

PRIVATE COMPANY LIMITED BY SHARES

WRITTEN RESOLUTIONS

of

3B INVESTMENTS LIMITED
(the Company)Circulated on 14th March.....2017
(the Circulation Date)

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006 (the **Companies Act**), the directors of the Company (the **Directors**) propose that the resolutions below (the **Resolutions**) are passed as indicated below

ORDINARY RESOLUTION

1. THAT, for the purposes of Article 14 and to the extent that the following matters give rise to a situation or situations of actual or potential conflict of interest for them, such situations are approved and authorised:

NAME	NATURE AND EXTENT OF INTEREST
Timothy James Bolot	Lender in the Loan Agreement ("BAM Loan Agreement") between the Company and Timothy Bolot, Jonathan Knight and Daniel Wulwick ("BAM Managers") to be entered into by the Company
Daniel Wulwick	Lender in the BAM Loan Agreement to be entered into by the Company.

2. THAT Article 14 is disapplied for the purpose of the actual or potential conflict of interest referred to in resolution 1 above.

SPECIAL RESOLUTION

- 3 THAT the draft articles of association attached to this resolution be adopted as the articles of association of the Company (the **New Articles**) in substitution for, and to the exclusion of, the Company's existing articles of association

Please read the notes at the end of this document before signifying your agreement to the Resolutions

AGREEMENT

The undersigned, persons entitled to vote on the above Resolutions on the Circulation Date, hereby irrevocably agree to the Resolutions:

FRIDAY



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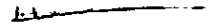
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24/03/2017

#235

COMPANIES HOUSE

Company number 1042013


Amanda Kenny
Authorised Signatory
Signed by a duly authorised signatory
for and on behalf of **BELLERIVE**
CAPITAL (BCP) 31 LIMITED


Wayne G Bertrand
Authorised Signatory

2.2.2. 2017
2017


Signed by **TIMOTHY BOLOT**

Date

2017


Signed by **JONATHAN KNIGHT**

Date

2017


Signed by **DANIEL WULWICK**

Date

2017

Company number 10420636

NOTES

a) *You can choose to agree to all of the Resolutions or none of them but you cannot agree to only one of the resolutions. If you agree to the Resolutions, please indicate your agreement by signing and dating this document where indicated above and returning it to the Company using one of the following methods*

- *By Hand. Deliver the signed copy to The Company Directors, 3B Investments Limited, 1 Portland Place London, W1B 1PN.*
- *Post. Return the signed copy by post to The Company Directors, 3B Investments Limited, 1 Portland Place London, W1B 1PN*
- *Email. Attach a scanned copy of the signed document to an email and sending it to dww@wick@boltasselmanagement.com and tbolot@boltpartners.com. Please enter "3B Investments Limited -Written resolutions" in the email subject box*

If you do not agree to the Resolutions, you do not need to do anything: you will not be deemed to agree if you fail to reply.

b) *Once you have delivered, you will have indicated your agreement to the Resolutions, you may not revoke your agreement.*

c) *Unless sufficient agreement has been received for the Resolutions to pass within 28 days of the Circulation Date, the Resolutions will lapse*

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

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

THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF
3B INVESTMENTS LIMITED

(Adopted by special resolution passed on *20th March* 2017)

Introduction

1 Interpretation

1.1 In these Articles, the following words have the following meanings

A Director: any director appointed to the Company by holders of the A Shares,

A Shares: the A ordinary shares of £1.00 each in the capital of the Company;

Appointor: has the meaning given in article 12.1,

Articles: the Company's articles of association for the time being in force,

Asset Sale: the disposal by the Company or a member of the Company's Group of any of the Properties and/or the business and assets of the Company's Group;

Available Profits: means profits available for distribution within the meaning of part 23 of CA 2006

B Shares: the B ordinary shares of £1.00 each in the capital of the Company,

B Director: any director appointed to the Company by holders of the B Shares,

Business Day: a day other than a Saturday, Sunday or public holiday in England when banks in London are open for business,

CA 2006: the Companies Act 2006,

Capital Raising: an issue of shares by the Company which would result in the subscriber acquiring Control of the Company,

Company: means 3B Investments Limited (company number 10420636),

Conflict: a situation in which a director has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company,

Continuing Shareholder: has the meaning given in article 18.1,

Control: an interest in the Shares conferring on the holder or holders control of the Company within the meaning given in section 1124 of the Corporation Tax Act 2010;

Deemed Transfer Notice: a Transfer Notice that is deemed to have been served under any provisions of these Articles;

Eligible Director: any Eligible A Director or Eligible B Director (as the case may be);

Eligible A Director: an A Director who would be entitled to vote on the matter at a meeting of directors (but excluding any A Director whose vote is not to be counted in respect of the particular matter),

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

Excess New Shares: has the meaning given in article 17 4;

Excess Sale Shares: has the meaning given in article 18 4(a),

Exit: means a Sale, Capital Raising or IPO;

Fair Value: in relation to shares, the fair market value thereof as determined in accordance with article 23,

Group: in relation to a company, that company, any subsidiary or holding company from time to time of that company, and any subsidiary from time to time of a holding company of that company. Each company in a Group is a **member of the Group**,

holding company: has the meaning given in article 1 5;

IPO: an initial public offering by the Company on an investment exchange;

Interested Director: has the meaning given in article 9 1,

Joint Venture Agreement: the joint venture shareholders' agreement dated on or around the date of the adoption of these articles between, amongst others, the Company and the holders of the Shares (as the same may have been varied, supplemented, adhered to or superseded in accordance with its terms (or these Articles) for the time being),

Model Articles: the model articles for private companies limited by shares contained in Schedule 1 of the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the date of adoption of these Articles and reference to a numbered Model Article is a reference to that article of the Model Articles,

New Issue: an allotment or grant, as the case may be, of New Shares,

New Issue Entitlement: has the meaning given in article 17 1,

New Issue Offer Period: has the meaning given in article 17.3,

New Shares: shares in the capital of the Company or rights to subscribe for or to convert into such shares which, in either case, the Company proposes to allot or grant (as the case may be) after the date of adoption of these Articles,

Offer Period: has the meaning given in article 18 2;

Offering Shareholder: has the meaning given in article 18 4,

Original Shareholder: a shareholder who holds shares in the Company on the date of adoption of these Articles,

Price Notice: has the meaning given in article 18.2,

Proceeds of Exit: means the consideration payable (including any deferred and/or contingent consideration) in cash or otherwise on an Exit;

Properties (and each a Property): means the Springhill Property and any other properties that the Company or its Group acquires, leases and/or operates from time to time,

Proposed Sale Price: has the meaning given in article 18 1,

Purchaser: has the meaning given in article 18 1,

Purchase Notice: has the meaning given in article 18.2,

Sale: an Asset Sale or a Share Sale;

Sale Shares: has the meaning given in article 18.1;

Seller: has the meaning given in article 18.1;

Shareholder: a holder of Shares,

Shares: the A Shares and B Shares;

Share Sale: the sale of shares in the Company to a third party resulting in that party acquiring Control of the Company,

Springhill Property: the property known as the Springhill Home Care Home at 80 Portland Road, Kilmarnock, KA1 2BS Scotland;

subsidiary: has the meaning given in article 1.5,

Third Party Offeror: has the meaning given in article 20;

Transfer: has the meaning given in article 18.1;

Transfer Notice: an irrevocable notice in writing given by any shareholder to the other shareholder where the first shareholder desires, or is required by these Articles, to transfer or offer for transfer (or enter into an agreement to transfer) any shares,

Valuers: an independent firm of chartered accountants jointly appointed by the shareholders or, in the absence of agreement between the shareholders on the identity of the expert within 10 Business Days of a shareholder serving details of a suggested expert on the other, an independent firm of chartered accountants appointed by the President, for the time being, of the Institute of Chartered Accountants within the head office in England and Wales (in each case acting as an expert and not as an arbitrator), and

Writing or written: the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise, save that, for the purposes of articles 17 to 22, "writing" or "written" shall not include the sending or supply of notices, documents or information in electronic form

- 1 2 Save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the CA 2006 shall have those meanings in these Articles but excluding any statutory modification of them not in force on the date when these Articles become binding on the Company

- 1 3 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles
- 1 4 A reference in these Articles to an article is a reference to the relevant article of these Articles unless expressly provided otherwise.
- 1 5 A reference to a **holding company** or a **subsidiary** means a holding company or a subsidiary (as the case may be) as defined in section 1159 of the CA 2006 and for the purposes only of the membership requirement contained in sections 1159(1)(b) and (c), a company shall be treated as a member of another company even if its shares in that other company are registered in the name of:

(a) another person (or its nominee), by way of security or in connection with the taking of security; or

(b) its nominee

In the case of a limited liability partnership which is a subsidiary of a company or another limited liability partnership, section 1159 of the CA 2006 shall be amended so that (a) references in sections 1159(1)(a) and (c) to voting rights are to the members' rights to vote on all or substantially all matters which are decided by a vote of the members of the limited liability partnership, and (b) the reference in section 1159(1)(b) to the right to appoint or remove a majority of its board of directors is to the right to appoint or remove members holding a majority of the voting rights.

- 1.6 Unless expressly provided otherwise, a reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time. A reference to a statute or statutory provision shall include all subordinate legislation made from time to time under that statute or statutory provision.
- 1 7 Any words following the terms **including**, **include**, **in particular**, **for example** or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms
- 1 8 Where the context permits, **other** and **otherwise** are illustrative and shall not limit the sense of the words preceding them

2 Adoption of the Model Articles

- 2 1 The Model Articles shall apply to the Company, except in so far as they are modified or excluded by these Articles or are inconsistent with these Articles, and, subject to any such modifications, exclusions or inconsistencies, shall together with these Articles constitute the articles of association of the Company to the exclusion of any other articles or regulations set out in any statute or in any statutory instrument or other subordinate legislation
- 2 2 Model Articles 6(2), 7, 8, 9(1), 11 to 14 (inclusive), 17, 22(2), 27 to 29 (inclusive), 36, 39, 44(2) and 50 to 53 (inclusive) shall not apply to the Company.
- 2 3 In Model Article 25(2)(c), the words "evidence, indemnity and the payment of a reasonable fee" shall be deleted and replaced with the words "evidence and indemnity"
- 2 4 Model Articles 31(1)(a) to (c) (inclusive) shall be amended by the deletion, in each case, of the words "either" and "or as the directors may otherwise decide" Model Article 31(1)(d) shall be amended by the deletion of the words "either" and "or by such other means as the directors decide".

Directors

3 Directors' Meetings

- 3.1 Any decision of the directors must be taken at a meeting of directors in accordance with these Articles
- 3.2 Subject as provided in these Articles, the directors may participate in directors' meetings for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. The directors intend to meet at least four times per calendar year
- 3.3 All decisions made at any meeting of the directors or of any committee of the directors shall be made only by resolution and resolutions at any meeting of the directors or committee of the directors by a majority of votes cast by the directors of the company who are present and eligible to vote.
- 3.4 All questions arising at any board meeting shall be decided by a majority of votes cast by the directors of the Company who are present and eligible to vote. At any meeting each director will be entitled to cast one vote
- 3.5 A committee of the directors must include at least one A Director and one B Director. The provisions of article 7 shall apply equally to meetings of any committee of the directors as to meetings of the directors

4 Unanimous Decisions of Directors

- 4.1 A decision of the directors is taken in accordance with this article when all Eligible Directors indicate to each other by any means that they share a common view on a matter.
- 4.2 Such a decision may take the form of a resolution in writing, where each Eligible Director has signed one or more copies of it, or to which each Eligible Director has otherwise indicated agreement in writing
- 4.3 A decision may not be taken in accordance with this article if the Eligible Directors would not have formed a quorum at a directors' meeting to vote on the matter.

5 Number of Directors

- 5.1 The number of directors shall not be less than two (2). No shareholding qualification for directors shall be required
- 5.2 For so long as an A Shareholder is the holder of A Shares carrying not less than 15% of the voting rights at any general meeting of the Company such A Shareholder may appoint, remove and replace up to two (2) persons as A Directors
- 5.3 For so long as a Shareholder holds A Shares carrying not less than 50% of the voting rights at any general meeting of the Company such Shareholder may appoint as many A Directors as are required to constitute a majority of the directors appointed to the board of directors of the Company
- 5.4 For so long as the holders of the B Shares carry not less than 15% collectively of the voting rights at any general meeting of the Company such holders of the B Shares may appoint up to two (2) persons as B Directors
- 5.5 A Shareholder may appoint a director, and remove a director whom it appointed, by giving notice in writing to the Company and the other Shareholders. The appointment or removal takes effect on the date on which the notice is received by the Company or, if a later date is given in the notice, on that date.

6 Calling a Directors' Meeting

- 6.1 Any director may call a meeting of directors by giving not less than seven Business Days' notice of the meeting (or such shorter period of notice as agreed in writing by at least one A Director and one B Director) to each director or by authorising the company secretary (if any) to give such notice
- 6.2 Notice of any directors' meeting must be accompanied by:
- (a) an agenda specifying in reasonable detail the matters to be raised at the meeting, and
 - (b) copies of any papers to be discussed at the meeting.
- 6.3 Matters not on the agenda, or business conducted in relation to those matters, may not be raised at a meeting of directors unless all the directors agree in writing

7 Quorum for Directors' Meetings

- 7.1 The quorum at any meeting of directors (including adjourned meetings) is one Eligible A Director (or his alternate) and one Eligible B Director (or his alternate). If a quorum is not present within thirty (30) minutes of the time specified for a directors' meeting in the notice of the meeting then it shall be adjourned for five (5) Business Days at the same time and place and at such adjourned meeting any two (2) directors shall constitute a quorum. A director shall be regarded as present for the purposes of a quorum if represented by an alternate director in accordance with article 12.
- 7.2 No business shall be conducted at any meeting of directors unless a quorum is present at the beginning of the meeting and also when that business is voted on

8 Chairing of Directors' Meetings

The post of chairman shall be held in alternate years by an A Director and by a B Director. The chairman shall not have a casting vote. If the chairman for the time being is unable to attend any meeting of the board of directors, the Shareholder who appointed him shall be entitled to appoint another director appointed by it to act as chairman at the meeting.

9 Directors' Interests

- 9.1 For the purposes of section 175 of the CA 2006, the shareholders (and not the directors) shall have the power to authorise, by resolution and in accordance with the provisions of these Articles, any Conflict proposed to them by any director which would, if not so authorised, involve a director (the **Interested Director**) breaching his duty under section 175 of the CA 2006 to avoid conflicts of interest.
- 9.2 The Interested Director must provide the shareholders with such details as are necessary for the shareholders to decide whether or not to authorise the Conflict, together with such additional information as may reasonably be requested by the shareholders
- 9.3 Any authorisation by the shareholders of a Conflict under this article may (whether at the time of giving the authorisation or subsequently):
- (a) extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised,

- (b) provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the directors or otherwise) related to the Conflict;
- (c) provide that the Interested Director will or will not be an Eligible Director in respect of any future decision of the directors in relation to any resolution related to the Conflict,
- (d) impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the shareholders think fit,
- (e) provide that, where the Interested Director obtains, or has obtained (through his involvement in the Conflict and otherwise than through his position as a director of the Company) information that is confidential to a third party, he will not be obliged to disclose that information to the Company, or to use it in relation to the Company's affairs where to do so would amount to a breach of that confidence, and
- (f) permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any meeting of the directors and be excused from reviewing papers prepared by, or for, the directors to the extent they relate to such matters

9 4 Where the shareholders authorise a Conflict.

- (a) the Interested Director will be obliged to conduct himself in accordance with any terms and conditions imposed by the shareholders in relation to the Conflict, and
- (b) the Interested Director will not infringe any duty he owes to the Company by virtue of sections 171 to 177 of the CA 2006, provided he acts in accordance with such terms and conditions (if any) as the shareholders impose in respect of their authorisation.

9 5 The shareholders may revoke or vary such authorisation at any time but this will not affect anything done by the Interested Director prior to such revocation or variation in accordance with the terms of such authorisation

9 6 A director, notwithstanding his office, may be a director or other officer of, employed by, or otherwise interested (including by the holding of shares) in, the shareholder who appointed him as a director of the Company, or any other member of such shareholder's Permitted Group, and no authorisation under article 9 1 shall be necessary in respect of any such interest.

9.7 Any A Director or B Director shall be entitled from time to time to disclose to the holders of the A Shares (in the case of an A Director) or the holders of the B Shares (in the case of a B Director) such information concerning the business and affairs of the Company as he shall at his discretion see fit, subject only to the condition that if there be more than one holder of A Shares or (as the case may be) more than one holder of B Shares, the director concerned shall ensure that each of the shareholders of the same class receives the same information on an equal footing

9 8 A director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director), to account to the Company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the shareholders in accordance with these Articles (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds

9 9 Subject to sections 177(5) and 177(6) of the CA 2006, a director who is in any way, whether directly or indirectly, interested in a proposed transaction or arrangement with the Company shall declare the nature and extent of his interest to the other directors before the Company enters into the transaction or arrangement in accordance with the CA 2006

- 9.10 Subject to sections 182(5) and 182(6) of the CA 2006, a director who is in any way, whether directly or indirectly, interested in a transaction or arrangement that has been entered into by the Company shall declare the nature and extent of his interest to the other directors as soon as is reasonably practicable in accordance with the CA 2006, unless the interest has already been declared under article 9.9.
- 9.11 Subject, where applicable, to any terms, limits or conditions imposed by the shareholders in accordance with article 9.3, and provided a director has declared the nature and extent of his interest in accordance with the requirements of the CA 2006, a director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company:
- (a) may be a party to, or otherwise interested in, any such transaction or arrangement with the Company, or in which the Company is otherwise (directly or indirectly) interested,
 - (b) shall be an Eligible Director for the purposes of any proposed decision of the directors (or committee of directors) in respect of such transaction or arrangement or proposed transaction or arrangement in which he is interested;
 - (c) shall be entitled to vote at a meeting of directors (or of a committee of directors) or to participate in any unanimous decision in respect of such transaction or arrangement or proposed transaction or arrangement in which he is interested,
 - (d) may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a director;
 - (e) may be a director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is otherwise (directly or indirectly) interested; and
 - (f) shall not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or a person connected with him (as defined in section 252 of the CA 2006)) derives from any such contract, transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such contract, transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the CA 2006

10 Records of Decisions to be Kept

Where decisions of the directors are taken by electronic means, such decisions shall be recorded by the directors in a form that enables the Company to retain a copy of such decisions.

11 Appointment and Removal of Directors

- 11.1 Any A Director may at any time be removed from office by the holder of a majority of the A Shares and any B Director may at any time be removed from office by the holder of a majority of the B Shares. Any director who is an employee of the Company and who ceases to be an employee shall be removed from office from the date his employment ceases
- 11.2 If any A Director or any B Director shall die or be removed from or vacate office for any cause, the holder of a majority of the A Shares (in the case of an A Director) or the holder of a majority of the B Shares (in the case of a B Director) shall appoint in his place another person to be an A Director or a B Director (as the case may be)
- 11.3 Any appointment or removal of a director pursuant to this article shall be in writing and signed by or on behalf of the holder of a majority of the A Shares or B Shares (as the case may be)

and served on each of the other shareholders and the Company at its registered office, and on the director, in the case of his removal. Any such appointment or removal shall take effect when received by the Company or at such later time as shall be specified in such notice.

11.4 The right to appoint and to remove A Directors or B Directors under this article shall be a class right attaching to the A Shares and the B Shares respectively

11.5 If no A Shares or B Shares remain in issue following a redesignation under these Articles, any director appointed by shareholders of that class shall be deemed to have been removed as from the redesignation

12 Alternate Directors

12.1 Any director (other than an alternate director) (the **Appointor**) may appoint any person (whether or not a director) other than an existing director representing the other class of shares, to be an alternate director to exercise the Appointor's powers, and carry out the Appointor's responsibilities, in relation to the taking of decisions by the directors, in the absence of the Appointor. In these Articles, where the context so permits, the term "A Director" or "B Director" shall include an alternate director appointed by an A Director or a B Director (as the case may be). A person may be appointed an alternate director by more than one director provided that each of his Appointors represents the same class of shares but not otherwise

12.2 Any appointment or removal of an alternate director must be effected by notice in writing to the Company (and to the alternate, on removal) signed by the Appointor, or in any other manner approved by the directors.

12.3 The notice must:

- (a) identify the proposed alternate; and
- (b) in the case of a notice of appointment, contain a statement signed by the proposed alternate that he is willing to act as the alternate of the director giving the notice.

12.4 An alternate director has the same rights, in relation to any decision of the directors, as the alternate's Appointor

12.5 Except as the Articles specify otherwise, alternate directors.

- (a) are deemed for all purposes to be directors,
- (b) are liable for their own acts and omissions;
- (c) are subject to the same restrictions as their Appointors, and
- (d) are not deemed to be agents of or for their Appointors,

and, in particular (without limitation), each alternate director shall be entitled to receive notice of all meetings of directors and of all meetings of committees of directors of which his Appointor is a member.

12.6 A person who is an alternate director but not a director may, subject to him being an Eligible Director

- (a) be counted as participating for the purposes of determining whether a quorum is present at a meeting of directors (but only if that person's Appointor is an Eligible Director and is not participating); and

- (b) participate in a unanimous decision of the directors (but only if his Appointor is an Eligible Director in relation to that decision, and does not himself participate).
- 12.7 A director who is also an alternate director is entitled, in the absence of his Appointor(s), to a separate vote on behalf of each Appointor (provided that an Appointor is an Eligible Director in relation to that decision), in addition to his own vote on any decision of the directors.
- 12.8 An alternate director may be paid expenses and may be indemnified by the Company to the same extent as if he were a director but shall not be entitled to receive from the Company any remuneration in his capacity as an alternate director except such part (if any) of the remuneration otherwise payable to the alternate's Appointor as the Appointor may by notice in writing to the Company from time to time direct.
- 12.9 An alternate director's appointment as an alternate (in respect of a particular Appointor) terminates.
 - (a) when the alternate's Appointor revokes the appointment by notice to the Company and the alternate in writing specifying when it is to terminate; or
 - (b) on the occurrence, in relation to the alternate, of any event which, if it occurred in relation to the alternate's Appointor, would result in the termination of the Appointor's appointment as a director; or
 - (c) when the alternate director's Appointor ceases to be a director for whatever reason

Shares

13 Share capital

- 13.1 Except as otherwise provided in these Articles, the A Shares and the B Shares shall rank *pari passu* in all respects but shall constitute separate classes of shares
- 13.2 No share of any class nor any right to subscribe for or to convert any security into a share of any class shall be allotted or granted otherwise than to the holder of a share of that same class
- 13.3 On the transfer of any share as permitted by these Articles.
 - (a) a share transferred to a non-shareholder shall remain of the same class as before the transfer, and
 - (b) a share transferred to a shareholder shall automatically be redesignated on transfer as a share of the same class as those shares already held by the shareholder.
 - (c) If no shares of a class remain in issue following a redesignation under this article, these Articles shall be read as if they do not include any reference to that class or to any consents from, or attendance at any meeting or votes to be cast by, shareholders of that class or directors appointed by that class
- 13.4 No variation of the rights attaching to any class of shares shall be effective except with the sanction of a special resolution of the holders of the relevant class of shares. Where a special resolution to vary the rights attaching to a class of shares is proposed at a separate general meeting of that class of shares, all the provisions of these Articles as to general meetings of the Company shall *mutatis mutandis* apply, but so that the necessary quorum shall be one holder of the relevant class present in person or by proxy or (being a corporation) by a duly authorised representative. For the purpose of this article, one holder present in person or by proxy or (being a corporation) by a duly authorised representative may constitute a meeting

13 5 Each of the following shall be deemed not to constitute a variation of the rights attached to each class of shares

- (a) any alteration in the Articles; and
- (b) any reduction, subdivision, consolidation, redenomination, or purchase or redemption by the Company of its own shares or other alteration in the share capital of the Company or any of the rights attaching to any share capital

13 6 The Company shall immediately cancel any shares acquired under Chapter 4 of Part 18 of the CA 2006.

14 Dividends

14 1 The rights as regards income attaching to each class of Shares shall be as set out in this article.

14.2 The Company shall not declare, pay or make any dividend or other distribution until all loans and any accrued interest made to by the Company by the holders of its Shares have been repaid, unless agreed otherwise with a special resolution of the Company.

14 3 Subject to article 14 2, the Company by resolution of the Board may pay or make any dividend or other distribution to the holders of the Shares.

14 4 The Company shall procure (so far as it is able) that each of its subsidiaries and each of its subsidiary undertakings which has Available Profits shall from time to time declare and pay to the Company (or, as the case may be, the relevant Company in the Group that is its immediate holding company or parent undertaking) such dividends.

14.5 In the event of an Exit taking place the Company shall, from the Proceeds of Exit:

- (a) first, pay all outstanding loans of the Company due to the members of the Company together with any accrued interest to that date, and
- (b) second, subject to the Company having available distributable reserves to do so, pay to the A Shares and B Shares (pari passu as if the same constituted one class of share) proportionately according to the number of such shares held by the relevant Shareholder at the relevant time.

15 Return of capital rights

15 1 The rights as regards return of capital attaching to each class of Shares shall be as set out in this article

15 2 On a return of capital on liquidation or otherwise (except on a redemption or purchase by the Company of any Shares), the surplus assets of the Company remaining after the payment of its liabilities shall be applied in the following order of priority

- (a) firstly, to pay all outstanding loans of the Company due to the members of the Company together with any accrued interest to that date, and
- (b) secondly, the balance of such assets (if any) shall be distributed amongst the holders of the A Shares and the B Shares (pari passu as if the same constituted one class of Shares) proportionately according to the number of such shares held by the relevant Shareholder at the relevant time.

16 Share Transfers: General

- 16 1 In these Articles, reference to the transfer of a share includes the transfer, assignment or other disposal of a beneficial or other interest in that share, or the creation of a trust or encumbrance over that share, and reference to a share includes a beneficial or other interest in a share
- 16 2 No shareholder shall transfer any share except:
- (a) with the prior written consent of at least one shareholder of each class of shares; or
 - (b) a shareholder may transfer any of its shares in the Company to any person for cash in accordance with the procedure set out in article 18; or
 - (c) in accordance with articles 18 to 22 (inclusive)
- 16 3 Subject to article 16 4, the directors must register any duly stamped transfer made in accordance with these Articles and shall not have any discretion to register any transfer of shares which has not been made in compliance with these Articles
- 16 4 The directors may, as a condition to the registration of any transfer of shares in the Company (whether to a Permitted Transferee or otherwise) require the transferee to provide the Company with the required particulars under section 790K of the CA 2006 if the transferee is a registrable person or relevant legal entity within the meaning of section 790C of the CA 2006 and to execute and deliver to the Company a deed under which the transferee agrees to be bound by the terms of any Joint Venture Agreement (or similar document) in force between the shareholders in such form as the directors may reasonably require (but not so as to oblige the transferee to have any obligations or liabilities greater than those of the proposed transferor under any such agreement or other document) If any such condition is imposed in accordance with this article 16.4, the transfer may not be registered unless that deed has been executed and delivered to the Company's registered office by the transferee and the Company has received all of the required particulars under section 790K of the CA 2006 if the transferee is a registrable person or relevant legal entity within the meaning of section 790C of the CA 2006
- 16 5 Any transfer of shares by way of a sale that is required to be made under article 22 shall be deemed to include a warranty that the transferor sells the shares with full title guarantee.

17 Pre-Emption Rights on the Issue of Shares

- 17 1 The statutory pre-emption rights contained in sections 561 and 562 of the CA 2006 will not apply to an issue of equity securities (as defined in section 560(1) of the Act) made by the directors. The pre-emption rights set out in this article 17 will apply instead.
- 17 2 No New Shares will be allotted or issued to any person unless the Company has offered those New Shares in accordance with and subject to the provisions of articles 17.3 and 17.4 to each of its current holders of Shares, at the same price and in respect of each such holder pro rata to their holding of Shares expressed as a proportion of the total number of Shares, in issue immediately prior to the New Issue (**New Issue Entitlement**).
- 17 3 An offer of New Shares.
- (a) will stipulate a period of not less than 14 days and not exceeding 21 days within which it must be accepted or in default will lapse (**New Issue Offer Period**);
 - (b) may stipulate that any holder of Shares who wishes to subscribe for a number of New Shares in excess of its New Issue Entitlement will in its acceptance state how many additional New Shares it wishes to subscribe for and any New Shares not accepted by other holders will be used to satisfy the requests for additional New Shares pro rata to each requesting shareholder's New Issue Entitlement

17.4 If any New Shares are not taken up pursuant to articles 17.1 and 17.3 (**Excess New Shares**), the Excess New Shares may be offered by the Company to any person other than its current shareholders at the same price and otherwise on no more favourable terms, except that no Excess New Shares will be issued more than three months after the end of the New Issue Offer Period unless the procedure in articles 17.1 and 17.3 is repeated in respect of those Excess New Shares

17.5 The provisions of this article 17 may be waived, disapplied, modified, suspended or relaxed in whole or in part in any particular case by a with the consent of Shareholders holding not less than 90% of the nominal value of Shares

18 Pre-Emption Rights on the Transfer of Shares

18.1 A Shareholder (**Seller**) wishing to transfer all or any of its shares it must first comply with the procedure set out in this article 18 and give a Transfer Notice to the Shareholders other than the Seller (**Continuing Shareholders**) giving details of the proposed transfer (**Transfer**) including:

- (a) the number of Shares it proposes to transfer (**Sale Shares**),
- (b) if it wishes to sell the Sale Shares to a third party, the name of the proposed buyer (**Purchaser**); and
- (c) the price (which must be in cash and payable at completion of sale in full) at which it wishes to sell the Sale Shares (**Proposed Sale Price**),

and may include a provision that unless all the Sale Shares are sold none shall be sold in which case the Seller shall not be obliged to complete any sales unless such provision is satisfied in full

18.2 As soon as practicable (and not longer than 10 Business Days after receipt of the Transfer Notice) (**Offer Period**), each of the Continuing Shareholders shall be entitled (but not obliged) to give notice in writing to the Seller (**Purchase Notice**) stating that it wishes to purchase its entire pro rata allocation of Sale Shares at the Proposed Sale Price. In such Purchase Notice the Continuing Shareholder shall confirm either:

- (a) that they wish to purchase, on the same terms, all the Sale Shares that have not been accepted by the other Shareholders (**Excess Sale Shares**), or
- (b) that they would not accept any Excess Sale Shares; and
- (c) if a Shareholder who serves a Purchase Notice fails to make a confirmation in the terms of (a) or (b) it shall be deemed to have made a confirmation in the terms of (b). A Purchase Notice shall be irrevocable.

18.3 Any Excess Sale Shares shall be allocated to each Continuing Shareholder who has made a confirmation in the terms of article 18.2(a) in proportion to the number of Shares held by such Shareholder as at the close of business on the date prior to the date of the Price Notice as a proportion of the total number of Shares held by the Shareholders who have made a confirmation in the terms of article 18.2(a).

18.4 Upon expiry of the Offer Period:

- (a) if Purchase Notices are served in respect of all of the Sale Shares, the Seller shall be bound to sell, and the relevant Shareholders shall be bound to purchase, the respective numbers of Sale Shares specified in such Purchase Notices at the Proposed Sale Price and upon the other terms in the Transfer Notice;

(b) if Purchase Notices are served in respect of less than the number of Sale Shares offered for sale, the Seller shall

- i if it has not stated in the Transfer Notice that unless all the Sale Shares are sold none shall be sold, transfer to the relevant Shareholders the respective numbers of Sale Shares specified in such Purchase Notices by way of sale at the Proposed Sale Price and upon the other terms in the Transfer Notice, and may either retain the remaining Sale Shares or sell them to a third party in accordance with article 18 5; or
- ii if it has stated in the Transfer Notice that unless all the Sale Shares are sold none shall be sold, either retain the Sale Shares or sell them to a third party in accordance with article 18 5.

18 5 If, at the expiry of the Offer Period, none of the Continuing Shareholders has given a Purchase Notice or the Seller is entitled to sell any Sale Shares pursuant to article 18.5(b), the Seller may transfer such Sale Shares to the Purchaser at a price not less than the Proposed Sale Price and upon the other terms in the Transfer Notice, provided that it does so within three months of the expiry of the Offer Period.

19 Tag Along

If the Shares forming part of the Sale Shares comprise more than 15% of the nominal value of the Shares in issue at that time, then any Continuing Shareholder may, before the expiry of the Offer Period, deliver written notice to the Seller, with a copy to the Company, requiring that any Transfer by the Seller to a Purchaser shall include all of such Continuing Shareholder's Shares, in which event the Seller shall not be entitled to transfer any of the Sale Shares to any Purchaser unless such Purchaser agrees to and does simultaneously acquire all of that Continuing Shareholder's Shares at the same pro rata price and on the same terms and conditions

20 Drag Along

If a bona fide cash offer is made by a third party (**Third Party Offeror**) for the entire issued share capital of the Company, and Shareholders holding not less than 50% of the nominal value of Shares in issue at the time wish to accept such offer, then such holders will be entitled by written notice to the other Shareholders to require all the Shareholders to accept such offer, and if such notice is given then all shareholders shall (subject to the pre-emption rights set out above) be required to sell their Shares to the Third Party Offeror and against receipt of the purchase consideration each Shareholder shall do all such things and carry out all acts reasonably necessary to effect the transfer of their Shares to the Third Party Offeror. If a Shareholder fails to transfer any Shares pursuant to this article then a person appointed by the Board for the purpose shall be deemed to have been appointed attorney of the Shareholder with full power to execute, complete and deliver, in the name and on behalf of such Shareholder transfers of the Shares to the Third Party Offeror

21 Permitted Transfers

- 21.1 An Original Shareholder may at any time transfer all of its shares in the Company to a Permitted Transferee without being required to follow the steps set out in article 17.
- 21.2 A shareholder holding shares in the Company as a result of a Permitted Transfer made after the date of adoption of these Articles by an Original Shareholder under the provisions of this article 21 may at any time transfer all of its shares back to the Original Shareholder from whom it received those shares or to another Permitted Transferee of such Original Shareholder, without being required to follow the steps set out in article 17.

21.3 If a Permitted Transfer has been made to a Permitted Transferee, that Permitted Transferee shall within five Business Days of ceasing to be a member of the Permitted Group transfer all of the shares in the Company held by it to:

- (a) the Original Shareholder from whom it received those shares; or
- (b) another Permitted Transferee of that Original Shareholder,
- (c) (which in either case is not in liquidation), without any price or other restriction. If the Permitted Transferee fails to make a transfer in accordance with this article 21.3, a Transfer Notice shall be deemed to have been given in respect of such shares on the expiry of the period set out in this article 21.3

22 Compulsory Transfers

22.1 A shareholder is deemed to have served a Transfer Notice under article 18.1 immediately before any of the following events:

- (a) the passing of a resolution for the liquidation of the shareholder other than a solvent liquidation for the purpose of the reconstruction or amalgamation of all or part of the shareholder's Group (the structure of which has been previously approved by the other shareholder in the Company in writing) in which a new company assumes (and is capable of assuming) all the obligations of the shareholder, or
- (b) the presentation at court by any competent person of a petition for the winding up of the shareholder and which has not been withdrawn or dismissed within seven days of such presentation; or
- (c) the issue at court by any competent person of a notice of intention to appoint an administrator to the shareholder, a notice of appointment of an administrator to the shareholder or an application for an administration order in respect of the shareholder; or
- (d) any step being taken by any person to appoint a receiver, administrative receiver or manager in respect of the whole or a substantial part of the assets or undertaking of the shareholder, or
- (e) the shareholder being unable to pay its debts as they fall due for the purposes of section 123 of the Insolvency Act 1986; or
- (f) the shareholder entering into a composition or arrangement with any of its creditors; or
- (g) any chargor taking any step to enforcing any charge created over any shares held by the shareholder in the Company (other than by the appointment of a receiver, administrative receiver or manager), or
- (h) a process having been instituted that could lead to the shareholder being dissolved and its assets being distributed among the shareholder's creditors, shareholders or other contributors, or
- (i) the shareholder ceasing to carry on its business or substantially all of its business; or
- (j) in the case of the events set out in paragraphs (a), (b), (d) or (e) above, any competent person taking any analogous step in any jurisdiction in which the shareholder carries on business, or
- (k) the shareholder committing a material or persistent breach of any shareholders' agreement to which it is a party in relation to the shares in the Company which if capable of remedy

has not been so remedied within 20 Business Days of the other shareholder requiring such remedy

22.2 The Deemed Transfer Notice has the same effect as a Transfer Notice, except that:

- (a) the Deemed Transfer Notice takes effect on the basis that it does not identify a proposed buyer or state a price for the Sale Shares and the price for the Sale Shares shall be the aggregate Fair Value of those shares, determined by the Valuers in accordance with article 23,
- (b) if the Continuing Shareholder does not accept the offer of shares comprised in the Deemed Transfer Notice within 20 Business Days of receipt of the Valuers' determination of the Fair Value, the Seller does not have the right to sell the Sale Shares to a third party and the Company shall be wound up immediately upon the Continuing Shareholder giving notice in writing to the Company to that effect within such 20 Business Day period

22.3 A Deemed Transfer Notice under article 22.1(k) shall immediately and automatically revoke:

- (a) a Transfer Notice served by the relevant Shareholder before the occurrence of the relevant event giving rise to the Deemed Transfer Notice under article 22.1(k); and
- (b) a Deemed Transfer Notice deemed to be served by the relevant Shareholder under any of the events set out in article 22.1(a) to article 22.1(j) (inclusive) before the occurrence of the relevant event giving rise to the Deemed Transfer Notice under article 22.1(k).

22.4 If the Seller fails to complete a transfer of Sale Shares as required under this article 22, the Continuing Shareholder is irrevocably authorised to appoint any person it nominates for the purpose as agent to transfer the Sale Shares on the Seller's behalf and to do anything else that the Continuing Shareholder may reasonably require to complete the sale, and the Company may receive the purchase price in trust for the Seller (without any obligation to pay interest), giving a receipt that shall discharge the Continuing Shareholder

23 Valuation

23.1 As soon as practicable after deemed service of a Transfer Notice under article 22, the shareholders shall appoint the Valuers to determine the Fair Value of the Sale Shares.

23.2 The Valuers shall be requested to determine the Fair Value within 30 Business Days of their appointment and to notify the shareholders in writing of their determination.

23.3 The Fair Value for any Sale Share shall be the price per share determined by the Valuers on the following bases and assumptions

- (a) valuing each of the Sale Shares as a proportion of the total value of all the issued shares in the capital of the Company without any premium or discount being attributable to the percentage of the issued share capital of the Company which they represent or for the rights or restrictions applying to the Sale Shares;
- (b) if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so,
- (c) the sale is to be on arms' length terms between a willing seller and a willing buyer,
- (d) the Sale Shares are sold free of all encumbrances;
- (e) the sale is taking place on the date the Valuers were requested to determine the Fair Value; and

- (f) to take account of any other factors that the Valuers reasonably believe should be taken into account
- 23.4 The shareholders are entitled to make submissions to the Valuers including oral submissions and will provide (or procure that the Company provides) the Valuers with such assistance and documents as the Valuers reasonably require for the purpose of reaching a decision, subject to the Valuers agreeing to give such confidentiality undertakings as the shareholders may reasonably require
- 23.5 To the extent not provided for by this article 23, the Valuers may, in their reasonable discretion, determine such other procedures to assist with the valuation as they consider just or appropriate
- 23.6 The Valuers shall act as expert and not as arbitrator and their written determination shall be final and binding on the shareholders in the absence of manifest error or fraud
- 23.7 Each shareholder shall bear its own costs in relation to the reference to the Valuers. The Valuers' fees and costs properly incurred by them in arriving at their valuation shall be borne by the shareholders equally.

Decision making by shareholders

24 Quorum for General Meetings

- 24.1 The quorum at any general meeting of the Company, or adjourned general meeting, shall be two persons present in person or by proxy, of whom one shall be a holder of A Shares or a duly authorised representative of such holder and one shall be a holder of B Shares or a duly authorised representative of such holder
- 24.2 If a quorum is not present at a meeting of Shareholders, it shall be adjourned for a period of fourteen (14) days to the same time and place and notice of such reconvened meeting shall be given to all Shareholders. A quorum for such reconvened meeting shall be Shareholders representing not less than 50% of the Shares
- 24.3 No business shall be transacted by any general meeting unless a quorum is present at the commencement of the meeting and also when that business is voted on.

25 Chairing General Meetings

The chairman shall chair general meetings if present and willing to do so. If the chairman is unable to attend any general meeting, the Shareholders shall be entitled to appoint another director present at the meeting to act as chairman at the meeting, and the appointment of the chairperson of the meeting must be the first business of the meeting. The chairman of the meeting shall not have a casting vote

26 Voting

- 26.1 At a general meeting, on a show of hands every shareholder who is present in person or by proxy shall have one vote, unless the proxy is himself a shareholder entitled to vote; on a poll every shareholder present in person or by proxy shall have one vote for each share of which it is the holder, and on a vote on a written resolution every shareholder has one vote for each share of which it is the holder except that no shares of one class shall confer any right to vote upon a resolution for the removal from office of a director appointed by holders of shares of the other class under a right to appoint which is a class right

27 Poll Votes

- 27.1 A poll may be demanded at any general meeting by a qualifying person (as defined in section 318 of the CA 2006) present and entitled to vote at the meeting
- 27.2 Article 44(3) of the Model Articles shall be amended by the insertion of the words "A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made" as a new paragraph at the end of that article.

28 Proxies

- 28.1 Article 45(1)(d) of the Model Articles shall be deleted and replaced with the words "is delivered to the Company in accordance with the Articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of general meeting (or adjourned meeting) to which they relate".
- 28.2 Article 45(1) of the Model Articles shall be amended by the insertion of the words "and a proxy notice which is not delivered in such manner shall be invalid" as a new paragraph at the end of that article.

Administrative arrangements

29 Means of Communication to be Used

- 29.1 Subject to article 29.3, any notice, document or other information shall be deemed served on, or delivered to, the intended recipient
- (a) if delivered by hand, on signature of a delivery receipt; or
 - (b) if sent by pre-paid United Kingdom first class post, recorded delivery or special delivery to an address in the United Kingdom, at 9.00 am on the second Business Day after posting or at the time recorded by the delivery service; or
 - (c) if sent or supplied by email, at the time of transmission, or
 - (d) if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website; and
 - (e) if deemed receipt under the previous paragraphs of this article 29 would occur outside business hours (meaning 9.00 am to 5.30 pm Monday to Friday on a day that is not a public holiday in the place of deemed receipt), at 9.00 am on the day when business next starts in the place of deemed receipt. For the purposes of this article, all references to time are to local time in the place of deemed receipt
- 29.2 To prove service, it is sufficient to prove that:
- (a) if delivered by hand, the notice was delivered to the correct address; or
 - (b) if sent by post, the envelope containing the notice was properly addressed, paid for and posted; or
 - (c) if sent by email, the notice was properly addressed and sent to the email address of the recipient.

29.3 Any notice, document or other information served on, or delivered to, an intended recipient under articles 17 to 22 (as the case may be) may not be served or delivered in electronic form (other than by fax), or by means of a website

29.4 In proving that any notice, document or information was properly addressed, it will suffice to show that the notice, document or information was addressed to an address permitted for the purpose by the CA 2006.

30 Indemnity and Insurance

30.1 Subject to article 30.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled

(a) each relevant officer of the Company shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer in the actual or purported execution and/or discharge of his duties, or in relation to them, including (in each case) any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which the court grants him, in his capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company's affairs; and

(b) the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in article 30.1(a) and otherwise may take action to enable any such relevant officer to avoid incurring such expenditure.

30.2 This article does not authorise any indemnity which would be prohibited or rendered void by any provision of the CA 2006 or by any other provision of law.

30.3 The directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant officer in respect of any relevant loss.

30.4 In this article

(a) a "relevant officer " means any director or other officer or former director or other officer of the Company but excluding in each case any person engaged by the Company as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor; and

(b) 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 pension fund of the Company