

Company Number: 10748417

**THE COMPANIES ACT 2006
COMPANY LIMITED BY SHARES**

FRIDAY



**WRITTEN RESOLUTION OF THE MEMBERS OF
EXTRINSICA GLOBAL HOLDINGS LIMITED
(the "Company")
PASSED PURSUANT TO SECTION 283 OF THE
COMPANIES ACT 2006**

25 August 2017 (the "Circulation Date")

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006, the directors of the Company propose that each of the resolutions below (together the "Resolutions") is passed as either an ordinary resolution or a special resolution (as applicable):

Ordinary Resolutions

1. That the 3,147,729 ordinary shares of £0.0001 each which together constitute the entire issued share capital of the Company be reclassified as 3,147,729 A ordinary shares of £0.0001 each.
2. That, in accordance with Section 551 of the Companies Act 2006 ("2006 Act"), the directors of the Company ("Directors") be generally and unconditionally authorised to allot shares in the Company or grant rights to subscribe for or to convert any security into shares in the Company ("Rights") up to an aggregate nominal amount of £524.6214 provided that this authority shall, unless renewed, varied or revoked by the Company, expire on 31 December 2018 save that the Company may, before such expiry, make an offer or agreement which would or might require shares to be allotted or Rights to be granted and the Directors may allot shares or grant Rights in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired. This authority is in substitution for all previous authorities conferred on the Directors in accordance with Section 80 of the Companies Act 1985 or Section 551 of the 2006 Act.

Special Resolutions

1. That the articles of association contained in the attached printed document be (and the same are) approved and adopted as the articles of association of the Company in substitution for and to the exclusion of all the existing articles of association of the Company.
2. Subject to the passing of Ordinary Resolution 2 and in accordance with section 570 of the 2006 Act, the Directors be generally and unconditionally authorised to allot equity securities (as defined in Section 560 of the 2006 Act) pursuant to the authority conferred by Ordinary Resolution 2, as if Section 561(1) of the 2006 Act did not apply to any such allotment, provided that this power shall:
 - 2.1 be limited to the allotment of equity securities up to an aggregate nominal amount of £524.6214; and

- 2.2 expire when the authority conferred by Ordinary Resolution 2 is revoked or would expire (unless renewed, varied or revoked by the Company prior to or on that date) save that the Company may, before expiry of the authority conferred by Ordinary Resolution 2, make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of any such offer or agreement notwithstanding that the authority conferred by this Special Resolution 2 has expired.

AGREEMENT

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

We, the undersigned, the persons entitled to vote on the Resolutions on the Circulation Date hereby irrevocably agree to the Resolutions.

Signed by **Alison Burton**
acting by her attorney
Simon Smith

SKS

Date

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Signed by **Peter Cattermole**
acting by his attorney
Simon Smith

SKS

Date

.....

Signed by **James Chaundy**
acting by his attorney
Simon Smith

SKS

Date

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Signed by **Dan Coen**
acting by his attorney
Simon Smith

SKS

Date

.....

Signed by **Ronnie Harris**

RC: Hum

Date

.....

Signed by **William Hitchens**
acting by his attorney
Simon Smith

SKS

Date

.....

Signed by **Mark Knopfler**

2. G. J. W.

Date

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Signed by **Mark Knopfler and
Ronnie Harris (as trustees of the
Vale Private Retirement Trust)**

2. G. J. W. P. Harris

Date

.....

Signed by **Martin Lewis**
acting by his attorney
Simon Smith

SKS

Date

.....

Signed by **Frederick Matthews**
acting by his attorney
Simon Smith

SKS

Date

.....

Signed by **Christine Matthews**
acting by her attorney
Simon Smith

SKS

Date

.....

Signed by **Carolyn Moore**
acting by her attorney
Simon Smith

SKS

Date

.....

Signed by **Michael Rogers**
acting by his attorney
Simon Smith

.....SKS.....

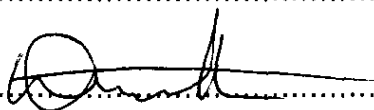
Date

Signed by **Keril Smith**
acting by her attorney
Simon Smith

.....SKS.....

Date

Signed by **Nicholas Smith**

..........

Date

Signed by **Simon Smith**

.....SKS.....

Date

Signed by **Michael Spearing**
acting by his attorney
Simon Smith

.....SKS.....

Date

Signed by **Tom Smith**
acting by his attorney
Simon Smith

.....SKS.....

Date

NOTES

1. 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: delivering the signed copy to the Company at The Magdalen Centre
Oxford Science Park, Oxford, OX4 4GA (marked "For the attention of David Gordon-Smith").

Post: returning the signed copy by post to the Company at The Magdalen Centre
Oxford Science Park, Oxford, OX4 4GA (marked "For the attention of David Gordon-Smith").

E-mail: by attaching a scanned copy of the signed document to an e-mail and sending it to
dgs@extrinsicaglobal.com (Please enter "Written Resolution in the email subject box).

2. If you do not agree with the Resolutions, you do not need to do anything: you will not be deemed to agree if you fail to reply.
3. Once you have indicated your agreement to the Resolutions, you may not revoke your agreement.
4. The Resolutions will lapse unless your agreement to the Resolutions has been received by such date as is 28 days from the Circulation Date. If you agree to the Resolutions, please ensure that your agreement reaches us before this date.

- (d) every other document mentioned in paragraph (1) above so destroyed was a valid and effective document in accordance with the particulars of it recorded in the books and records of the Company; and
 - (e) every paid dividend warrant and cheque so destroyed was duly paid.
- (3) The provisions of paragraph (2) above shall apply only to the destruction of a document in good faith and without notice of any claim (regardless of the parties to it) to which the document might be relevant.
 - (4) Nothing in this article shall be construed as imposing on the Company or the board any liability in respect of the destruction of any document earlier than as stated in paragraph (1) above or in any other circumstances in which liability would not attach to the Company or the board in the absence of this article.
 - (5) References in this article to the destruction of any document include references to its disposal in any manner.

WINDING UP

129. Powers to distribute in specie

If the Company is in liquidation, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Statutes:

- (a) divide among the members in specie the whole or any part of the assets of the Company and, for that purpose, value any assets and determine how the division shall be carried out as between the members or different classes of members; or
- (b) vest the whole or any part of the assets in trustees upon such trusts for the benefit of members as the liquidator, with the like sanction, shall think fit but no member shall be compelled to accept any assets upon which there is any liability.

INDEMNITY AND INSURANCE, ETC

130. Directors' indemnity, insurance and defence

As far as the Statutes allow, the Company may:

- (a) indemnify any director of the Company (or of an associated body corporate) against any liability;
- (b) indemnify a director of a company that is a trustee of an occupational pension scheme for employees (or former employees) of the Company (or of an associated body corporate) against liability incurred in connection with the company's activities as trustee of the scheme;
- (c) purchase and maintain insurance against any liability for any director referred to in paragraphs (a) or (b) above; and
- (d) provide any director referred to in paragraphs (a) or (b) above with funds (whether by loan or otherwise) to meet expenditure incurred or to be incurred by him in defending any criminal, regulatory or civil proceedings or in connection with an application for relief (or to enable any such director to avoid incurring such expenditure).

The powers given by this article shall not limit any general powers of the Company to grant indemnities, purchase and maintain insurance or provide funds (whether by way of loan or

otherwise) to any person in connection with any legal or regulatory proceedings or applications for relief.

ARTICLES OF ASSOCIATION
of
EXTRINSICA GLOBAL HOLDINGS LIMITED

Adopted by special resolution passed on 25 August 2017

PRELIMINARY

1 MODEL ARTICLES

- 1.1 The articles of association of the Company (the **"Articles"**) shall comprise the regulations contained herein together with the regulations contained in the model articles for private companies limited by shares as set out in Schedule 1 to the Companies (Model Articles) Regulations 2008 (SI 2008/3229) (**"Model Articles"**), save insofar as they are excluded or modified by, or are inconsistent with, the regulations contained herein.
- 1.2 Model Articles 5, 6, 7, 8, 9(1), 11(2) and (3), 12, 13, 14(1) to (4) inclusive, 16, 21, 22, 32, 38, 44(2), 50, and 51 shall not apply to the Company.
- 1.3 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 INTERPRETATION

- 2.1 In these Articles, unless the context otherwise requires:

"A Share Amount" means £1.58845 per A Share, for so long as there are 3,147,729 A Shares in issue. In the event that the number of A Shares in issue changes after the Date of Adoption, the A Share Amount shall be recalculated by dividing £5,000,000 by the total number of A Shares in issue at the relevant date.

"A Shares" means A ordinary shares of £0.0001 each in the capital of the Company;

"Act" means the Companies Act 2006 and every statutory modification or re-enactment of it for the time being in force;

"Affiliate" means, in relation to any person, any person who would be deemed to be a "connected person" to that person under section 993 of the Income Tax Act 1988;

"Articles" means these articles of association;

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

"Available Profits" means profits available for distribution within the meaning of the Act;

"B Shares" means B ordinary shares of £0.0001 each in the capital of the Company;

"Board" means the board of directors of the Company (or any duly authorised committee thereof) from time to time;

"Charged Shares" means any Shares which are from time to time held by any person and which are subject to any charge or other form of security interest created in favour of the Investor;

"Charged Shareholder" means any person who is the holder of any Charged Shares;

"Commencement Date" means in respect of any Key Employee either:

(a) in the case of Simon Smith, Keril Smith and/or Nicholas Smith, the Date of Adoption; or

(b) in the case of any other Key Employee the first date on which such Key Employee acquired any Employee Shares; or

"Company" means Extrinsica Global Holdings Limited, a company incorporated in England and Wales with company number 10748417;

"Compulsory Transfer Event" has the meaning given in Article 11.1;

"Date of Adoption" means the date of adoption of these Articles;

"Eligible Director" means a director who would be entitled to vote on a matter at a meeting of directors (but excluding any director whose vote is not to be counted in respect of a particular matter);

"Employee Benefit Trust" means any trust which may be established from time to time for the benefit of the employees (which may include past employees) of any Group Company, the terms and constitution of which have been approved by the Investor;

"Employee Shares" has the meaning given in Article 6.6;

"Family Member" in relation to a Shareholder, any one or more of that person's parents, spouse, civil partner or children (including step-children);

"Family Trust" in relation to a Shareholder, a trust or settlement set up wholly for the benefit of that person and/or that person's Family Members;

"Group" the Company and its subsidiary undertaking(s) (if any) from time to time and references to **"Group Company"** and **"members of the Group"** shall be construed accordingly;

"Investment Fund" means any arrangement which for the time being is a collective investment scheme for the purpose of section 235 of the Financial Services and Markets Act 2000 or which would be such a scheme if it did not fall within an exemption or exclusion of that section;

"Investor" means Mark Knopfler and Ronnie Harris as trustees of The Vale Private Retirement Trust created under a trust agreement dated 28 March 1994 (the **"Trust"**), whose address for notice purposes is c/o Harris & Trotter, 64 New Cavendish Street, London W1GT 8TB or any person(s) whom from time to time acts as the trustee(s) of the Trust;

"Indebtedness" means the aggregate amount of the Company's borrowings and other financial indebtedness in the nature of borrowing (including all unpaid accrued interest (including default interest) and costs on any such borrowings or other financial indebtedness) from any one or more Shareholders or their Affiliates;

"Investor Director" has the meaning given in Article 21.1.1;

"Investor Parties" means the Investor, Mark Knopfler, Joe Knopfler, Ronnie Harris and any other person to whom any of the foregoing persons would be permitted to transfer any Shares to pursuant to the provisions of Article 9 of these Articles;

"Issue Price" means the price at which a share is issued including any share premium;

"Key Employees" means: (a) Simon Smith; (b) Keril Smith (c) Nicholas Smith; and (d) any other person who at any time on or after the Date of Adoption is employed or engaged to provide any services to the Company and who upon or whilst being so employed or engaged acquires any Employee Shares;

"Key Employee Shares" means in respect of any Key Employee any Shares that are held by that Key Employee (or which were held by that Key Employee but which have subsequently been transferred to any Permitted Transferee of that Key Employee) and which are either:

- (a) Employee Shares; or
- (b) Shares that have been issued or transferred to that Key Employee or any Permitted Transferee of that Key Employee as a result of any such person holding any Employee Shares or Shares derived from any Employee Shares (including without limitation any Shares into which any Employee Shares are at any time sub-divided, consolidated, converted or re-designated and any shares or securities issued by way of rights or capitalisation of profits or reserves with respect to any Employee Shares or any shares derived from any of those Employee Shares);

"Leaver" has the meaning given in Article 11.1;

"Market Value" has the meaning given in Article 10.2.2;

"New Management" means any employee of the Group for the time being not holding any Shares or rights to subscribe for Shares;

"New Shares" means the following B Shares which are to be issued by the Company on the Date of Adoption after the adoption of these Articles to the following persons (the **"New Share Allottees"**):

- (a) 341,004 of the B Shares to be issued to Simon Smith;
- (b) 341,004 of the B Shares to be issued to Nick Smith;

- (c) 341,004 B Shares to be issued to David Gordon-Smith; and
- (d) 157,386 B Shares to be issued to Extrinsica Limited;

"Observer" means any person appointed as an observer to the Board pursuant to Article 21.2;

"Offeror" has the meaning given in Article 14.1;

"Permitted Issue" has the meaning given in any Relevant Agreement;

"Permitted Relevant Agreement Transfer" has the meaning given in any Relevant Agreement;

"Permitted Transfer" means a transfer of Shares in accordance with Article 9 (*Permitted Transfers*);

"Permitted Transferee" means a recipient of shares pursuant to Article 9.1 or 9.2;

"Possible Sellers" has the meaning given in Article 15;

"Readily Realisable Form" means;

- (a) cash; or
- (b) shares or securities which are listed on a Recognised Investment Exchange;

"Recognised Investment Exchange" means a recognised investment exchange as defined in Section 285(1) of the Financial Services & Markets Act 2000;

"Relevant Agreement" means an agreement between all of the Shareholders for the time being regulating their relationship as members of the Company;

"Relevant Employee" means:

- (a) an employee of any Group Company; and/or
- (b) a director of any Group Company;

"Sale" means the sale, disposal or transfer (whether through a single transaction or a series of transactions) of Shares as a result of which any person (or persons connected with each other, or persons acting in concert with one another) would hold or acquire beneficial ownership of or over 100% (or such lower percentage figure (so long as it is still a majority), which the Board approves with the prior written consent of the Investor) of the Shares;

"Sale Proceeds" means on, or in respect of, a Sale, the aggregate gross proceeds of such sale (including any deferred amounts payable for the Shares) after repayment of the Indebtedness (to the extent that any Indebtedness was not repaid by the Company prior to completion of such Sale);

"Share" means any share in the capital of the Company from time to time;

"Shareholder" means a holder of any Share(s) from time to time;

"Shareholder Majority" means the Shareholders who hold at least fifty per cent of the Shares in issue;

"Termination Date" means:

- (a) where employment ceases by virtue of notice given by the employer to the employee, the date on which such notice expires;
- (b) where a contract of employment is terminated by the employer and a payment is made in lieu of notice, the date on which the notice of termination was served;
- (c) where a contract of employment is terminated by the employee by giving notice to the employer, the date of that notice;
- (d) where the employee concerned is a director, the earlier of the date upon which he ceases to be a director of the relevant Group Company and the date upon which any contract for the provision of his services with or to the relevant company is terminated;
- (e) where an employer or employee wrongfully repudiates the contract of employment or contract for services and the other party to the contract accepts that the contract of employment or contract for services has been terminated, the date of such acceptance;
- (f) where a contract of employment is terminated under the doctrine of frustration, the date of the frustrating event; and
- (g) where a contract of employment is terminated for any reason other than in the circumstances set out in paragraphs (a) to (f) above, the date on which the action or event giving rise to the termination occurs.

"Transfer Notice" has the meaning given to it in Article 10.1.1; and

"Valuers" means the Auditors unless;

- (a) a report on the Market Value is to be made pursuant to a Transfer Notice or Deemed Transfer Notice and, within 21 days after the date of the Transfer Notice or Deemed Transfer Notice, the Seller notifies the Board in writing that it objects to the Auditors making that report; or
- (b) the Auditors give notice to the Company that they decline an instruction to report on Market Value,

when the Valuers shall be a firm of chartered accountants agreed between the Seller and the Board or, in default of agreement within 20 business days after the event referred to in (a) or (b) above, appointed by the President of the Institute of Chartered Accountants in England and Wales on the application of the Seller or the Board.

2.2 Construction

2.2.1 In these Articles, unless otherwise specified or the context otherwise requires:

2.2.1.1 reference to any provision of law is a reference to that provision as modified or re-enacted from time to time;

2.2.1.2 reference to any statutory provision is a reference to any subordinate legislation made under that provision from time to time;

2.2.2 Headings used in these Articles are for reference only and shall not

affect the construction or interpretation of these Articles.

- 2.2.3 The Interpretation Act 1978 shall apply to these Articles in the same way as it applies to an enactment.
- 2.2.4 Unless otherwise provided in these Articles any word or expressions defined in the Act shall have the same meaning when used in these Articles.
- 2.2.5 References to the plural will include the singular and vice versa unless the context dictates otherwise.

2.3 Other references

In these Articles a reference to:

- 2.3.1 references to **"Articles"** are references to provisions of these Articles and references to paragraphs are, unless otherwise stated, references to paragraphs of the Articles in which the reference appears;
- 2.3.2 **"business day"** means any day which is not a Saturday, a Sunday or a public holiday in the United Kingdom;
- 2.3.3 the term **"connected person"** has the meaning attributed to it by Section 1122 of the Corporation Tax Act 2010 and **"connected with"** shall be construed accordingly;
- 2.3.4 the term **"acting in concert"** has the meaning attributed to it at the date of adoption of these Articles by the City Code on Takeovers and Mergers;
- 2.3.5 references to **"employees"** shall also be deemed to include references to consultants, and references to contracts of employment and to commencement or cessation of employment shall be deemed to include contracts for consultancy and commencement or cessation of consultancy;
- 2.3.6 a **"person"** includes any individual, firm, company, corporation, body corporate, government, state or agency of state, trust or foundation, or any association, partnership or unincorporated body of two or more of the foregoing (whether or not having separate legal personality and wherever incorporated or established);
- 2.3.7 a **"subsidiary"** means a subsidiary as defined in section 1159 and Schedule 6 of the Act;
- 2.3.8 a **"holding company"** means a holding company as defined in section 1159 and Schedule 6 of the Act; and
- 2.3.9 **"in writing"** or **"written"** excludes faxes, electronic mail and text messaging via mobile phone.

2.4 "Transfer of Shares"

A reference in these Articles to the transfer of any Share shall mean the transfer of either or both of the legal and beneficial ownership in such Share and/or the grant of an option to acquire either or both of the legal and beneficial ownership in such Share and the following shall be deemed (but without limitation) to be a transfer of a Share:

- 2.4.1 any direction (by way of renunciation or otherwise) by a Shareholder entitled to an allotment or issue of any Share that such Share be allotted or issued to some person other than himself;
- 2.4.2 any sale or other disposition of any legal or equitable interest in a Share (including any voting right attached thereto) and whether or not by the registered holder thereof and whether or not for consideration or otherwise whether or not effected by an instrument in writing; and
- 2.4.3 any grant of a legal or equitable mortgage or charge over any Share.

2.5 Bare nominees

Where any Shares are held by a bare nominee for any person, that person shall be treated for the purposes of these Articles as the Shareholder in respect of those Shares.

SHARE CAPITAL

3 SHARE CAPITAL

- 3.1 The share capital of the Company as at the adoption of these Articles consists of 3,147,729 A Shares, although the Company proposes to issue and allot 4,328,127 B Shares (being 3,147,729 B Shares and the New Shares) on the Date of Adoption, after the adoption of these Articles.

3.2 Separate Class

The A Shares and the B Shares shall be separate classes of shares and carry the respective rights set out in these Articles.

4 DIVIDENDS, CAPITAL AND VOTING

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

4.1 Dividends

- 4.1.1 Subject to Article 4.1.2, any Available Profits which the Company may determine to distribute in respect of any financial year shall, on recommendation by the Board, be distributed amongst the holders of the Shares then in issue *pari passu* according to the amount paid up or credited as paid up on each such Share.
- 4.1.2 Dividends may be declared, paid and received separately on the A Shares and/or the B Shares at the complete discretion of the Board but subject always to the prior approval of the Investor.

4.2 Return of Capital

On a return of capital on liquidation or otherwise (except on a purchase by the Company of any Shares and except on a Sale), the surplus assets of the Company remaining after the payment of its liabilities (including without limitation any Indebtedness) shall be applied (to the extent that the Company is lawfully permitted to do so):

- 4.2.1 first in paying to each of the holders of the A Shares, in priority to any other classes of Shares, the A Share Amount in respect of each A Share held by him (provided that if there are insufficient surplus assets to pay

the A Share Amount in respect of each A Share, the remaining surplus assets shall be distributed to the holders of the A Shares pro rata to their respective holdings of A Shares); and

- 4.2.2 the balance of the surplus assets (if any) shall be distributed among the holders of B Shares pro rata to the number of B Shares held by them.

4.3 Voting Rights

Each Shareholder shall be entitled to receive notice of and to attend and speak out at any general meetings of the Company and a Shareholder who (being an individual) is present in person or by proxy or (being a corporation) is present by duly authorised representative shall, on a show of hands, have one vote each, and, on a poll, have two votes for each A Share of which he is the holder and/or one vote for each B Share of which he is the holder.

5 PROVISION ON SALE

- 5.1 On a Sale the provisions of this Article 5 (*Provision on Sale*) shall apply to determine the allocation of the Sale Proceeds notwithstanding anything to the contrary in the terms and conditions governing such Sale.

- 5.2 The Shareholders selling Shares shall pay the Sale Proceeds thereof into a joint account at a UK clearing bank nominated by the Board (or failing any such nomination as nominated by a Shareholder Majority) immediately prior to or on completion of the Sale and such Sale Proceeds shall, as between the Shareholders, be allocated and paid to them as follows:

- 5.2.1 if the Sale Proceeds exceed £5,000,000:

5.2.1.1 first, in paying an amount equal to the A Share Amount to each holder of the A Shares in respect of each A Share held by him, such amount to be deducted from the Sale Proceeds; and

5.2.1.2 secondly, in paying to the holders of B Shares, the remainder of the Sale Proceeds pro rata to the number of B Shares held by each of them, or

- 5.2.2 If the Sale Proceeds are less than £5,000,000, in paying to the holders of A Shares the total of the Sale Proceeds pro rata to the number of A Shares held by each of them.

- 5.3 If any of the Sale Proceeds in respect of a Sale are received in a non-Readily Realisable Form or are otherwise deferred ("**Deferred Consideration**"):

5.3.1 the operation of Article 5.2 will, as between the Shareholders, be postponed in respect of the Deferred Consideration such that, upon the Deferred Consideration converting into a Readily Realisable Form, the effect of that Article will operate as between the Shareholders upon such occurrence as though, and to the extent that, the Sale occurred at that time but subject to any previous Sale Proceeds allocated pursuant to that Article; and

5.3.2 the Deferred Consideration in its Readily Realisable Form shall be divided between the Shareholders accordingly, as would have been the case had that Article actually operated at that time and taking into account all proceeds previously received by Shareholders as a result of the Sale.

Consequently, if such Deferred Consideration would result in the total Sale Proceeds being greater than £5,000,000 (when the initial consideration for such Sale (the "**Initial Consideration**") was less than £5,000,000), the Deferred Consideration shall first be used to pay to each holder of the A Shares the A Share Amount per A Share held by them less any amount from the Sale Proceeds already paid to each holder of the A Shares per A Share held by them pursuant to this Article 5 (*Provision on Sale*), before the balance is distributed amongst the holders of the B Shares pro rata to the number of B Shares held by each of them.

6 ISSUES OF NEW SHARES

6.1 Director's power to allot Shares

The directors of the Company may only exercise the Company's power to allot Shares in accordance with this Article 6 and subject always to the terms of any Relevant Agreement.

6.2 Offer to existing shareholders

6.2.1 Subject to Article 6.3 and Article 6.8, all unissued Shares which the directors propose to offer, allot, issue, grant options over or otherwise deal with or dispose of, shall first be offered to the existing Shareholders who hold Shares of the same class as such new Shares at such time in proportion to the total number of Shares of the same class held by them respectively and at the proposed issue price.

6.2.2 Each offer shall be made by notice specifying:

6.2.2.1 the total number of Shares being offered and the class of such Shares;

6.2.2.2 the proportionate entitlement of the Shareholder to whom the offer is being made; and

6.2.2.3 the price per Share,

and shall require each Shareholder to state in writing within a period (not being less than 28 days) specified in the notice (for the purposes of this Article 6, the "**Offer Period**") whether he is willing to take any and, if so, what number of the said Shares up to his proportionate entitlement.

6.3 Excess Shares

Shareholders who accept an offer referred to in Article 6.2 shall be entitled to indicate that they would accept, on the same terms, Shares that have not been accepted by other Shareholders holding Shares of the same class (for the purposes of this Article 6, "**Excess Shares**") and indicating the number of Excess Shares they would be willing to accept (if any).

6.4 No acceptance of offer

6.4.1 An offer, if not accepted within the Offer Period as regards any Shares, will be deemed to be declined and the relevant Shares shall be available

to the other Shareholders as Excess Shares.

- 6.4.2 Excess Shares shall be allotted pro rata to the aggregate number of Shares held by Shareholders accepting Excess Shares provided that no such Shareholder shall be allotted more than the maximum number of Excess Shares that such Shareholder has indicated he is willing to accept.

6.5 Remaining Shares

To the extent that any Shares have not been accepted by existing Shareholders pursuant to Articles 6.2 and 6.3, such Shares shall be under the control of the directors, who may offer, allot, grant options over or otherwise deal with or dispose of them to such persons as they see fit provided that they are offered on terms no more favourable than those offered to the relevant Shareholders pursuant to Articles 6.1 to 6.4 and such offers shall be made within 3 months of the end of the Offer Period.

6.6 New Shares and Employee Shares

- 6.6.1 The Company may issue the New Shares on the Date of Adoption only to the New Share Allottees.

- 6.6.2 The Company may issue Shares or grant options to subscribe for Shares, to such directors or employees of the Company as the directors see fit provided that the maximum aggregate number of any such Shares that may be issued and/or in respect of which options may be granted pursuant to this Article (any such shares so issued, and whether or not following the exercise of any option, being together "**Employee Shares**") may not exceed:

6.6.1.1 160,018 A Shares; and

6.6.1.2 918,087 B Shares.

- 6.6.3 The provisions of Articles 6.1 to 6.5 shall not apply to the allotment and issue of any New Shares or Employee Shares.

6.7 Exclusion of statutory pre-emption

The pre-emption provisions of Section 561(1) of the Act shall not apply to any allotment of the Company's equity securities.

6.8 Permitted Issue

The provisions of Articles 6.1 to 6.5 and Article 7 shall not apply to any Permitted Issue.

7 ALL SHARES TO BE FULLY PAID UP

Unless the Company otherwise resolves by ordinary resolution, no Share will be issued for less than the aggregate of its nominal value and any premium to be paid to the Company in consideration for its issue.

SHARE TRANSFERS

8 PROHIBITED TRANSFERS

Any person who holds, or becomes entitled to, any Share shall not effect a transfer of any Share except a transfer in accordance with Article 9 (*Permitted Transfers*), Article 10 (*Pre-emption*), Article 11 (*Compulsory Transfers*), Article 12 (*Key Employee Shares*), Article 14 (*Drag Along*) or Article 15 (*Tag Along*).

9 PERMITTED TRANSFERS

9.1 Family transfers

9.1.1 Any Shareholder may at any time transfer any Share to a Family Member over the age of 18 or to the trustees of a Family Trust.

9.1.2 If any person has acquired Shares in their capacity as a Family Member from a Shareholder by way of one or more permitted transfers and that person ceases to be a Family Member of that Shareholder, that person shall immediately give a Transfer Notice in respect of the Shares concerned and in default of giving such a Transfer Notice, the relevant Family Member shall be deemed to have given such notice on such event, and the provisions of these Articles relating to Transfer Notices including the provisions of Article 10.11 shall take effect accordingly.

9.2 Transfers by trustees of Family Trusts

9.2.1 Any Shareholder who is a trustee of a Family Trust may at any time transfer any Share to:

- 9.2.1.1 the new or remaining trustees of the Family Trust upon any change of trustees;
- 9.2.1.2 the trustees of any other Family Trust in relation to the same individual pursuant to the terms of such Family Trust; and
- 9.2.1.3 any person becoming entitled to that Share under the terms of that Family Trust.

9.2.2 If and whenever any of the Shares held in Family Trust cease to be held under trust (other than pursuant to Article 9.2.1.3) or if any of the beneficiaries of any Family Trust which has acquired any Shares from a Shareholder become any persons other than Family Members of that Shareholder then the trustees shall immediately give a Transfer Notice in respect of the Shares concerned and in default of giving such a Transfer Notice, the trustees shall be deemed to have given such notice on such event, and the provisions of these Articles relating to Transfer Notices including the provisions of Article 10.11 shall take effect accordingly.

9.3 Intra-group transfers

9.3.1 Any Shareholder which is a body corporate may at any time transfer any Shares held by it to any of its subsidiaries, holding companies or subsidiaries of such holding companies (the "**Transferor Group**").

9.3.2 Where Shares have been transferred under Article 9.3.1 (whether directly or by a series of transfers) from a body corporate (the "**Transferor Company**") to a member of the Transferor Group (the

"Transferee Company") and subsequently the Transferee Company ceases to be a member of the Transferor Group, it shall be the duty of the Transferee Company to give a Transfer Notice immediately in respect of the relevant Shares and in default of giving such Transfer Notice, the Transferee Company shall be deemed to have given such notice on such cessation, and the provisions of these Articles relating to Transfer Notices including the provisions of Article 10.11 shall take effect accordingly.

- 9.3.3 For the purposes of Article 9.3.2 the expression the **"relevant Shares"** means and includes (so far as the same remains for the time being held by the transferee company) the Shares originally transferred and any additional Shares issued or transferred to the Transferee Company by virtue of the holding of the relevant Shares or any of them or the membership thereby conferred.
- 9.3.4 The provisions of Article 9.3.2 shall not apply where the relevant transfer takes place pursuant to a scheme of reconstruction or amalgamation under which the Transferor Company is placed in liquidation and the Transferee Company acquires the whole or the major part of its undertaking and assets.

9.4 Transfers by the Investor

- 9.4.1 Notwithstanding Regulation 26(5) of the Model Articles or any other provision in these Articles (except Article 9.4.2) the following transfers of Shares held by the Investor may be made by the Investor without restriction as to price or otherwise and any such transfers shall be registered by the directors:
- 9.4.1.1 transfer to the new or remaining trustees of the Investor upon any change of trustees of the Investor;
- 9.4.1.2 a transfer to the beneficial owner or owners in respect of which the Investor are a trustee or nominee or custodian or to any other trustee or nominee or custodian for such beneficial owner or owners (an **"Investor Transferee"**).
- 9.4.2 Any Shares held by any Investor Party may at any time be transferred to another Investor Party without restriction on price or otherwise and any such transfer shall be promptly registered by the directors.

9.5 Transfers by Key Employees

A Shareholder who is a Key Employee may not at any time transfer all of his Shares to a Permitted Transferee and must at all times retain in his own name at least 50% of the total number of Shares from time to time held by that Shareholder and any Permitted Transferees that he may at any time have transferred any of his Shares to.

9.6 Permitted Relevant Agreement Transfers

Any transfer of Shares which comprises a Permitted Relevant Agreement Transfer may be made at any time without restriction.

10 PRE-EMPTION

10.1 Service of transfer notice

- 10.1.1 Except in the case of a transfer pursuant to Article 9 (*Permitted*

Transfers), Article 11 (*Compulsory Transfers*), Article 12 (*Key Employee Shares*), Article 14 (*Drag Along*) or transfers made by any Possible Sellers pursuant to Article 15 (*Tag Along*), a Shareholder who wishes to transfer any Shares (the "**Seller**") shall give notice in writing of such wish to the Company (the "**Transfer Notice**").

10.1.2 Where the Transfer Notice is deemed to have been given pursuant to these Articles it is referred to as a "**Deemed Transfer Notice**".

10.1.3 Each Transfer Notice shall:

10.1.3.1 relate to one class of Shares only;

10.1.3.2 specify the number and class of Shares which the Seller wishes to transfer (the "**Sale Shares**");

10.1.3.3 specify the identity of any person to whom the Seller wishes to transfer the Sale Shares (the "**Proposed Transferee**");

10.1.3.4 specify the price per Share (the "**Proposed Price**") at which the Seller wishes to transfer the Sale Shares;

10.1.3.5 state whether the Transfer Notice is conditional upon all (and not part only) of the Sale Shares being sold pursuant to the following provisions of this Article 10 ("**Total Transfer Condition**");

10.1.3.6 be deemed to constitute the Company as the Seller's agent for the sale of the Sale Shares at the Sale Price (as defined below) in the manner prescribed by these Articles; and

10.1.3.7 save as expressly set out in these Articles, not be varied or cancelled without the consent of a Shareholder Majority.

10.2 Determination of Sale Price

The Sale Shares shall be offered for purchase in accordance with this Article 10 at a price per Sale Share (the "**Sale Price**") agreed between the Seller and the Board (with the approval of the Investor) or, in default of such agreement by the end of the 20th business day after the date of service of the Transfer Notice, the lower of:

10.2.1 the Proposed Price, in which case for the purpose of these Articles the Sale Price shall be deemed to have been agreed at the end of that 20th business day; and

10.2.2 if the Board so elects within that 20 business day period after the date of service of the Transfer Notice, the price per share reported on by the Valuers as their written opinion of the open market value of a Sale Share in accordance with Article 10.13 (the "**Market Value**") as at the date of service of the Transfer Notice in which case for the purposes of these Articles the Sale Price shall be deemed to have been determined on the date of the receipt by the Company of the Valuers' report,

provided that where Sale Shares are not being transferred following the occurrence of a Compulsory Transfer Event pursuant to Article 11, the Sale Price shall be the Proposed Price set out in the Transfer Notice and it shall not be necessary to determine Market Value.

10.3 **Intentionally blank**

10.4 **Service of Offer Notice by the Board**

The Board shall no more than 20 business days after the Sale Price has been agreed or determined give a notice (for the purposes of this Article 10, an **"Offer Notice"**) to all Shareholders to whom the Sale Shares are to be offered in accordance with these Articles.

10.5 **Offer Notice**

An Offer Notice shall expire 15 business days after its service and shall:

- 10.5.1 specify the Sale Price;
- 10.5.2 contain the other information set out in the Transfer Notice; and
- 10.5.3 invite the relevant offerees to apply in writing, before expiry of the Offer Notice, to purchase the numbers of Shares specified by them in their application.

10.6 **Offerees**

- 10.6.1 The Sale Shares shall be offered to all Shareholders (other than the Seller or any other Shareholder who is then bound to give, has given or is deemed to have given a Transfer Notice) in proportion to the total number of Shares of the same class as the Sale Shares held by them respectively.
- 10.6.2 Shareholders who accept the offer shall be entitled to indicate that they would accept, on the same terms, Sale Shares that have not been accepted by the other Shareholders (for the purpose of this Article 10, **"Excess Shares"**).
- 10.6.3 To the extent that any Sale Shares have not been accepted by Shareholders during the period specified in Article 10.5, such Excess Shares shall be offered to those Shareholders who have indicated that they would accept Excess Shares.
- 10.6.4 In the case of an offer of Excess Shares the expiry date of the Offer Notice shall be extended by a further 10 business days.
- 10.6.5 Excess Shares shall be allocated pro rata to the aggregate number of Shares of the same class as the Sale Shares held by Shareholders accepting Excess Shares provided that no such Shareholder shall be allotted more than the maximum number of Excess Shares that such Shareholder has indicated he is willing to accept.

10.7 **Allocation of Sale Shares**

After the expiry date of the Offer Notice, (or, if earlier, after valid applications being received for all the Sale Shares in accordance with Article 10.6), the Board shall allocate the Sale Shares in accordance with the applications received, subject to the other provisions of these Articles, save that:

- 10.7.1 if there are applications for more than the number of Sale Shares available, they shall be allocated to those applicants in proportion (as nearly as possible but without allocating to any Shareholder more Sale

Shares than the maximum number applied for by him) to the number of Shares of the same class as the Sale Shares then held by them respectively;

10.7.2 if it is not possible to allocate any of the Sale Shares without involving fractions, they shall be allocated amongst the applicants as nearly as possible without involving fractions with the balance of the Sale Shares being allocated in such manner as the Board shall think fit (with the consent of the Investor Director); and

10.7.3 if the Transfer Notice contained a Total Transfer Condition, no allocation of Sale Shares shall be made unless all the Sale Shares are allocated.

10.8 **Notice of purchasers**

Within 5 business days of the expiry date of the last Offer Notice, the Board shall give notice in writing (a "**Sale Notice**") to the Seller and to each person to whom Sale Shares have been allocated (each a "**Purchaser**") specifying the name and address of each Purchaser, the number of Sale Shares agreed to be purchased by him, the total price payable for them and the proposed date for completion of such sales.

10.9 **Completion**

Completion of a sale and purchase of Sale Shares pursuant to a Sale Notice shall take place at the registered office of the Company at the time specified in the Sale Notice when the Seller shall, upon payment to him by a Purchaser of the Sale Price in respect of the Sale Shares allocated to that Purchaser, transfer those Sale Shares with full title guarantee free from all encumbrances and deliver the relative share certificates to that Purchaser.

10.10 **Sale by Seller**

The Seller may, during the period of 120 business days commencing 5 business days after the expiry date of the last Offer Notice, sell all or any of those Sale Shares for which a Sale Notice has not been given by way of *bona fide* sale to the proposed transferee (if any) named in the Transfer Notice or, if none was so named, to any transferee at any price per Sale Share which is not less than the Sale Price, without any deduction, rebate or allowance to the proposed transferee, provided that if the Transfer Notice contained a Total Transfer Condition, the Seller shall not be entitled, save with the written consent of all the other Shareholders, to sell only some of the Sale Shares under this Article 10.10 and provided also that this Article 10.10 shall not apply in circumstances where a Transfer Notice has been deemed to have been served by a Shareholder pursuant to Articles 11 or 12.

10.11 **Failure to transfer by Seller**

If a Seller fails for any reason (including death) to transfer any Sale Shares when required pursuant to this Article 10:

10.11.1 the Board may authorise any person (who shall be deemed to be irrevocably appointed as the agent of that Seller for the purpose) to execute the necessary transfer of such Sale Shares with full title guarantee and free from all encumbrances and deliver it on the Seiler's behalf;

10.11.2 the Company may receive the purchase money for such Sale Shares from the Purchaser and shall upon receipt (subject, if necessary, to the

transfer being duly stamped) register the Purchaser as the holder of such Sale Shares;

10.11.3 the Company shall hold such purchase money in a separate bank account on trust for the Seller but shall not be bound to earn or pay interest on any money so held;

10.11.4 the Company's receipt for such purchase money shall be a good discharge to the Purchaser who shall not be bound to see to the application of it; and

10.11.5 after the name of the Purchaser has been entered in the register of members in purported exercise of the power conferred by this Article 10.11, the validity of the proceedings shall not be questioned by any person.

10.12 Valuers' appointment

Following the determination of the identity of the Valuers (whether the Auditors, a firm of chartered accountants agreed between the Seller and the Board or appointed by the President of the Institute of Chartered Accountants in England and Wales on application of either party), the terms of their appointment shall be agreed by the Board acting as agent for the Seller.

10.13 Valuers' role

If instructed to report on their opinion of Market Value under Article 10.2.2 the Valuers shall:

10.13.1 act as expert and not as arbitrator and their written determination shall be final and binding on the Shareholders (except in the case of manifest error); and

10.13.2 proceed on the basis that the open market value of each Sale Share shall be the sum which a willing purchaser would agree with a willing vendor to be the purchase price for all the Shares of the same class as the Sale Shares, divided by the number of issued Shares of that class taking account of the following:

10.13.2.1 the rights and restrictions attaching to the A Shares and the B Shares (as set out in Article 4 (*Dividends, Capital and Voting*)); and

10.13.2.2 any premium or any discount by reference to the size of the holding the subject of the Transfer Notice or in relation to any restrictions on the transferability of the Sale Shares.

10.14 Timing of opinion

The Company will use its reasonable endeavours to procure that the Valuers deliver their written opinion of the Market Value to the Board and to the Seller within 28 days of being requested to do so.

10.15 Valuers' fees

The Valuers' fees for reporting on their opinion of the Market Value shall be paid as to one half by the Seller and as to the other half by the Purchasers pro rata to the number of Sale Shares purchased by them unless none of the Sale Shares are purchased pursuant to this Article 10 in which case the Seller shall pay all the Valuers' fees.

11 COMPULSORY TRANSFERS

11.1 In this Article 11, a "**Compulsory Transfer Event**" shall be treated as having occurred in respect of a Shareholder (the "**Compulsory Transferor**") if that Shareholder:

11.1.1 makes or offers or purports to make any arrangement or composition with his creditors or has a bankruptcy order made against him or is declared bankrupt by any court of competent jurisdiction; or

11.1.2 is a body corporate and:

11.1.2.1 has a receiver, manager or administrative receiver appointed over all or substantially all of its undertaking or assets and/or over its Shares; or

11.1.2.2 has an administrator appointed in relation to it; or

11.1.2.3 enters into liquidation (other than a voluntary liquidation for the purpose of a bona fide scheme of solvent amalgamation or reconstruction); or

11.1.2.4 has any equivalent action in respect of it taken in any jurisdiction; or

11.1.3 attempts to dispose of any Share or any interest in it otherwise than in accordance with Article 9 (*Permitted Transfers*), Article 10 (*Pre-emption*), this Article 11 (*Compulsory Transfers*) and Article 12 (*Key Employee Shares*) or in breach of Article 15 (*Tag Along*) or Article 8 (*Prohibited Transfers*); or

11.1.4 shall for any reason not give a Transfer Notice in respect of any Shares or transfer any Shares (as the case may be) when required by Article 9.2.2 or 9.3.2.

11.2 Unless the Board (with the prior written consent of the Investor) otherwise resolves within 60 business days of the date the Board is notified of the occurrence of a Compulsory Transfer Event in relation to a particular Shareholder, a Transfer Notice shall be deemed to have been served by the Compulsory Transferor:

11.2.1 on the date on which such 60 business day period expires in respect of all of the Shares held by the Compulsory Transferor.

11.2.2 in respect of all Shares subsequently acquired by the Compulsory Transferors after the date of the deemed service of a Transfer Notice under this Article 11.2:

11.2.2.1 by way of rights or bonus issue, capitalisation, conversion, transfer or otherwise; and/or

11.2.2.2 under any option scheme or other arrangement (and in this case the Transfer Notice will be deemed served under this Article 11.2 on the date that such Shares are acquired by the Compulsory Transferor);

and the following provisions of this Article 11 shall apply in relation to such Transfer Notice.

11.3 Unless the Board (with the prior written consent of the Investor) otherwise

resolves, upon a person becoming a Compulsory Transferor:

- 11.3.1 any Transfer Notice previously issued or deemed issued in relation to the Shares held by the Compulsory Transferor shall immediately be cancelled and no further Transfer Notice shall be issued or deemed to be issued in respect of such Shares (except under Article 11.2 above); and
 - 11.3.2 none of the Shares which are the subject of the Transfer Notice deemed served under Article 11.2 shall entitle the Shareholder holding such Shares to receive notice of, attend or vote at any general meeting of the Company or meeting of the holders of Shares of the same class and such Shares shall not be counted in determining the total number of votes which may be cast at any such meeting or for the purposes of a written resolution of any Shareholders or class of Shareholders provided that all Shares so disenfranchised shall on a transfer in accordance with this Article 11 or Article 14 (*Drag Along*) or Article 15 (*Tag Along*) be re-enfranchised.
- 11.4 The Shares which are the subject of a Transfer Notice under this Article 11 shall be offered for sale in accordance with Article 10 (*Pre-emption*) as if they were Sale Shares and treating the person who is deemed to have given the Transfer Notice under Article 11.2 as the "Seller".
- 11.5 Notwithstanding the preceding provisions of this Article 11, if any Compulsory Transfer Event shall occur in respect of any Charged Shareholder then no Transfer Notice shall be deemed to have been served in respect of any Charged Shares held by that Charged Shareholder unless and until the Investor provides its written consent to such Transfer Notice being deemed to be served (and in such circumstances the Transfer Notice shall be deemed to be served only in respect of such number of Charged Shares as the Investor may approve and on such date as the Investor may approve).

12 KEY EMPLOYEE SHARES

- 12.1 For the purposes of this Article 12, a Key Employee shall be treated as being a "**Leaver**" if that Key Employee ceases for any reason (including death, bankruptcy or as a result of a Group Company ceasing to be a subsidiary of the Company) to be an employee of a Group Company and does not immediately become an employee of another Group Company (regardless of whether or not he is or remains a director of any Group Company) and in the case of Simon Smith being a Leaver Keril Smith shall also be treated as having become a Leaver at the same time.
- 12.2 Unless the Board (with the prior written consent of the Investor) otherwise resolves within 60 business days following the Termination Date of any Leaver, a Transfer Notice shall be deemed to have been served by the Leaver and all of the Leaver's Permitted Transferees (a "**Deemed Transfer Notice**") on the date that such 60 business day period expires in respect of all of the Key Employee Shares held by that Leaver and/or his Permitted Transferees provided that if the Termination Date of such Leaver falls:
- (a) on or after the second anniversary of that Leaver's Commencement Date but before the third anniversary of that Leaver's Commencement Date then such Deemed Transfer Notice shall only apply in respect of 75% of the number of Key Employee Shares held by that Leaver and/or any of that Leaver's Permitted Transferees;
 - (b) on or after the third anniversary of that Leaver's Commencement Date then such Deemed Transfer Notice shall only apply in respect of 50% of

the number of Key Employee Shares held by that Leaver and/or any of that Leaver's Permitted Transferees;

and, accordingly, in circumstances where Article 12.2(a) or Article 12.2(b) shall apply references in the remaining provisions of this Article 12 to the Key Employee Shares shall be construed as references only to such number of the Key Employee Shares as the Deemed Transfer Notice applies to as modified by Article 12.2(a) or Article 12.2(b) (as appropriate). For the avoidance of doubt, no Transfer Notice shall be deemed to have been served pursuant to this Article 12 by any Leaver or his Permitted Transferees in respect of any Shares which are not Key Employee Shares.

12.3 Unless the Board (with the prior written consent of the Investor) otherwise resolves, upon a person becoming a Leaver:

12.3.1 any Transfer Notice previously issued or deemed issued in relation to any Key Employee Shares held by that Leaver or any of his Permitted Transferees shall immediately be cancelled and no further Transfer Notice shall be issued or deemed to be issued in respect of such Key Employee Shares (except under Article 12.2 above); and

12.3.2 none of the Shares which are the subject of the Deemed Transfer Notice shall entitle the Shareholder holding such Shares to receive notice of, attend or vote at any general meeting of the Company or meeting of the holders of Shares of the same class and such Shares shall not be counted in determining the total number of votes which may be cast at any such meeting or for the purposes of a written resolution of any Shareholders or class of Shareholders provided that all Shares so disenfranchised shall on a transfer in accordance with this Article 12 or Article 14 (*Drag Along*) or Article 15 (*Tag Along*) be re-enfranchised.

12.4 In respect of a Deemed Transfer Notice under this Article 12, the Sale Price for the Key Employee Shares held by a Leaver and their Permitted Transferees and which are the subject of such Deemed Transfer Notice (the "**Leaver Sale Price**") shall be determined as follows:

12.4.1 if the Leaver is a Good Leaver, the Leaver Sale Price shall be Market Value; and

12.4.2 if the Leaver is a Bad Leaver, the Leaver Sale Price shall be the lower of the average mean Issue Price paid by the Leaver or his Permitted Transferees for the Key Employee Shares and Market Value,

except, in either case, where the Board (with prior written consent of the of Investor) agrees otherwise.

12.5 In this Article 12:

12.5.1 a Leaver is a "**Good Leaver**" where:

12.5.1.1 he has become a Leaver by reason of his death or permanent incapacity due to ill health (being the permanent incapacity of himself, a spouse or child or the death of a spouse), which shall include mental health (except where such ill health arises as a result of an abuse of drink or drugs) or permanent disability which is sufficiently serious to prevent him from carrying out his normal duties; or

12.5.1.2 the Board (with prior written consent of the Investor) resolves that such person is to be categorised as a Good Leaver;

- 12.5.2 a "**Bad Leaver**" is any Leaver who is not a Good Leaver;
- 12.5.3 the Market Value shall be calculated as at the date of the Deemed Transfer Notice or such earlier date as the Board (with prior written consent of the Investor) agrees; and
- 12.5.4 the Leaver Sale Price shall be payable to the Leaver on the date on which a Sale is completed.
- 12.6 The following provisions of this Article 12.6 will apply to any transfer of Shares by any Leaver (and any of the Leaver's Permitted Transferees) in respect of the Key Employee Shares to which Article 12 applies:
- 12.6.1 within 10 business days of the last to occur of:
- 12.6.1.1 the expiry of the 60 business day Period referred to in Article 12.2; and
- 12.6.1.2 the determination of the Market Value,
- the Board shall cause the Company (in its capacity as agent for the Seller) immediately to offer at a price per Share equal to the Sale Price such number of Key Employee Shares as they may determine for purchase by:
- (A) the Company pursuant to the provisions of Chapter 4 of Part 18 of the Act; and/or
 - (B) any Employee Benefit Trust of any Group Company or any other person who will hold the Key Employee Shares for the benefit of existing or future employees including (without limitation) any professional trustee, in any such case to hold the Key Employee Shares upon the terms of a discretionary trust for the benefit of the class of beneficiaries which includes (without limitation) employees or directors of any Group Company; and/or
 - (C) any New Management approved by the Investor who has entered into a deed of adherence in accordance with the terms any Relevant Agreement;
- 12.6.2 if any offeree of the Key Employee Shares pursuant to this Article 12 applies for them within 10 business days after the date of the *offer*, the Company will allocate to such offeree the Key Employee Shares applied for on the later of the expiry of the tenth business day following receipt of the offeree's application and the date on which the Leaver Sale Price is determined; and
- 12.6.3 if any Key Employee Shares remain unallocated following the operation of the above provisions of this Article 12, only then will Article 10 will have effect as if all references to the Sale Shares therein are to those of the Key Employee Shares not allocated in accordance with this Article 12.
- 12.7 If a Leaver and/or his Permitted Transferees fail to transfer any shares the subject of a Deemed Transfer Notice when required pursuant to this Article 12 or Article 10, the Investor Director or the Board may authorise any person (who shall be deemed to be the agent and/or attorney of the Leaver and of his Permitted Transferees for that purpose) to execute the necessary transfer of such shares and deliver it on the Leaver's or his Permitted Transferee's behalf. The Company

may receive the purchase money for the relevant shares from the Purchaser and shall, upon receipt of the duly stamped transfer, register the Purchaser as the holder of those shares. The Company shall hold the purchase money in a separate bank account on trust for the Leaver or his Permitted Transferee (as applicable) but shall not be bound to earn or pay interest on any money so held. The Company's receipt for the purchase money shall be a good discharge to the Purchaser (who shall not be concerned to see the application of it). After the name of the Purchaser has been entered in the register of members in purported exercise of the power conferred by this Article 12.10, the validity of that exercise shall not be questioned by any person.

13 COMPLIANCE

13.1 Furnishing of information

For the purpose of ensuring compliance with the transfer provisions of these Articles, the Company may require any Shareholder to procure that:

13.1.1 he; or

13.1.2 any proposed transferee, or

13.1.3 such other person as is reasonably believed to have information and/or evidence relevant to such purpose;

provides to the Company any information and/or evidence relevant to such purpose and until such information and/or evidence is provided the Company shall refuse to register any relevant transfer.

13.2 Appointment of agent

Each Shareholder hereby irrevocably appoints the Company as his agent (with the power to appoint any member of the Board as a substitute and to delegate to that substitute all or any powers hereby conferred, other than this power of substitution, as if he had been originally appointed by this article) to give effect to any transfer of Shares required by that Shareholder pursuant to the provisions of these Articles.

14 DRAG ALONG

14.1 Qualifying Offer

In these Articles a "**Qualifying Offer**" shall mean a bona fide arm's length offer in writing made by or on behalf of any person (for the purposes of this Article 14, the "**Offeror**") to the Company or to the Shareholders to acquire the entire issued share capital of the Company which has been accepted by Shareholders holding at least 70% in number of the issued Shares (which must include the Investor for so long as the Investor Parties hold in aggregate more than 10% in number of the issued Shares) (together, the "**Accepting Shareholders**"). If a Qualifying Offer is made then then the Accepting Shareholders shall have the option (a "**Drag Along Option**") to require each of the other Shareholders to transfer all of their Shares to the Offeror at the same time and on the same terms as the Accepting Shareholders in accordance with this Article 14.

14.2 Obligation to accept Qualifying Offer

The Accepting Shareholders may exercise the Drag Along Option by giving written notice (a "**Drag Along Notice**") to the remaining holders of Shares (the "**Other**

Shareholders") of their wish to accept the Qualifying Offer and the Other Shareholders shall (provided that the Accepting Shareholders accept the Qualifying Offer):

14.3.1 become bound to accept the Qualifying Offer; and

14.3.2 execute all such documents and do all such acts on things which are necessary to transfer their Shares to the Offeror in accordance with these Articles.

14.3 **New Shareholder**

Upon any person, following the issue of a Drag Along Notice, becoming a Shareholder of the Company pursuant to the exercise of a pre-existing option to acquire shares in the Company (a **"New Shareholder"**), a Drag Along Notice shall be deemed to have been served on the New Shareholder on the same terms as the previous Drag Along Notice and that New Shareholder shall then be bound to sell and transfer all Shares acquired by it pursuant to the exercise of that option to the Offeror (or as the Offeror may direct) and the provisions of this Article 14 shall apply with the necessary changes to the New Shareholder, except that completion of the sale of such shares shall take place immediately on the Drag Along Notice being deemed served on the New Shareholder.

14.4 **Appointment of agent**

Each of the Other Shareholders shall, on service of the Drag Along Notice, be deemed to have irrevocably appointed each of the Accepting Shareholders severally to be his agent to execute all such documents and do all such acts or things which are necessary to transfer his Shares to the Offeror.

14.5 **Proceeds of Sale**

In connection with the sale, the provisions of Article 5 (*Provision on Sale*) shall apply to the proceeds of the Shares and save as aforesaid the provisions of this Article 14 shall prevail over any contrary provisions of these Articles including rights of pre-emption and other restrictions contained in these Articles which shall not apply on any sale and transfer of Shares to the Offeror made in accordance with this Article 14. Any Transfer Notice or Deemed Transfer Notice served in respect of any Shares shall automatically be revoked by the service of a Drag Along Notice.

15 **TAG ALONG**

15.1 No transfer, or series of connected transfers, of any Shares (other than a transfer pursuant to Articles 9 (*Permitted Transfers*), 11 (*Compulsory Transfer*), 12 (*Key Employee Shares*) or 14 (*Drag Along*)) may be made or validly registered if, having complied with Article 10 (*Pre-emption*) that transfer is, when aggregated with all Shares being transferred by any person connected with the transferee, in respect of more than 3% of the Shares of the class being transferred unless the relevant transferring Shareholder (**"Selling Shareholder"**) has observed the procedures set out in this Article 15.

15.2 The Selling Shareholder shall give each other holder of the class of Shares being transferred (**"Possible Sellers"**) at least 15 business days' notice in advance of the proposed sale (a **"Tag Along Notice"**). The Tag Along Notice shall specify:

15.2.1 the identity of the proposed purchaser (for the purpose of this Article 15 the **"Buyer"**);

15.2.2 the price per Share that the Buyer proposes to pay;

- 15.2.3 the manner in which the consideration is to be paid; and
 - 15.2.4 the number of Shares that the Selling Shareholder (together with those persons connected with the Selling Shareholder) proposes to sell and the proportion that these Shares represent to the total number of Shares of that class held by that Shareholder.
- 15.3 Each Possible Seller shall, within ten business days following receipt of the Tag Along Notice, notify the Selling Shareholder if it wants to sell a certain number of Shares of the same class as the Shares being transferred at the proposed sale price. Such notification shall be made by delivering a written counter-notice to the Selling Shareholder which shall specify the number of Shares that the Possible Seller wants to sell. The maximum number of Shares that a Possible Seller can sell under this procedure shall be the same proportion of the Possible Seller's shareholding of Shares of that class as the proportion that the Shares that the Selling Shareholder proposes to sell is of the Shares of that class held by the Selling Shareholder.
- 15.4 Any Possible Seller that does not send a counter-notice within the period stated in Article 15.3 in respect of a Tag Along Notice shall be deemed to have specified that they do not want to sell any Shares to the Buyer pursuant to that Tag Along Notice.
- 15.5 After the expiry of the period stated in Article 15.3, the Selling Shareholder (and any person connected with him who was referred to in the Tag Along Notice as a connected selling Shareholder) shall be entitled to sell to the Buyer (on the terms notified to the Possible Sellers) a number of Shares not exceeding the number specified in the Tag Along Notice provided that, at the same time, the Buyer (or another person) buys from the Possible Sellers the number of Shares that they have respectively indicated they want to sell on terms no less favourable than those obtained by the Selling Shareholder from the Buyer (and any transfer of Shares by the Possible Sellers under this Article 15 shall not be subject to Article 10 (*Pre-emption*)).
- 15.6 No sale by the Selling Shareholder (or those connected with him) of any Shares referred to in any Tag Along Notice shall be made more than 3 months after service of that Tag Along Notice.
- 15.7 On any sale effected under Articles 15.1 to 15.5, the provisions of Article 5 (*Provisions on Sale*) shall apply to the proceeds of the Shares in the event that such sale is a Sale.

SHAREHOLDER MEETINGS

16 PROCEEDINGS OF SHAREHOLDERS

16.1 Quorum

- 16.1.1 No business shall be transacted at any general meeting unless a quorum of Shareholders is present at the time when the meeting proceeds to business and for its duration.
- 16.1.2 Subject to Article 16.1.3, three persons entitled to vote upon the business to be transacted, each being a Shareholder (or a proxy or duly authorised representative of a Shareholder) and at least one of which shall be the Investor (or a proxy of authorised representative of the Investor) shall be a quorum.
- 16.1.3 If a general meeting is duly convened and is not quorate, such meeting

shall be adjourned to the same time seven days later and at such adjourned meeting any three Shareholders present in person or by proxy or authorised representative shall form a quorum.

16.2 Voting

- 16.2.1 A resolution put to the vote of a meeting shall be decided on a show of hands unless before, or on the declaration of the result of, the show of hands, a poll is duly demanded.
- 16.2.2 A poll may be demanded at a general meeting by any qualifying person (as defined in section 318 of the Act) present and entitled to vote at the meeting.
- 16.2.3 Model Article 44(3) 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 Model Article.

16.3 Delivery of proxies

The instrument appointing a proxy and any authority under which it is executed or a copy of such authority certified notarially or in some other way approved by the Board must be delivered to the registered office of the Company not less than 48 hours before the time appointed for the holding of the meeting or to the place of the meeting at any time before the time appointed for the holding of the meeting.

16.4 Authorised Representatives of the Investor

Any trustee for the time being of the Trust shall be treated as if they were a duly authorised representative of the Investor and if any trustee for the time being of the Trust shall be present in person at any meeting then the Investor shall be treated by such presence as being present in person at such meeting.

DIRECTORS

17 NUMBER OF DIRECTORS

The number of directors (including the Investor Director but excluding alternate directors) shall not be less than two in number but shall not be subject to any maximum.

18 APPOINTMENT AND REMOVAL OF DIRECTORS

Model Article 18 shall be modified by the addition of the following events upon the occurrence of which a person shall cease to be a director:

- 18.1 he is convicted of a criminal offence (other than a minor motoring offence) and a majority of the other directors resolve that he cease to be a director;
- 18.2 save in the case of an Investor Director, a majority of the other directors resolve that he cease to be a director; and
- 18.3 in the case of an executive director only, he shall cease to be employed by the Company or other Group Company (as appropriate) and does not continue as an employee of any other Group Company (provided that this shall not apply to any Investor Director).

19 ALTERNATE DIRECTORS

19.1 Appointment of alternate directors

A director (other than an alternate director) may appoint any other director or (in the case of an Investor Director any other person whomsoever) to be an alternate director and may remove from office an alternate director so appointed.

19.2 Alternate to count in quorum

A person who holds office only as an alternate director shall, if his appointor is not present, be counted in the quorum.

19.3 Right of alternate to vote and count in quorum

Any director who is appointed an alternate director shall be entitled to vote at a meeting of the Board on behalf of the director so appointing him in addition to being entitled to vote in his own capacity as a director and shall also be considered as two directors for the purpose of making a quorum of directors unless he is the only individual present.

20 PROCEEDINGS OF DIRECTORS

20.1 Quorum

20.1.1 No business shall be transacted at any meeting of the Board unless a quorum of directors is present at the time when the meeting proceeds to business and for its duration.

20.1.2 Subject to Articles 20.1.3 and 20.1.4, three directors or their duly appointed alternates, and at least one of which shall be an Investor Director, shall be a quorum.

20.1.3 If a meeting of the Board is duly convened and no Investor Director is present, such meeting shall be adjourned to the same time and place seven days later and if no Investor Director is present at such meeting and two directors are present, the meeting shall be quorate.

20.1.4 If a meeting of the Board is duly convened and is attended by the Investor Director but is inquorate, such meeting shall be adjourned to the same time and place seven days later when any director(s) present shall comprise a quorum provided that the Investor Director is present.

20.2 Chairman

The directors may appoint any person as chairman of the board of directors ("**Chairman**") and may remove and replace any such Chairman.

20.3 Casting vote of chairman

The Chairman of the meeting shall not have a second or casting vote in the case of an equality of votes.

20.4 Telephonic board meetings

20.4.1 Any director or alternate director may validly participate in a meeting of the Board through the medium of conference telephone or similar form of communication equipment provided that all persons participating in the meeting are able to hear and speak to each other throughout such meeting. A person so participating shall be deemed to be present in

person at the meeting and shall accordingly be counted in a quorum and be entitled to vote.

20.4.2 Subject to the Act, all business transacted in such manner by the Board or a committee of the Board shall for the purpose of these Articles be deemed to be validly and effectively transacted at a meeting of the Board or a committee of the Board notwithstanding that a quorum of directors is not physically present in the same place.

20.4.3 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.

20.5 Decisions of directors

20.5.1 Any decision of the directors must be a majority decision.

20.5.2 Any decision of the directors must be taken at a meeting of the directors in accordance with these Articles or in the form of a directors' written resolution.

20.6 Resolutions in writing

20.6.1 A resolution executed by all the Eligible Directors, or by all the members of a committee constituted under these Articles, shall be as valid and effectual as if it had been passed at a meeting of the directors, or (as the case may be) at a meeting of that committee, which in every case was duly convened and held.

20.6.2 For the purposes of this Article 20.6:

20.6.2.1 a resolution shall consist of one or more written instruments (including faxes) or one or more electronic communications sent to an address specified for the purpose by the secretary, or a combination of them, provided that each such written instrument and electronic communication (if more than one) is to the same effect;

20.6.2.2 a written instrument is executed when the person executing it signs it;

20.6.2.3 an electronic communication is executed when the person executing it sends it provided that it has been authenticated in such manner (if any) as the secretary shall prescribe;

20.6.2.4 the directors, or (as the case may be) members of a committee constituted under these Articles, need not execute the same written instrument or electronic communication;

20.6.2.5 a resolution shall be effective when the secretary certifies that sufficient evidence has been received by him/her that the resolution has been executed in accordance with this Article 20.6; and

20.6.2.6 if no secretary is appointed, the chairman shall perform the functions of the secretary under this Article 20.6.

20.7 Provisions applying to conflicts of Directors

If at any time whilst more than one Director holds office:

- 20.7.1 it is proposed that any agreement (each a "**Conflict Agreement**" and including, without limitation, any service agreement or contract for services) between on the one hand a Director or any person who is an Affiliate of a Director (the Director concerned being the "**Conflicted Director**" and the Conflicted Director or his Affiliate being the "**Conflicted Counter Party**") and on the other hand any Group Company should be entered into, amended or varied in any way;
- 20.7.2 it is proposed that any Conflict Agreement should be terminated by any Group Company or any claim should be made by any Group Company by reason of the Conflicted Counter Party doing or omitting to do anything that would, under the terms of the Conflict Agreement, entitle the Group Company concerned to terminate the same or bring such claim;
- 20.7.3 it is proposed that any Group Company should exercise any other right granted to it under any Conflict Agreement against a Conflicted Counter Party; or
- 20.7.4 any Conflicted Counter Party shall bring, or threaten to bring, any claim, action or other proceedings against any Group Company or seek to assert any right it may hold against any Group Company,

then provided that the Investor Director is not a Conflicted Director, the Investor Director may require, by serving written notice on the Company, that the Conflicted Director and any other Director who is an Affiliate of or connected with the Conflicted Director be excluded from any Board meetings at which any decisions regarding the aforementioned matters are discussed or made such that the ability to make such decisions and/or take actions which may require the approval of the Board or the Company in connection with such matters shall be delegated and reserved to any remaining Director or Directors to the exclusion of the Conflicted Director and his Affiliates or connected persons (and if there are only two Directors then any decisions made by the remaining Director in such circumstances shall be treated as if they had been made at a duly convened and held quorate meeting of the Board). In such circumstances, the remaining Director or Directors may keep confidential from any Conflicted Director any documents, advice or information relating to the matter concerned which they consider may prejudice the interests of any Group Company if it were to be disclosed to the Conflicted Director and any Conflicted Director shall not be entitled to receive notice of, attend or speak at any meeting of the Board convened to discuss such matters.

21 INVESTOR DIRECTOR AND OBSERVER

21.1 Investor Director

- 21.1.1 Whilst and so long as any one or more Investor Parties hold in aggregate 10% or more in number of the issued Shares the Investor may from time to time and at any time by written notice, appoint a non-executive Director of the Company (provided that the identity of such Director is first approved by the existing Directors, such approval not to be unreasonably withheld or delayed (and such consent shall be deemed given if a response is not received within 5 business days of any proposal by the Investor or if the existing Directors have refused to approve the identity of any two persons previously proposed by the Investor) ("**Investor Director**") and may similarly require the removal from office of any such person.

- 21.1.2 Subject to Article 21.1.3, any appointment or removal of an Investor Director shall take effect at the time the relevant written notice is served on the Company pursuant to Article 21.1.1 or if later the date expressly stated therein.

21.2 Observer

- 21.2.1 Whilst and so long as any one or more Investor Parties hold in aggregate 5% or more in number of the issued Shares, the Investor may from time to time and at any time by written notice, be entitled to send a person (provided that the identity of such person is first approved by the Board, such approval not to be unreasonably withheld or delayed (and such consent shall be deemed given if a response is not received within 5 business days of any proposal by the Investor or if the existing Directors refused to approve the identity of any two persons previously proposed by the Investor)) to attend but not vote at any meeting of the Board and may similarly require the removal from office of any such person.
- 21.2.2 Any Observer appointed from time to time shall be given (at the same as the directors) notice of all meetings of the directors or any committee along with all agendas, written materials, minutes and other papers and/or information relating to such meetings.

22 TRANSACTIONS OR OTHER ARRANGEMENTS WITH THE COMPANY

- 22.1 Subject to sections 177(5) and 177(6) and sections 182(5) and 182(6) of the Act and Article 20.7 and provided he has declared the nature and extent of his interest in accordance with the requirements of the Act, a director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company:
- 22.1.1 may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested;
- 22.1.2 shall be an Eligible Director for the purposes of any proposed decision of the directors (or committee of the directors) in respect of such existing or proposed transaction or arrangement in which he is interested;
- 22.1.3 shall be entitled to vote at a meeting of directors (or of a committee of the directors) or participate in any unanimous decision, in respect of such existing or proposed transaction or arrangement in which he is interested;
- 22.1.4 may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a director;
- 22.1.5 may be a director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is otherwise (directly or indirectly) interested; and
- 22.1.6 shall not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or a person connected with him) derives from any such transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on

the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act.

23 DIRECTORS' CONFLICTS

- 23.1 The directors may, in accordance with the requirements set out in this Article 23, authorise any matter or situation proposed to them by any director which would, if not authorised, involve a director (an **"Interested Director"**) breaching his duty under section 175 of the Act to avoid conflicts of interest (**"Conflict"**).
- 23.2 Any authorisation under this Article 23 will be effective only if:
- 23.2.1 to the extent permitted by the Act, the matter in question shall have been proposed by any director for consideration in the same way that any other matter may be proposed to the directors under the provisions of these Articles or in such other manner as the directors may determine;
 - 23.2.2 any requirement as to the quorum for consideration of the relevant matter is met without counting the interested Director; and
 - 23.2.3 the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's vote had not been counted.
- 23.3 Any authorisation of a Conflict under this Article 23 may (whether at the time of giving the authorisation or subsequently):
- 23.3.1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;
 - 23.3.2 provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the directors or otherwise) related to the Conflict;
 - 23.3.3 provide that the Interested Director shall or shall not be an Eligible Director in respect of any future decision of the directors in relation to any resolution related to the Conflict;
 - 23.3.4 impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the directors think fit;
 - 23.3.5 provide that, where the Interested Director obtains, or has obtained (through his involvement in the Conflict and otherwise than through his position as a director of the Company) information that is confidential to a third party, he will not be obliged to disclose that information to the Company, or to use it in relation to the Company's affairs where to do so would amount to a breach of that confidence; and
 - 23.3.6 permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any meeting of the directors and be excused from reviewing papers prepared by, or for, the directors to the extent they relate to such matters.
- 23.4 Where the directors authorise a Conflict, the Interested Director will be obliged to conduct himself in accordance with any terms and conditions imposed by the directors in relation to the Conflict.
- 23.5 The directors may revoke or vary such authorisation at any time, but this will not affect anything done by the Interested Director, prior to such revocation or

variation, in accordance with the terms of such authorisation.

- 23.6 A director, notwithstanding his office, may be a director or other officer of, employed by, or otherwise interested (including by the holding of shares) in his appointor(s) (or any Permitted Transferee of such appointor(s)) and no authorisation under Article 23.1 shall be necessary in respect of any such interest.
- 23.7 A director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director), to account to the Company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the directors in accordance with these Articles and by the Company in general meeting (subject in each case to any terms and conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.

24 COMMITTEES

24.1 Delegation to committees

The directors, subject to prior written consent from the Investor, may delegate any of their powers, authorities and discretions for such time and on such terms and conditions as it thinks fit to any committee consisting of one or more directors.

24.2 Exercise of power by committees

Where a provision of the Articles refers to the exercise of a power, authority or discretion by the board and that power, authority or discretion has been delegated by the board to a committee, the provisions shall be construed as permitting the exercise of the power, authority or discretion by the committee.

25 NOTICES

- 25.1 Any notice to be given to the Company pursuant to these Articles shall be sent by first-class pre-paid post or special or recorded delivery to the registered office of the Company or presented at a meeting of the Board.