Buyer, the sale price and other terms and conditions of payment, the proposed date of sale and the number of shares to be acquired by the Buyer.
- 17.2. The Proposed Sale may not be completed unless the Buyer has unconditionally offered to buy the same proportion of the Ordinary Shares held by the Other Shareholders as the Sellers' Shares (and any other A Ordinary Shares to be sold) represent as a proportion of all of the issued A Ordinary Shares. Such offer shall remain open for acceptance for not less than 10 Business Days.
- 17.3. The terms and conditions of any offer by a Buyer to the Other Shareholders shall provide that:
  - 17.3.1. the same terms and conditions as apply to the Proposed Sale shall apply (except as otherwise provided in this Article 17);
  - 17.3.2. if the form of the consideration (or any part thereof) payable to the Investor Seller by the Buyer in respect of the Investor Seller's Shares is non-cash consideration (excluding the right to receive contingent or deferred consideration which would be payable in cash upon it ceasing to be contingent or deferred), then the Investor Seller may (with CR Consent (if applicable)) direct that the form of consideration payable to the Other Shareholders in lieu of such non cash consideration shall be cash consideration for each relevant Ordinary Share which is of equivalent value (as at the relevant date of transfer of the Other Shareholder's shares) to such non-cash consideration, as determined by the Valuer;
  - 17.3.3. the consideration per Ordinary Share (including any contingent or deferred consideration) (insofar as it can be ascertained at the date of the Tag Along Notice) shall be that to which the Other Shareholder would be entitled if the total consideration proposed to be paid by the Buyer were distributed to the Other Shareholders and the Investor Seller in accordance with the provisions of Article 4.1.2;
  - 17.3.4. the consideration payable to Other Shareholders who have been served with Tag Along Notices in respect of their relevant Ordinary

Shares shall be in same form (subject to Articles 17.3.2 and 17.3.6) as it is paid to the Investor Seller in respect of its Sellers' Shares and otherwise subject to the same payment terms;

17.3.5. for the avoidance of doubt, in determining the consideration payable to the Investor Seller and the Other Shareholders for their Shares for the purposes of this Article 17, (unless and to the extent the Investor Seller otherwise directs) any option, warrant or other right or opportunity offered to employees of the Company or its subsidiaries to subscribe for or acquire any share, debt instrument or other security in the capital of the Buyer or any group undertaking of the Buyer which is in addition to the consideration offered for each Sellers' Share shall be disregarded; and

17.3.6. any reasonable and properly incurred costs, fees and expenses incurred in relation to the Proposed Sale or the offer to Other Shareholders which are not borne by the Company or the Buyer (other than costs, fees and expenses relating to an individual seller's personal tax or estate advice or planning) shall be borne in accordance with clause 13.8 of the Investment Agreement.

17.4. Article 13 does not apply to:

17.4.1. any transfer of Shares by any Investor ((if relevant) together with any Shares to be transferred by other Shareholders approved by the Majority Investor) to any Buyer in respect of a Proposed Sale (whether or not any offer made by the Buyer pursuant to this Article 17 is accepted by any Other Shareholder); and/or

17.4.2. any transfer of Shares by any Other Shareholder to the Buyer as a result of the Other Shareholder's acceptance of any offer made by the Buyer pursuant to this Article 17.

## 18. RIGHT OF FIRST OFFER

18.1. Subject to Article 18.7, if the Majority Investor (the "**Selling Investor**") proposes to transfer all of its/their Ordinary Shares (the "**ROFO Shares**") to one or more bona fide purchaser(s) on arm's length terms in one or a series of transfers and CR Consent has been obtained (if applicable) (the "**Proposed Sale**"), the Management Group shall have a right of first offer over all of the ROFO Shares (a "**ROFO**") which shall be a right but not an obligation of the Management Group (or any vehicle that they set up, including with third party investment) to make an offer to purchase all of the ROFO Shares (in accordance with the following provisions of this Article 18) in priority to any other person. It will be a condition of the exercise of the ROFO and any transfer of ROFO Shares to the Management Group in relation to the exercise of the ROFO that all outstanding sums under the Investor Loan Notes are repaid to the holders of Investor Loan Notes in cash by the relevant member of the Group at the same time as the Management Group (or any entity acting on their behalf hereunder) acquires the ROFO Shares (the "**Final Investor Loan Note Repayment**"). The holders of over 50% of the B Ordinary Shares

may waive the ROFO by notice in writing of such waiver to the Selling Investor, in which case the Selling Investor shall have no obligations under this Article 18.

- 18.2. The Selling Investor must deliver to any member of the Management Group prior written notice of the intention to make any Proposed Sale together with an explanation of the key terms of the sale (and a copy of any offer letter or summary) specifying the number and type of ROFO Shares and the amount which will be due in respect of the Final Investor Loan Note Repayment and the amount that has been offered by the relevant third party (including details of the relevant financial terms including any debt, cash or working capital adjustment or similar) together with the relevant heads of terms or similar (the "**Proposed Transfer Notice**").
- 18.3. Within the Specified Period following receipt of the Proposed Transfer Notice (the "**ROFO Expiry Date**"), the Management Group must deliver to the Selling Investor written notice of their decision to exercise the ROFO (the "**Offer Notice**"). The Offer Notice shall be a binding offer to purchase all of the ROFO Shares (such ROFO Shares being sold with full title guarantee and free from third party rights and with customary provisions as to transfer of shares and confidentiality) and shall specify the total purchase price (which must be payable in full by the Management Group in cash at closing of the purchase of the ROFO Shares) at which, and the definitive terms on which (including the form of share sale and purchase agreement to be signed by the parties), it is willing to purchase all of the ROFO Shares from the Selling Investor. For the purposes of this Article 18.3 the "Specified Period" shall mean twenty Business Days save where there is a Trigger Event B Default (as defined in the Investment Agreement) in which case this shall be five Business Days.
- 18.4. The Selling Investor must decide whether or not to accept the offer set out in the Offer Notice within 20 Business Days following receipt of the Offer Notice by giving written notice of its decision to the sender of the Offer Notice. For the avoidance of doubt, the Selling Investor is not obliged to accept the Offer Notice but shall in good faith conduct any discussions or negotiation with the Management Group in respect of the Offer Notice or otherwise in respect of any proposed sale of shares in terms of the ROFO and shall facilitate the provision of information reasonably requested by the Management Group from the Company.
- 18.5. If an Offer Notice is not received or if the offer in the Offer Notice is not accepted by the Selling Investor, the Selling Investor may complete a Proposed Sale of all of the ROFO Shares for a total purchase price and other financial terms which is not less or worse in any material respect than that in the Offer Notice. The Selling Investor shall not be under any obligation to seek or complete a Proposed Sale. The Selling Investor shall not be entitled to complete the Proposed Sale where the Selling Investor has not accepted the offer in the Offer Notice and all of the following circumstances exist: (i) where the total purchase price and other financial terms in the Offer Notice are equal to or better than those contained in the Proposed Sale, (ii) where in all reasonable likelihood the acquisition by the Management Group can be

completed within the same timeframe as the acquisition pursuant to the Proposed Sale and (iii) the Offer Notice does not contain any material conditions and/or other adverse terms which are not included in the Proposed Sale.

- 18.6. For the purpose of this Article 18, the Management Group shall:
  - 18.6.1. come together to deliver to the Selling Investor only one offer for all of the ROFO Shares in one Offer Notice;
  - 18.6.2. be jointly and severally liable for the obligations of the Management Group to the Selling Investor in this Article 18 and in respect of the completion of the relevant purchase of shares from the Selling Investor if it validly accepts any offer made in accordance with this Article 18; and
  - 18.6.3. determine the allocation of their purchase of the ROFO Shares between themselves as they deem appropriate.
- 18.7. The ROFO shall not apply (i) if Chris Russell is a Bad Leaver or Very Bad Leaver, (ii) in respect of any sale of any of the Shares as listed below:
  - 18.7.1. any Permitted Transfer; or
  - 18.7.2. any sale by any holder of A Ordinary Shares to another holder of A Ordinary Shares; or
  - 18.7.3. any sale of A Ordinary Shares in respect of which any Drag-Along Notice has been served in terms of Article 16 provided that the process set out herein has been applied, if required by the terms of this Article; or
  - 18.7.4. any sale of A Ordinary Shares in respect of which the tag along rights arises in terms of Article 17 provided that the process set out herein has been applied, if required by the terms of this Article; or
  - 18.7.5. any sale of shares which is required upon the exercise of any drag along right in accordance with Article 16 or any sale of shares in relation to the exercise of any tag along right in accordance with Article 17 provided that the process set out herein has been applied, if required by the terms of this Article.
- 18.8. If the Selling Investor accepts the offer set out in the Offer Notice in accordance with the foregoing provisions of this Article 18, as soon as reasonably practicable following the receipt of such acceptance (and in any event no later than ten Business Days following such acceptance):
  - 18.8.1. the Management Group shall be obliged to purchase the ROFO Shares referred to in the accepted offer stated in the Offer Notice for the price and on the terms stated in such Offer Notice and the Selling Investor shall be obliged to sell all of such ROFO Shares (at the same time) to the Management Group (the "ROFO Parties"); and

- 18.8.2. the ROFO Parties may mutually agree (without the consent of the Company or any other shareholder) any amendment of the terms of this Article 18.8 for the purposes of implementing and closing the agreed sale and purchase of the securities in the accepted Offer Notice.
- 18.9. If the sale and purchase by the ROFO Parties in accordance with Article 18.8 above has not occurred by 23.59hrs (GMT) on the last Business Day of the tenth Business Day period referred to in Article 18.8, the Selling Investor may but shall not be obliged to terminate its agreement to sell any shares to the Management Group (without prejudice to any other rights or remedies the Selling Investor may have). Upon such termination the Selling Investor shall be deemed to have rejected the Offer Notice and Article 18.5 above shall apply with effect from the date on which the Selling Investor informs the Management Group that the sale has been terminated.
- 18.10. Each of the Selling Investor and the Management Group shall bear their own costs in respect of the performance of the matters set out in this Article 18.
- 18.11. Article 13 does not apply to:
  - 18.11.1.any notification by the Selling Investor that it wishes to sell Shares which gives rise to the ROFO; and
  - 18.11.2.the transfer of ROFO Shares to the Management Group in accordance with this Article 18.

## 19. EXERCISE OF MEMBERS' RIGHTS

- 19.1. A holder of D Ordinary Shares (a "**Relevant Member**") may send the Company notice in writing that another person who is a holder of B Ordinary Shares is entitled to enjoy or exercise all or any specified rights of that Relevant Member in relation to the Company (a "**nomination notice**").
- 19.2. The Company may prescribe the form and content of nomination notices. Unless the Company prescribes otherwise, a nomination notice must:
  - 19.2.1. state whether it relates to all the D Ordinary Shares which the Relevant Member concerned holds, or only some of them (and, if so, to which D Ordinary Shares it relates);
  - 19.2.2. state the name and address of the person nominated;
  - 19.2.3. specify how the Company is to communicate with the person nominated and include any further information which the Company will need in order to use the means of communication specified;
  - 19.2.4. specify whether the person nominated is entitled to enjoy or exercise all the Relevant Member's rights in relation to the Company, and, if not, which rights the person nominated is to be entitled to enjoy or exercise;



- 19.2.5. indicate whether the specified rights are to be exercised or enjoyed only by the person nominated, or whether the Relevant Member giving the notice may also continue to exercise or enjoy them;
- 19.2.6. specify the date from which it is to take effect;
- 19.2.7. specify when it is to cease to have effect, or that it is to have effect until further notice or until the member concerned ceases to hold the D Ordinary Shares to which it relates; and
- 19.2.8. be executed by or on behalf of the Relevant Member and the person nominated.
- 19.3. If the Company receives a nomination notice, the Company must give effect to that notice in accordance with its terms.
- 19.4. A nomination notice ceases to have effect—
  - 19.4.1. in accordance with its terms, or
  - 19.4.2. when the Relevant Member concerned, or the person nominated, dies or ceases to exist.
- 19.5. The Company must not give effect to a nomination notice to the extent that it is expressed to take effect before the date on which it is received by the Company.
- 19.6. If the Company receives a document which purports to be a nomination notice but which does not contain the required information or which is not given in the form prescribed by the Company, the Company:
  - 19.6.1. must not give effect to it, and
  - 19.6.2. must notify the person that it is defective (and in what respect it is defective), and that the Company cannot give effect to it in its present form.
- 19.7. If-
  - 19.7.1. a nomination notice states that the Relevant Member in relation to whom it is given may continue to exercise or enjoy the rights specified in it, and
  - 19.7.2. that Relevant Member and the person nominated in the notice both seek to exercise such a right in relation to a particular matter,

then, unless the effect of what each of them does in relation to that right would be the same, it is to be treated as not having been exercised by either of them.
- 19.8. The Company must keep a record of all nomination notices which are in force or have been in force within the preceding 12 months.

- 19.9. The Company must provide any Relevant Member, on request, with a copy of its records of nomination notices given in relation to that Relevant Member.
- 19.10. The Company must provide any person nominated in a nomination notice with a copy of its records of nomination notices in which that person is nominated.

## SCHEDULE 1

### Definitions

1. In the Articles to which this forms a Schedule the following words and expressions shall, unless the context otherwise requires, bear the following meanings:

"Act" means the Companies Act 2006 as amended from time to time and to the extent in force from time to time.

"Action" shall have the meaning set out in clause 8.10.1 of the Investment Agreement.

"acting in concert" shall bear the meaning attributed thereto in the Code.

"Adoption Date" means the date shown on the front page of these Articles.

"A Ordinary Shareholder" means a holder of one or more A Ordinary Shares.

"A Ordinary Shares" means the A ordinary shares of £0.001 each in the capital of the Company.

"Auditors" means the auditors of the Company from time to time.

"Bad Leaver" means any person who becomes a Leaver by reason of:

- (i) his voluntary resignation from the Group (other than (i) due to unfair or constructive dismissal (as determined by a court or tribunal of competent jurisdiction (from which there is no right of appeal due to the passage of time or otherwise) or (ii) in circumstances where he is a Good Leaver); or
- (ii) being summarily dismissed for gross misconduct in accordance with the terms of his service contract provided that:
  - (a) if the reason is fraud relating to any member of the Group and/or its business in the course of any employment or office the Leaver holds with any member of the Group, the Leaver shall be deemed to be a Very Bad Leaver;
  - (b) if the reason is fraud but (a) does not apply, the fraud giving rise to the summary dismissal has to bring the Group into material disrepute as a result.

"Board" means the board of directors of the Company from time to time or any duly constituted committee of it.

"B Ordinary Shareholder" means a holder of one or more B Ordinary Shares.

"B Ordinary Shares" means the B ordinary shares of £0.001 each in the capital of the Company.

"**Business Day**" has the meaning set out in the Investment Agreement.

"**Buyer**" has the meaning set out in Article 16 (*drag-along*).

"**C Ordinary Shareholder**" means a holder of one or more C Ordinary Shares.

"**C Ordinary Shares**" means the C ordinary shares of £0.001 each in the capital of the Company.

"**Code**" means the City Code on Takeovers and Mergers.

"**Conflicted Director**" has the meaning set out in Article 8.16.2.

"**Contract Arrangement**" means any employment or service contract or any contractor arrangement or any other contract/ engagement of consultancy or directorship or for the provision of services to which any member of the Group is party.

"**CR Consent**" means the prior written consent of Chris Russell (acting reasonably) for so long as he (and/or his Permitted Transferee(s) (other than a Permitted Transferee in accordance with article 12.1.9) is a holder of Ordinary Shares in relation to the proposed sale of the Sellers' Shares (as defined in Article 16) in connection with the operation of Article 16 or in relation to the proposed sale of ROFO Shares provided that this consent shall not be required if Chris Russell is a Bad Leaver or a Very Bad Leaver or if there is a Trigger Event B Default (as defined in the Investment Agreement); for the avoidance of doubt, if CR Consent is obtained in relation to Article 18 it shall not be necessary to obtain CR Consent in relation to the operation of Article 16 if the proposed sale of the Sellers' Shares under Article 16 arises following the operation of Article 18.5 (and only then).

"**CR Succession**" means the voluntary resignation of Chris Russell as an executive director of the Group such resignation becoming effective on or after the third anniversary of the Completion Date (as defined in the Investment Agreement) in accordance with a succession plan that has been agreed by Chris Russell and the Board (with Investor Director Consent), the Board and any Investor Director acting reasonably.

"**Deed of Adherence**" shall have the meaning set out in the Investment Agreement.

"**Deferred D Shares**" means the deferred D shares of £0.001 each in the capital of the Company (as converted from D Ordinary Shares).

"**Deferred E Shares**" means the deferred E shares of £0.001 each in the capital of the Company (as converted from E Ordinary Shares).

"**Deferred Shares**" means Deferred D Shares and/or Deferred E Shares (as the context requires).

"**D Ordinary Shareholder**" means a holder of one or more D Ordinary Shares.

**"D Ordinary Shares"** means the D ordinary shares of £0.001 each in the capital of the Company.

**"Directors"** or **"director"** means the directors of the Company from time to time or, as the context so requires, any of them.

**"Disqualifying Event"** shall have the meaning set out in clause 11.3 of the Investment Agreement;

**"Drag Along Notice"** has the meaning set out in Article 16.

**"Employee Member"** means any member who is or was an employee of, officer of, contractor of or consultant to any member of the Group from time to time at any time (including before the date of adoption of these Articles) and any person who acquired shares from any such member pursuant to a transfer made under Article 12.1.4.

**"Employee Trust"** means a trust or share scheme established with Investor Consent and whose only beneficiaries are the bona fide employees of the Group.

**"E Ordinary Shareholder"** means a holder of one or more E Ordinary Shares.

**"E Ordinary Shares"** means the E ordinary shares of £0.001 each in the capital of the Company.

**"Exit"** has the meaning set out in the Investment Agreement.

**"Fair Price"** means the price per share determined in accordance with Article 15 (*fair price*).

**"Family Settlement"** means in relation to any Employee Member any trust or trusts (whether arising under a settlement inter vivos or a testamentary disposition by whomsoever made or on intestacy) under which no immediate beneficial interest in the shares in question is, for the time being, vested in any person other than the Employee Member concerned and/or his Privileged Relations.

**"Further C Shares"** shall have the meaning set out in the Investment Agreement.

**"GC Fund"** shall have the meaning set out in the Investment Agreement.

**"GCP"** means Growth Capital Partners LLP (registered number OC340854).

**"GCP Group"** means GCP, its subsidiary undertakings and any person, fund, partnership, collective investment scheme or company (or any nominees of them) managed or advised by GCP or any of its subsidiary undertakings.

**"Good Leaver"** means a person who becomes a Leaver (including, without limit, on account of resignation) by reason of:

- (a) death or on the grounds of ill health or disability (save where this arises due to alcohol or illegal drugs abuse) rendering the person unable to continue to fulfil his role with the relevant member of the Group or on account of the serious ill health or disability (save where this arises due to alcohol or illegal drugs abuse) of his spouse, co-habitee (provided they have co-habited for a period of at least five years) or child as evidenced to the reasonable satisfaction of the Board (with Investor Director Consent); or
- (b) his retirement at such time as is agreed between him and the Board (with Investor Director Consent); or
- (c) his wrongful dismissal as agreed with the Board (acting with Investor Director Consent) or as determined by a court or tribunal of competent jurisdiction (from which there is no right of appeal due to the passage of time or otherwise); or
- (d) if the Leaver is Christopher Russell, a CR Succession or an Exit; or
- (e) the Board (acting with Investor Director Consent) or, if the Board fails to act when required to do so by any Investor Director, any Investor Director, resolving that the Leaver should be treated as a Good Leaver.

"Group" shall have the meaning set out in the Investment Agreement and "member of the Group" shall be construed accordingly.

**Intermediate Leaver** means (i) any Leaver who has been unfairly or constructively dismissed (which for the avoidance of doubt includes any no fault dismissal falling within this category) as determined by a court or tribunal of competent jurisdiction (from which there is no right of appeal due to the passage of time or otherwise), (ii) who is the subject of redundancy (as defined in section 139(1) of the Employment Rights Act 1996) or (iii) who is not otherwise a Good Leaver, a Bad Leaver or a Very Bad Leaver and this includes (without limit) where the Leaver is employed by a member of the Group which or whose business is sold or otherwise disposed of and such Leaver's contract of employment transfers (or would transfer but for any objection) to a person who is not a member of the Group. For the avoidance of doubt, if a Leaver has been summarily dismissed in accordance with his service contract on the grounds of gross misconduct but is found to have been unfairly or constructively dismissed due to an administrative procedural failure such Leaver shall be deemed to be a Bad Leaver (or a Very Bad Leaver as the case may be) rather than an Intermediate Leaver.

**"Investment Agreement"** means the investment agreement entered into on or around the Adoption Date among, *inter alia*, the Company, the Managers (as defined therein) and GCP (as defined therein).

**"Investor"** means an Investor as defined in the Investment Agreement.

**"Investor Consent"** shall have the meaning set out in the Investment Agreement.

"Investor Director" has the meaning set out in the Investment Agreement.

"Investor Director Consent" shall have the meaning set out in the Investment Agreement.

"Leaver" means any person who:

- (i) is employed by any member of the Group from time to time and who ceases or has ceased to be an employee of such member of the Group for whatever reason; and/or
- (ii) is (acting independently or through any entity) a contractor of any member of the Group from time to time and he or such entity ceases or has ceased to be a contractor of such member of the Group for whatever reason; and/or
- (iii) is a director of any member of the Group from time to time and who ceases or has ceased to be a director of such member of the Group (and does not remain a director, employee or consultant of any member of the Group) for whatever reason; and/or
- (iv) is (acting independently or through any entity) a consultant of any member of the Group from time to time and he or such entity ceases or has ceased to be a consultant of such member of the Group (and does not remain a director, employee or consultant of any member of the Group) for whatever reason; and/or
- (v) provides services to the Group from time to time directly or indirectly, whether through a service company or otherwise, and he or such other person ceases to directly or indirectly provide services to the Group for whatever reason,

provided that if a person has more than one of the roles in the Group detailed above, he shall become a Leaver when the final remaining role which he holds falls within any of the above categories.

For the avoidance of doubt any person who is a Leaver but retains shares shall still fall within the definition of a Leaver.

In these Articles any reference to (i) the date of cessation of any Leaver or the date of cessation of employment (or similar) of any employee of the Group or (ii) the date on which a person is deemed to be Leaver shall be the date upon which the Contract Arrangement in respect of the relevant person terminates or if earlier, the date upon which the relevant person gives or is given notice of termination of his Contract Arrangement or the date upon which the Leaver's associated entity through which he provides services gives or is given notice of termination of the contract in respect of the provision of services, whether or not such notice is valid.

For the purposes of these Articles, references to a Leaver or a Good Leaver or a Bad Leaver or a Very Bad Leaver or an Intermediate Leaver shall be deemed to include:

- (i) any person who is a Permitted Transferee of any such Leaver in respect of the Shares held by the Permitted Transferee which have been the subject of a Permitted Transfer by the Leaver whether before or after the date in which such person became such a Leaver; and
- (ii) any person who becomes entitled to such Leaver's interest in any shares by transmission following the death or bankruptcy of a Leaver insofar only as the relevant shares;

Joanne Russell shall not be treated as a Leaver under these Articles in respect of any Shares allotted and issued to her or which she acquires, provided that Joanne Russell will be Permitted Transferees to the extent they acquire Shares after the Adoption Date from an Employee Member in accordance with Article 12.1.4 (Permitted Transfers) in which case they shall be deemed to be a Leaver in respect of such transferred shares from the Employee Member.

**"Leaver Price"** has the meaning set out in Article 14.2.2.

**"Leaver's Shares"** has the meaning set out in Article 14.2.1.

**"Leaver Transfer Notice"** has the meaning set out in Article 14.2.1.

**"Listing"** shall have the meaning set out in the Investment Agreement and **"Listed"** shall be construed accordingly (and provided such "Listing" has been approved by Investor Consent).

**"Loan Notes"** has the meaning set out in the Investment Agreement.

**"Manager Director"** has the meaning set out in the Investment Agreement.

**"Majority Investor"** shall have the meaning set out in the Investment Agreement.

**"Management Group"** means the holders of B Ordinary Shares (to the extent that they elect to be treated as such) who are not Bad Leavers or Very Bad Leavers and such other Employee Members as they may designate from time to time.

**"Manager"** means a Manager as defined in the Investment Agreement.

**"Manager Consent"** shall have the meaning set out in the Investment Agreement.

**"member"** means a person (whether an individual or a corporation) who holds shares.

**"Minority Shareholders"** has the meaning set out in Article 16.

**"Ordinary Shares"** means the A Ordinary Shares, the B Ordinary Shares, C Ordinary Shares, D Ordinary Shares and E Ordinary Shares and/or any other ordinary shares in the capital of the Company from time to time.

**"Office"** means the registered office of the Company.



**"Permitted Issues"** has the meaning set out in Article 5.2.

**"Permitted Transfer"** means a transfer of shares pursuant to Article 12 (permitted transfers).

**"Permitted Transferee"** means in respect of any person or entity those persons or entities to whom shares originally held by that person or entity have been transferred in accordance with Article 12 (provided that for the purpose of these Articles, Permitted Transferees shall exclude employees, directors, contractors or consultants of the Group who acquire shares in accordance with Article 12.1.9).

**"Privileged Relation"** means in respect of any Employee Member (other than a trust) any person over the age of eighteen years who is the spouse, partner (where they have lived together for over 5 years and for so long as a partner) or any person over the age of eighteen years who is the lineal descendent of the Employee Member and for these purposes the step-child or adopted child of any person shall be deemed to be that person's lineal descendant.

**"Register of Members"** means the register of members kept by the Company pursuant to Section 113 of the Act.

**"Realisation Event"** means any Exit (as defined in the Investment Agreement) or any return of capital and/or assets of the Company on a winding-up or other return of capital.

**"Relevant Contract"** shall have the meaning set out in clause 8.9.1 of the Investment Agreement.

**"Remuneration Committee"** shall have the meaning set out in the Investment Agreement.

**"Sale"** shall have the meaning set out in the Investment Agreement (and subject to those consent requirements detailed in these Articles and the Investment Agreement).

**"Sale Shares"** has the meaning set out in Article 13.2.

**"Selling Shareholders"** has the meaning set out in Article 16.

**"Shareholder Proceeds"** means in the case of any Exit the amount of the proceeds of such event payable to the Shareholders or any of them in respect of the realisation of any interest in any of their Shares and in respect of any other Realisation Event shall be the amount of the capital and assets of the Company available for distribution to the members of the Company.

**"Shareholders"** or **"shareholders"** means the holders of shares in the capital of the Company.

**"Shares"** or **"shares"** means any of the Ordinary Shares and/or any other shares in the capital of the Company from time to time.

"**Situation**" has the meaning set out in Article 8.16.2.

"**Specified Price**" has the meaning set out in Article 13.2.

"**Subscription Price**" means the price at which the share was issued (and if it has been converted from another class of share, the price at which the share in the other class was issued) being the aggregate of the amount paid up or credited as paid up in respect of the nominal value thereof and any share premium thereon at the relevant time. The maximum Subscription Price for all Deferred E Shares shall be £60,900 in aggregate.

"**Transfer Notice**" has the meaning set out in Article 13.

"**Trigger Event**" means a Trigger Event B and/or a Trigger Event A Default (each as defined in the Investment Agreement).

"**Unvested Shares**" means the percentage of C Ordinary Shares which remain 'unvested' in accordance with the relevant provisions of Article 14 (*Leaver Provisions*).

"**Valuer**" means, in the event of a requirement to calculate Fair Price or the cash value of non cash consideration for the purpose of Articles 4.1.2(C), 13.2.3, 15, 16.1.2 and/or 17.3.2, the Auditors (or in the event of their being unwilling or unable to act or, at the option of the Board (with prior Investor Director Consent) or, if the Board fails to act when required to do so by any Investor Director, any Investor Director), an independent firm of chartered accountants nominated by the President of the Institute of Chartered Accountants of England and Wales (or his equivalent) from time to time) in each case acting as an expert and not as an arbitrator.

"**Very Bad Leaver**" means any Leaver who (i) is summarily dismissed on account of committing fraud relating to any member of the Group and/or its business in the course of any employment or office they hold with any member of the Group or (ii) is in breach of any restrictive covenant in favour of any member of the Group by which that Leaver is bound (provided that this shall not include falling within the definition of Conflicted Manager (as defined in the Investment Agreement) unless a restrictive covenant is in fact breached).

"**VBL Price**" has the meaning set out in Article 14.1.2.

"**VBL Shares**" has the meaning set out in Article 14.1.1.

"**VBL Transfer Notice**" has the meaning set out in Article 14.1.1.

"**Vested Shares**" means the percentage of C Ordinary Shares which have 'vested' in accordance with the relevant provisions of Article 14 (*Leaver Provisions*).

"**Voting Rights**" means, subject to the treatment of shares as non-voting in accordance with Article 14, the right to receive notice of, attend (in person or

by proxy), speak (in person or by proxy) and vote (in person or by proxy) at general meetings of the Company.

2. Words and expressions defined in the Act shall, unless the context otherwise requires, bear the same meanings herein.
3. This Schedule 1, Schedule 2 and Schedule 3 shall be deemed to be part of, and shall be construed as one with, the Articles.
4. All references to sums of monies shall be Pounds Sterling unless expressly stated otherwise.
5. References to any document or agreement or deed in these Articles shall include any such document or agreement or deed as amended, varied, modified, supplemented or restated from time to time.

## SCHEDULE 2

### Investor Consents and Chris Russell Consent

*Terms defined in the Investment Agreement shall have the same meaning when used in this Schedule 2.*

#### PART A: Chris Russell Consent

1. Any alteration to the memorandum or articles of association or other constitution documents of any member of the Group.
2. Any alteration of the authorised or issued share capital of any member of the Group including without limitation, the issue of further shares in the capital of any member of the Group or the subdivision, conversion, reclassification, consolidation or other reorganisation of the securities or capital structure of any member of the Group other than (i) as expressly permitted in the Investment Agreement, (ii) the Permitted Issues defined in article 5.1.1 of these Articles and (iii) the conversion and repurchase of shares in accordance with article 4.3 of these Articles.
3. The modification, variation or abrogation of the rights attaching to the securities of any member of the Group.
4. Any reduction, purchase (by a member of the Group), redemption or cancellation of the share capital of any member of the Group other than the buyback of any Deferred Shares as specifically contemplated by clause 14 of the Investment Agreement or article 4.3 of these Articles.
5. Take any steps to commence or otherwise in respect of the liquidation, winding-up, dissolution, administration or receivership of any member of the Group (except for any steps taken upon the advice or recommendation of a qualified insolvency practitioner or any steps taken in accordance with the Intercreditor Deed or Deed of Priority).
6. Any resolution to disapply the statutory pre-emption provisions in relation to any allotment of equity securities in any member of the Group.
7. Any alteration to the financial year end or accounting reference date of any member of the Group.
8. The appointment or removal of the auditors of any member of the Group.
9. For so long as Chris Russell is an employee or a director of any member of the Group, the appointment or removal of any director of any member of the Group or the appointment by any director of any member of the Group of an alternate (save for any director appointed or removed (or deemed to resign) in accordance with clause 11 of the Investment Agreement or article 8.6 of these Articles or any alternate director appointed or removed by any Investor Director in accordance with article 9 of these Articles or any decision to make Chris Russell as Leaver).

10. Any application by any member of the Group to the Secretary of State to appoint one or more inspectors to investigate the affairs of any member of the Group.
11. (A) For so long as Chris Russell is an employee or a director of any member of the Group, a member of the Group subscribing for, or otherwise acquiring, any interest (including shares or other securities) in or over any person (other than any Group Company or on formation of a wholly owned subsidiary of the Company) or (outside the normal and ordinary course of business) any business or undertaking of any other person.  
  
(B) If Chris Russell is not an employee or a director of any member of the Group, a member of the Group subscribing for, or otherwise acquiring, any interest (including shares or other securities) in or over any person (other than any Group Company or on formation of a wholly owned subsidiary of the Company) or (outside the normal and ordinary course of business) any business or undertaking of any other person where any aspect of that acquisition or subscription would require a Chris Russell Consent under paragraphs 1 – 10 or 12 of this Part A of Schedule 2 (and for the purpose of operating this paragraph 11(B), the reference to "For so long as the Management Loan Notes are outstanding" in paragraph 12 shall be deemed to be deleted).
12. For so long only as the Management Loan Notes are outstanding:
  - 12.1. Recommend, declare, make or pay any dividend or other distribution of profits, assets or reserves (including for the avoidance of doubt any dividend to be paid by the Company) other than (i) a dividend declared by any member of the Group to another member of the Group or (ii) any payment under article 4.3 of these Articles in respect of the buy back of shares thereunder or (iii) any payments (other than dividends or other distributions (as defined in the Act)) made in respect of the operation of the Intercreditor Deed and the Deed of Priority.
  - 12.2. Factor or enter into an invoice discount arrangement for any debts.
  - 12.3. Any material change in the general nature (including cessation) of the business of the Group or the commencement of any business involving the provision of services which are not substantially the same as or similar to those being provided by the Group.
  - 12.4. Create any security, mortgage or charge or other encumbrance on any part of the undertaking property or assets or rights of any member of the Group (other than as required pursuant to or permitted by (i) the Security Documents or (ii) as at the Adoption Date, the Existing Facility or (iii) any new borrowings of the Group which are entered into in compliance with clause 17 of the Investment Agreement or (iv) liens arising by operation of law) or vary any such mortgage, charge or other encumbrance.
  - 12.5. The:

- 12.5.1. entry into by any Group company of any new borrowing facility with a bank, alternative lenders, shadow banks or other financial institution (other than the Loan Note Instruments, the Existing Facility and any new borrowings of the Group which are entered into in compliance with clause 17 of the Investment Agreement (and for the avoidance of doubt the items (other than those in paragraph (a) of such definition and any of the other items listed in that definition to the extent only that they relate to transactions effected by the Group outside the ordinary course of business) listed in the definition of Financial Indebtedness in the Loan Note Instruments shall be deemed not to be borrowing facilities); or
- 12.5.2. variation of the terms of any borrowing facilities; or the voluntary acceleration of the repayment of any indebtedness under borrowing facilities or redemption of any loan capital prior to its due date (other than as a result of entering into new borrowings of the Group in accordance with clause 17 of the Investment Agreement); or
- 12.5.3. issue of loan capital (other than the loan notes issued and to be issued in terms of the Loan Note Instruments and the Investment Agreement); or
- 12.5.4. taking of any material steps or actions to resolve any actual default under any borrowing facilities (other than where such actions are in compliance with the Intercreditor Deed or the Deed of Priority).
- 12.6. The Company entering into any transaction, agreement or other arrangement with any Investor other than as specifically provided under the terms of the Transaction Documents.

#### **PART B: Investor Consent**

- 1. Any alteration to the memorandum or articles of association or other constitution documents of any member of the Group.
- 2. Any alteration of the authorised or issued share capital of any member of the Group including without limitation, the issue of further shares in the capital of any member of the Group or the subdivision, conversion, reclassification, consolidation or other reorganisation of the securities or capital structure of any member of the Group other than (i) as expressly permitted in the Investment Agreement, (ii) the Permitted Issues defined in article 5.1.1 of these Articles and (iii) the conversion and repurchase of shares in accordance with article 4.3 of these Articles.
- 3. The modification, variation or abrogation of the rights attaching to the securities of any member of the Group.
- 4. Any reduction, purchase (by a member of the Group), redemption or cancellation of the share capital of any member of the Group other than the buyback of any Deferred Shares as specifically contemplated by clause 14 of the Investment Agreement or article 4.3 of these Articles.

5. Take any steps to commence or otherwise in respect of the liquidation, winding-up, dissolution, administration or receivership of any member of the Group (except for any steps taken upon the advice or recommendation of a qualified insolvency practitioner).
6. Any resolution to disapply the statutory pre-emption provisions in relation to any allotment of equity securities in any member of the Group.
7. Any alteration to the financial year end or accounting reference date of any member of the Group.
8. The appointment or removal of the auditors of any member of the Group.
9. The appointment or removal of any director of any member of the Group or the appointment by any director of any member of the Group of an alternate (save for any director appointed or removed (or deemed to resign) in accordance with clause 11 of the Investment Agreement or article 8.6 of these Articles or any alternate director appointed or removed by any Investor Director in accordance with article 9 of these Articles).
10. Any application by any member of the Group to the Secretary of State to appoint one or more inspectors to investigate the affairs of any member of the Group.

### SCHEDULE 3

#### Investor Director Consents

*Terms defined in the Investment Agreement shall have the same meaning when used in this Schedule 3.*

*Notwithstanding anything contained in this Schedule 3:*

- (i) specific matters provided for in the annual budget approved by Investor Director Consent (provided that no Action Plan or Trigger Event is subsisting); and/or*
- (ii) to the extent that an Action Plan has been approved by the Majority Investor in accordance with the Investment Agreement, an Action Plan (for the duration of the Action Plan),*

*will not require an additional Investor Director consent in accordance with this Schedule 3.*

#### The Group's Business and Administration

1. Save for the issues provided for in clause 14 of the Investment Agreement, issue or agree to issue or grant any options over or rights to subscribe for or convert into any shares or securities in any member of the Group other than as expressly provided in the Investment Agreement.
2. Apply by way of capitalisation any sum in or towards paying up any debenture or debenture stock of any member of the Group.
3. Make any application for a Listing or make any arrangements for any other form of marketing of the share capital of any member of the Group (including without limitation listing on any foreign stock exchange).
4. Recommend, declare, make or pay any dividend or other distribution of profits, assets or reserves (including for the avoidance of doubt any dividend to be paid by the Company) other than a dividend declared by a wholly owned direct or indirect subsidiary of the Company.
5. Change the accounting policies adopted for the preparation of the financial statements, the monthly management accounts and the budgets of any member of the Group in any material respect.
6. Create any security, mortgage or charge or other encumbrance on any part of the undertaking property or assets or rights of any member of the Group (other than as required pursuant to (i) the Security Documents or (ii) as at the Adoption Date, pursuant to the Existing Facility; or (iii) liens arising by operation of law) or vary any such mortgage, charge or other encumbrance.
7. Change the corporate structure of the Group.
8. Other than any guarantee which has been granted in terms of the Security Document or as at the Adoption Date in respect of the Existing Facility and, other than customary indemnities given by the Group to customers and suppliers in the ordinary course of business, give any guarantee or indemnity



or legally binding letter of comfort or vary any such guarantee or indemnity or legally binding letter of comfort.

9. Make any loan or advance other than any loan or advance to any Group employee which is less than £10,000.
10. Factor or enter into an invoice discount arrangement for any debts.
11. Any change in the name of or material change in the trade/ corporate branding used by any member of the Group (other than so far as it relates to rebranding as Arrow or similar).
12. Taking any steps in connection with a scheme of arrangement, compromise or other arrangement in respect of any creditor of any member of the Group.
13. The commencement of trading, ownership of assets or the incurring of liabilities in excess of £1,000 by any dormant or newly created entity.
14. Any material alteration (including cessation) to the general nature of the business of any Group company or the commencement of any business involving the provision of services which are not the same as or similar to those being provided by the Group.
15. The entry by any Group company into capital commitments (which for this purpose shall include hire purchase and leasing commitments):
  - 15.1. (A) which are not included in the Business Plan or (B) which are in the Business Plan and which exceed the sum stated in the Business Plan; and
  - 15.2. which exceed £20,000 in the case of any individual item or £100,000 in the aggregate amount in any financial year.
16. The entry into by any Group company of any new borrowing facility (other than the Loan Note Instruments and the Existing Facility), the variation of the terms of any borrowing facilities or the voluntary acceleration of the repayment of any indebtedness under borrowing facilities or the issue or redemption of any loan capital prior to its due date or the taking of any material steps or actions to resolve any actual or imminent default under any borrowing facilities or the draw down of any money under any borrowing facility to which the Group is party.
17. The entry into by any Group company with any person of any binding commitment or the making of an offer by any Group company that would, if implemented or accepted, result in a matter that would require Investor Director Consent in accordance with any of the matters set out in this Schedule.
18. Undertaking any trade with a sanctioned country on the list published by The Financial Action Task Force of HM Treasury or the Department for Business, Innovation and Skills from time to time or an individual listed in the list of financial sanctions targets from time to time.

19. Enter into any contract or written arrangement which (a) is outside the ordinary course of business of the Group or (b) contains unduly onerous terms (which, for the avoidance of doubt, shall exclude any indemnities, warranties or other terms of a type which members of the Group have *routinely accepted in contracts entered into by them in the ordinary course of trading prior to Completion or which have been routinely accepted by the Investor Director after Completion*) or (c) which contains a change of control clause (not being a contract or arrangement entered into or to be entered into in the ordinary course of business).
20. Enter into any contract which is not on arm's length terms.

#### **Matters concerning Conflict Contracts**

21. Any Action in respect of the Relevant Contracts to the extent such action has not been approved by any Investor Director.

#### **Arrangements with Shareholders, Managers, Employees and Directors**

22. Enter into, vary in any material respect or terminate any contract with any shareholder of any member of the Group (excluding where the shareholder is itself a member of the Group) or any director of the Group or any Key Person (as defined in paragraph 23) or any of their Connected Persons or enter into any material contract or arrangement in which any such person is interested, whether directly or indirectly and for the avoidance of doubt a change to the days of work for employees who are not Key Persons shall not be considered material.
23. Make any material change to the terms of, or make any payments not provided for in the express terms of, or grant any waiver or exercise of any discretion available where such discretion is reasonably considered to be material to any member of the Group under, any of the service contracts, advisory contracts, appointment letters or engagement terms of any Key Person. For the purposes of this Schedule a Key Person shall mean an employee and/or whose Permitted Transferees who hold equal to or in excess of 0.8% of the issued ordinary share capital in the form of C Ordinary Shares and/or D Ordinary Shares.
24. Appoint any director or other officer.
25. Enter into or terminate any service agreement or other terms of engagement with a Key Person in the nature of an employment, consultancy or advisory contract.
26. Take any steps in relation to any dispute which is reasonably likely to result in litigation with a shareholder or Key Person.
27. The entering into of any transaction or series of transactions requiring approval under sections 190-194 (inclusive) of the Companies Act 2006.
28. Establish any profit sharing bonus or incentive scheme.

29. Create any share option scheme which will involve a new issue or transfer of securities in the Group.
30. Establish any pension scheme or amend any existing pension scheme other than insofar as is required by applicable law.

#### **Acquisition and Disposal**

31. Save where required pursuant to the enforcement of any Security Documents or security granted in respect of the Existing Facility, transfer or otherwise dispose of any share in the capital of any member of the Group.
32. The sale, disposal, lease, licence or transfer (whether by a single transaction or a series of transactions) of:
  - 32.1. any land (whether heritable, freehold or leasehold property); or
  - 32.2. any business; or
  - 32.3. any asset (for a consideration of or having a book or market value of more than £20,000), excluding car leases where the provision of a car is an integral part of the relevant job specification ; or
  - 32.4. any interest in any such land, assets or business,
 

save where required pursuant to the enforcement of any Security Documents or security granted in respect of the Existing Facility or in the ordinary course of business with customers.
33. Enter into any reorganisation.
34. Part with control of any company which is for the time being a member of the Group. For the purpose of this paragraph, a company shall be deemed to part with control if as a result of any transaction or series of transactions or any arrangement whether or not involving a transfer of shares in the relevant subsidiary or the issue by such subsidiary of further shares that company ceases (either directly or indirectly) to be the holder of shares representing the percentage of the equity share capital of such subsidiary held at the Completion Date or upon the acquisition thereof (if later) or any greater percentage held thereafter and conferring the right to exercise 50 per cent. or more of the total voting rights exercisable at any general meeting of that company.
35. Purchase or otherwise acquire or invest in:
  - 35.1. any heritable or freehold or leasehold property; or
  - 35.2. any business; or
  - 35.3. any securities; or
  - 35.4. any asset (for a consideration of or having a book or market value of more than £20,000 (save for any acquisition of customer contracts in respect of

which no de minimis shall apply)); or

- 35.5. any interest in any of the items listed above in this paragraph 35.
- 36. The amalgamation or merger of any Group company with any other company or entity.
- 37. Undertaking any acquisition or development under licence, lease or otherwise off balance sheet.
- 38. Enter into any merger, joint venture or partnership.

#### **Group Administration**

- 39. Appoint any committee of the Board or of the board of directors of any other *member of the Group*.
- 40. Defend or settle any litigation, legal proceedings or material dispute, which is anticipated to have a material adverse effect on the Group as a whole.
- 41. Instigate any litigation which is material to the Group as a whole or conduct any litigation, arbitration, mediation or settlement which is material to the Group as a whole and excepting in all cases routine debt collection by members of the Group.
- 42. Adopt or vary the Business Plan.
- 43. Vary or waive any rights under, or amend any of the Transaction Documents or take any steps to exercise or enforce any term of any of the Transaction Documents.
- 44. Save for the issue of the announcement of the investment in the agreed form on Completion, use the name of GCP or any Investor in any context whatsoever or hold itself out as being connected or associated with GCP or any Investor in any manner whatsoever (save for references to any fund(s) advised by GCP or any Investor being a shareholder of the Group but where any such references are to be included in any document (other than referring to the Investor as a shareholder of the Group where the document is marketing to actual or prospective customers or suppliers in the ordinary course of business) consent shall be required).
- 45. Make charitable donations in excess of £20,000 per annum in aggregate or any political donation.