

UK RICHMOND GROUP HOLDINGS SPAIN LIMITED
(the "Company")

Company No:
11049131
Companies Act 2006

Written Resolution of the Members
(Proposed by the Directors)

Circulation Date: 10th August 2018

In accordance with Part 13, Chapter 2 of the Companies Act 2006 (the "Act"), the board of directors propose that the resolutions set out below be submitted to the eligible members of the Company as a written resolution and that resolution 1 and 2 be passed as ordinary resolutions and resolutions 3 and 4 be passed as special resolutions (the "Resolutions").

ORDINARY RESOLUTION

1 **THAT**, the directors of the Company be authorised pursuant to Section 551 of the Act to exercise all the powers of the Company to allot shares in the Company or to grant rights to subscribe for or to convert any security into shares in the Company up to an aggregate amount of £529,095 with the rights and subject to the obligations set out in the articles of association in force from time to time provided that:

- (a) the authority granted under this Resolution shall expire five years after the passing of this Resolution; and
- (b) the Company may, before such expiry under paragraph (a) above of this Resolution, make an offer or agreement which would require shares to be allotted or rights to subscribe for or to convert any security into shares to be granted after such expiry and the directors may allot such shares or grant such rights (as the case may be) in pursuance of such offer or agreement notwithstanding that the authority conferred by this Resolution has expired.

This authority is in substitution for all subsisting authorities

2. **THAT**,

the 945 A Ordinary shares of £1 each in the issued share capital of the Company be sub-divided into 9450 A Ordinary shares of £0.10 each, such shares having the same rights and being subject to the same restrictions (save as to nominal value) as the existing A Ordinary shares of £1 each in the capital of the Company as set out in the Company's articles of association for the time being.

the 55 B Ordinary shares of £1 each in the issued share capital of the Company be sub-divided into 550 B Ordinary shares of £0.10 each, such shares having the same rights and being subject to the same restrictions (save as to nominal value) as the existing B Ordinary shares of £1 each in the capital of the Company as set out in the Company's articles of association for the time being.

MONDAY



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COMPANIES HOUSE

SPECIAL RESOLUTION

3. **THAT**, in accordance with section 569 of the Act, the directors of the Company be generally empowered to allot equity securities (as defined by section 560 of the Act) as if section 561 of the Act did not apply to any allotment carried out in accordance with the authority granted under the resolution numbered 1 above.
4. **THAT**, the draft articles of association attached to this resolution be adopted as the articles of association of the Company in substitution for, and to the exclusion of, the Company's existing articles of association.

We being the eligible members of the Company hereby signify our irrevocable agreement to the Resolution in accordance with the acceptance procedure set out below.

The Members:


.....
RICHMOND GROUP LIMITED

Date of Signature10/08/2018.....


.....
TAREK BENAMOR

Date of Signature10/08/2018.....

NOTES

1. Once you have indicated your voting intentions please sign and date this document and return it to the Company using one of the following methods:
 - (a) By hand: delivering the signed copy to UK Richmond Group Holdings Spain Limited, Walton House, 56-58, Richmond Hill, Bournemouth, BH2 6EX.
 - (b) By post: returning the signed copy to Amber Cole, UK Richmond Group Holdings Spain Limited, Walton House, 56-58, Richmond Hill, Bournemouth, BH2 6EX.
 - (c) By email: by attaching a scanned copy of the signed document to an email and sending it to amber.cole@rgroup.co.ukIf 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.
2. Once you have indicated your agreement to the Resolutions, you may not revoke your agreement.
3. Unless, by 28 days from the Circulation Date, sufficient agreement has been received from the required majority of eligible members for the Resolutions to be passed, they will lapse. If you agree to the Resolutions, please ensure that your agreement reaches us on or before this date.
4. 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

UK RICHMOND GROUP HOLDINGS SPAIN LIMITED

Company No 11049131

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

OF

UK Richmond Group Holdings Spain Limited

(Adopted by written resolution passed on 10th August 2018)

INTRODUCTION

1. INTERPRETATION

1.1 In these Articles, unless the context otherwise requires:

- 1.1.1 **A Ordinary Shareholder:** means a holder of A Ordinary Shares;
- 1.1.2 **A Ordinary Shares:** means the A ordinary shares of £0.10 each in the capital of the Company having the rights set out in these Articles;
- 1.1.3 **A Shareholder Group:** means the A Ordinary Shareholder, any subsidiary of the A Ordinary Shareholder and any company of which the A Ordinary Shareholder is a subsidiary;
- 1.1.4 **Act:** means the Companies Act 2006;
- 1.1.5 **appointor:** has the meaning given in Article 11.1;
- 1.1.6 **Articles:** means the Company's articles of association for the time being in force;
- 1.1.7 **Bad Leaver:** means a Shareholder who is also an Employee who ceases to be an Employee and does not continue as either a director or employee in relation to the Company or any of its subsidiaries because of any of the following:
 - (a) voluntary resignation (which for the avoidance of doubt does not include constructive dismissal or resignation due to death, ill health or permanent disability rendering the Employee incapable of continued employment in his current position); and
 - (b) that person's dismissal as an Employee for cause, where "cause" shall mean the lawful termination of that person's contract of employment or consultancy without notice or payment in lieu of notice as a consequence of that person's gross misconduct.
- 1.1.8 **B Ordinary Shareholder:** means a holder of B Ordinary Shares;
- 1.1.9 **B Ordinary Shares:** means the B ordinary shares of £0.10 each in the capital of the Company having the rights set out in these Articles;

- 1.1.10 **Board:** means the board of Directors and any committee of the board constituted for the purpose of taking any action or decision contemplated by these Articles;
- 1.1.11 **Business Day:** means any day (other than a Saturday, Sunday or public holiday in the United Kingdom) on which clearing banks in the City of London are generally open for business;
- 1.1.12 **Call Notice:** has the meaning given in Article 23.1;
- 1.1.13 **Company's Lien:** has the meaning given in Article 21.1;
- 1.1.14 **Compulsory Employee Transfers:** means transfers of shares under the provisions of Article 34.3;
- 1.1.15 **Conflict:** has the meaning given in Article 7.1;
- 1.1.16 **Controlling Interest:** means an interest in any Shares conferring in total more than 50% of the total voting rights conferred by all the Shares from time to time and conferring the right to vote at all general meetings of the Company;
- 1.1.17 **eligible director:** means a Director who would be entitled to vote on the matter at a meeting of Directors (but excluding any Director whose vote is not to be counted in respect of the particular matter);
- 1.1.18 **Employee:** means a person who is or has been a Director and/or an employee of the Company or any of its subsidiaries;
- 1.1.19 **Expert:** means an independent firm of chartered accountants who are experienced in valuing shares (acting as an expert and not an arbitrator) nominated by the parties concerned or, in the event of disagreement as to nomination, appointed by the President from time to time of the Institute of Chartered Accountants in England and Wales on the application of any party;
- 1.1.20 **Fair Value:** is defined in Article 35.7.
- 1.1.21 **Family Trust:** means a trust which only permits the settled property or the income from it to be applied for the benefit of:
- (a) the settlor and/or his Privileged Relations;
 - (b) any charity or charities as default beneficiaries (meaning that the charity or charities have no immediate beneficial interest in any of the settled property or the income from it when the trust is created but may become interested if there are no other beneficiaries from time to time except another such charity or charities); or
 - (c) any other person that the settlor nominates provided Richmond Consent is obtained,

and under which no power of control is capable of being exercised over the votes of any Shares which are the subject of the trust by any person other than the trustees or the settlor or the Privileged Relations of the settlor. For purposes of this definition “settlor” includes a testator or an intestate in relation to a Family Trust arising respectively under a testamentary disposition or an intestacy of a deceased member.

- 1.1.22 **Good Leaver:** means a Shareholder who is also an Employee who ceases to be an Employee and does not continue as either a Director or employee in relation to the Company or any of its subsidiaries and who is not considered a Bad Leaver and shall include when the Board determines that a person is not a Bad Leaver;
- 1.1.23 **holding company:** has the definition given to the term in section 1159 of the Act;
- 1.1.24 **Investment Agreement:** means the agreement between Richmond, the Company and the B Ordinary Shareholders.
- 1.1.25 **Lien Enforcement Notice:** has the meaning given in Article 22.2;
- 1.1.26 **Listing:** means the successful application and admission of all or any of the shares in the capital of the Company to the Official List of the UK Listing Authority or on the AIM market operated by the London Stock Exchange plc, or to any recognised investment exchange (as defined in section 285 of the Financial Services and Markets Act 2000 (as amended));
- 1.1.27 **Model Articles:** means the model articles for private companies limited by shares contained in Schedule 1 of the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the date of adoption of these Articles;
- 1.1.28 **Privileged Relations:** means the spouse or widow or widower of a Shareholder and a Shareholder’s children and grandchildren (including step and adopted children and their issue) and step and adopted children of a Shareholder’s children;
- 1.1.29 **RGL Director:** a director of the Company appointed from time to time by Richmond in accordance with the Investment Agreement.
- 1.1.30 **Richmond:** means Richmond Group Limited (registered in England and Wales under company number 05230353) and its assignees.
- 1.1.31 **Richmond Consent:** means the prior written consent of Richmond;
- 1.1.32 **Richmond Group:** means Richmond, any subsidiary of Richmond and any company of which Richmond is a subsidiary;
- 1.1.33 **Shares:** means the A Ordinary Shares and the B Ordinary Shares for the time being of the Company;

- 1.1.34 **subsidiary:** in relation to a company wherever incorporated (a holding company) means "subsidiary" as defined in section 1159 of the Act and a company shall be treated, for the purposes only of the membership requirement contained in subsections 1159(1)(b) and (c) of the Act, 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), whether by way of security or in connection with the taking of security, or (b) its nominee]. Unless the context requires otherwise, the application of the definition of subsidiary to any company at any time shall apply to the company as it is at that time;
- 1.1.35 **Transfer Price:** the price of the Sale Shares as agreed or determined in accordance with Article 35; and
- 1.1.36 **United Kingdom:** means Great Britain and Northern Ireland.
- 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 Act shall have the same meanings in these Articles.
- 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 Unless expressly provided otherwise, a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of:
- 1.5.1 any subordinate legislation from time to time made under it; and
- 1.5.2 any amendment or re-enactment and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts.
- 1.6 Any phrase introduced by the terms "including", "include", "in particular" or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.
- 1.7 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.
- 1.8 Articles 6(2), 8, 11(2) and (3), 13, 14(1), (2), (3) and (4), 16, 17(2), 21, 22(1), 44(2), 50, 52 and 53 of the Model Articles shall not apply to the Company.

- 1.9 Article 20 of the Model Articles shall be amended by the insertion of the words "(including alternate directors) and the secretary" before the words "properly incur".
- 1.10 In article 25(2)(c) of the Model Articles, the words "evidence, indemnity and the payment of a reasonable fee" shall be deleted and replaced with the words "evidence, indemnity and the payment of reasonable expenses properly incurred".
- 1.11 Article 27(3) of the Model Articles shall be amended by the insertion of the words ", subject to article 10," after the word "But".
- 1.12 Article 29 of the Model Articles shall be amended by the insertion of the words ", or the name of any person(s) named as the transferee(s) in an instrument of transfer executed under article 28(2)," after the words "the transmittee's name".
- 1.13 Articles 31(a) to (d) (inclusive) of the Model Articles shall be amended by the deletion, in each case, of the words "either" and "or as the Directors may otherwise decide".
- 1.14 In accordance with section 567(1) of the Act, sections 561 and 562 of the Act shall not apply to an allotment of equity securities (as defined in section 560(1) of the Act) made by the company.

Directors

2. UNANIMOUS DECISIONS

- 2.1 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.
- 2.2 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.
- 2.3 A decision may not be taken in accordance with this article if the eligible directors would not have formed a quorum at such a meeting.

3. MEETINGS OF THE DIRECTORS

- 3.1 A meeting of the Directors shall be held on a monthly basis at least ten times per year.
- 3.2 Every notice convening a meeting of the Directors will have with it a written agenda specifying the business for the meeting and article 9(2) of the Model Articles shall be modified accordingly.
- 3.3 Within 20 Business Days of the meeting of the Directors, minutes of that meeting will be circulated to all Directors and to the A Ordinary Shareholder.
- 3.4 A Director absent from the United Kingdom is deemed to have waived his right to receive notices of any meeting of the Directors during his absence unless he has requested that notices of such meetings shall during his absence be sent in writing to him at an address or an electronic address given by him to the Company for this

purpose, but such notices need not be given any earlier than notices given to Directors not so absent.

4. QUORUM FOR DIRECTORS' MEETINGS

- 4.1** Subject to Article 4.2, the quorum for the transaction of business at a meeting of any Directors (including adjourned meetings) is one RGL Director.
- 4.2** For the purposes of any meeting (or part of a meeting) held pursuant to article 7 to authorise a Director's conflict, if there is only one eligible director in office other than the conflicted Director(s), the quorum for such meeting (or part of a meeting) shall be one eligible director.
- 4.3** If the total number of Directors in office for the time being is less than the quorum required, the Directors must not take any decision other than a decision:
- 4.3.1** to appoint further Directors; or
 - 4.3.2** to call a general meeting so as to enable the shareholders to appoint further Directors.

5. CHAIRMAN

- 5.1** The chairman shall be appointed by Richmond from any of the RGL Directors.
- 5.2** If the numbers of votes for and against a proposal at a meeting of Directors are equal, the chairman has a casting vote.
- 5.3** Article 5.2 shall not apply in respect of a particular meeting (or part of a meeting) if, in accordance with the Articles, the chairman or other Director is not an eligible director for the purposes of that meeting (or part of a meeting).

6. TRANSACTIONS OR OTHER ARRANGEMENTS WITH THE COMPANY

- 6.1** Subject to sections 177(5) and 177(6) and sections 182(5) and 182(6) of the Act and provided he has declared the nature and extent of his interest in accordance with the requirements of the Act, a Director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company:
- 6.1.1** 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 in
 - 6.1.2** shall be an eligible director for the purposes of any proposed decision of the Directors (or committee of Directors) in respect of such contract or proposed contract in which he is interested;
 - 6.1.3** 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 contract or proposed contract in which he is interested;

- 6.1.4 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;
- 6.1.5 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
- 6.1.6 shall not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or a person connected with him (as defined in section 252 of the Act)) 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 Act.

7. DIRECTORS' CONFLICTS OF INTEREST

- 7.1 The Directors may, in accordance with the requirements set out in this article, authorise any matter or situation proposed to them by any Director which would, if not authorised, involve a Director (**Interested Director**) breaching his duty under section 175 of the Act to avoid conflicts of interest (**Conflict**).
- 7.2 Any authorisation under this article will be effective only if:
 - 7.2.1 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;
 - 7.2.2 any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director; and
 - 7.2.3 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.
- 7.3 Any authorisation of a Conflict under this article may (whether at the time of giving the authorisation or subsequently):
 - 7.3.1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;
 - 7.3.2 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;
 - 7.3.3 provide that the Interested Director shall or shall not be an eligible director in respect of any future decision of the Directors vote in relation to any resolution related to the Conflict;

- 7.3.4 impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the Directors think fit;
 - 7.3.5 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
 - 7.3.6 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.
- 7.4 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.
- 7.5 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.
- 7.6 In authorising a Conflict the Directors may decide (whether at the time of giving the authorisation or subsequently) that if a Director has obtained any information through his involvement in the Conflict otherwise than as a Director and in respect of which he owes a duty of confidentiality to another person, the Director is under no obligation to:
- 7.6.1 disclose such information to the Directors or to any Director or other officer or Employee; or
 - 7.6.2 use or apply any such information in performing his duties as a Director, where to do so would amount to a breach of that confidence.
- 7.7 Any RGL Director, notwithstanding his office, may be a director or other officer of, employed by, or otherwise interested (including by the holding of shares) in, Richmond or any other member of Richmond's Group, and no authorisation under Article 7.1 shall be necessary in respect of any such interest.
- 7.8 Any RGL Director shall be entitled from time to time to disclose to any member of the Richmond Group such information concerning the business and affairs of the Company as he shall at his discretion see fit.
- 7.9 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 or by the Company in general meeting (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.

8. 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 permanent form, so that they may be read with the naked eye.

9. NUMBER OF DIRECTORS

Unless otherwise determined by ordinary resolution, the number of Directors (other than alternate directors) shall not be subject to any maximum.

10. APPOINTMENT AND REMOVAL OF DIRECTORS

- 10.1 In any case where, as a result of death or bankruptcy, the Company has no shareholders and no Directors, the transmittee(s) of the last shareholder to have died or to have a bankruptcy order made against him (as the case may be) have the right, by notice in writing, to appoint a natural person (including a transmittee who is a natural person), who is willing to act and is permitted to do so, to be a Director.

11. APPOINTMENT AND REMOVAL OF ALTERNATE DIRECTORS

- 11.1 Any Director (**appointor**) may appoint as an alternate any other Director, or any other person approved by resolution of the Directors, to:

11.1.1 exercise that Director's powers; and

11.1.2 carry out that Director's responsibilities,

in relation to the taking of decisions by the Directors, in the absence of the alternate's appointor.

- 11.2 Any appointment or removal of an alternate must be effected by notice in writing to the Company signed by the appointor, or in any other manner approved by the Directors.

- 11.3 The notice must:

11.3.1 identify the proposed alternate; and

11.3.2 in the case of a notice of appointment, contain a statement signed by the proposed alternate that the proposed alternate is willing to act as the alternate of the Director giving the notice.

12. RIGHTS AND RESPONSIBILITIES OF ALTERNATE DIRECTORS

- 12.1 An alternate director may act as alternate director to more than one Director and has the same rights in relation to any decision of the Directors as the alternate's appointor.

- 12.2 Except as the Articles specify otherwise, alternate directors:

12.2.1 are deemed for all purposes to be Directors;

12.2.2 are liable for their own acts and omissions;

12.2.3 are subject to the same restrictions as their appointors; and

12.2.4 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.

12.3 A person who is an alternate director but not a Director:

12.3.1 may be counted as participating for the purposes of determining whether a quorum is present (but only if that person's appointor is not participating);

12.3.2 may participate in a unanimous decision of the Directors (but only if his appointor is an eligible director in relation to that decision, but does not participate); and

12.3.3 shall not be counted as more than one director for the purposes of Articles 12.3.1 and 12.3.2.

12.4 A Director who is also an alternate director is entitled, in the absence of his appointor, to a separate vote on behalf of his appointor, in addition to his own vote on any decision of the Directors (provided that his appointor is an eligible director in relation to that decision), but shall not count as more than one director for the purposes of determining whether a quorum is present.

12.5 An alternate director may be paid expenses and may be indemnified by the Company to the same extent as his appointor but shall not be entitled to receive any remuneration from the Company for serving as an alternate director except such part of the alternate's appointor's remuneration as the appointor may direct by notice in writing made to the Company.

13. TERMINATION OF ALTERNATE DIRECTORSHIP

13.1 An alternate director's appointment as an alternate terminates:

13.1.1 when the alternate's appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;

13.1.2 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;

13.1.3 on the death of the alternate's appointor; or

13.1.4 when the alternate's appointor's appointment as a Director terminates.

14. SECRETARY

The Directors may appoint any person who is willing to act as the secretary for such term, at such remuneration and upon such conditions as they may think fit and from

time to time remove such person and, if the Directors so decide, appoint a replacement, in each case by a decision of the Directors.

Decision making by shareholders

15. QUORUM AT GENERAL MEETINGS

- 15.1 The quorum at any general meeting of the Company, or adjourned general meeting, shall be one duly authorised representative of the A Ordinary Shareholder.

16. POLL VOTES

- 16.1 A poll may be demanded at any general meeting by any qualifying person (as defined in section 318 of the Act) present and entitled to vote at the meeting.
- 16.2 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.

17. PROXIES

- 17.1 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 the general meeting (or adjourned meeting) to which they relate".
- 17.2 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, unless the Directors, in their discretion, accept the notice at any time before the meeting" as a new paragraph at the end of that article.

Shares

18. CLASSES OF SHARES

- 18.1 Except as otherwise provided in these Articles, the A Ordinary Shares and the B Ordinary Shares shall rank *pari passu* in all respects but shall constitute separate classes of shares.
- 18.2 Unless otherwise agreed by a majority of the A Ordinary Shareholders in writing, any new Shares issued to an A Ordinary Shareholder will be A Ordinary Shares and any new Shares issued to a B Ordinary Shareholder will be B Ordinary Shares.
- 18.3 Subject to Article 18.5, the Directors can determine how to deal with any Shares that have not been issued and are generally and unconditionally authorised, for the purpose of section 551 of the Act, to exercise any power of the Company to:
- 18.3.1 offer or allot;
 - 18.3.2 grant rights to subscribe for or to convert any security into; or

18.3.3 otherwise deal in, or dispose of,

any shares in the Company to any person, at any time and subject to any terms and conditions as the Directors think proper.

18.4 The authority referred to in Article 18.3:

18.4.1 shall be limited to a maximum nominal amount of £945 of A Ordinary Shares and £55 of B Ordinary Shares or such other amount as may from time to time be authorised by the Company by ordinary resolution;

18.4.2 shall only apply insofar as the Company has not, subject to these Articles, renewed, waived or revoked it by ordinary resolution; and

18.4.3 may only be exercised for a period of five years from the date of adoption of these Articles, save that the Directors may make an offer or agreement which would, or might, require shares to be allotted after the expiry of such authority (and the Directors may allot shares in pursuance of an offer or agreement as if such authority had not expired).

18.5 The Directors can only exercise the powers given to them under Article 18.3 with Richmond Consent.

19. INCOME FROM SHARES

19.1 No payment can be made to the A Ordinary Shareholders or the B Ordinary Shareholder without Richmond Consent.

19.2 A different dividend may be declared in respect of the A Ordinary Shares and the B Ordinary Shares, which shall include the ability to declare a dividend in respect of one class of share and none on the other.

19.3 All dividends are expressed net and will be paid in cash.

20. CLASS CONSENTS

A Ordinary Shares

20.1 Whenever the capital of the Company is divided into different classes of shares the special rights attached to any class may be varied or abrogated either whilst the Company is a going concern or during the contemplation of a winding up, only with the consent of 51% of the A Ordinary Shareholders, in the case of the A Ordinary Shares and 51% of the B Ordinary Shareholders in the case of the B Ordinary Shares.

20.2 The special rights attached to the A Ordinary Shares which may only be exercisable by not less than 51% of the A Ordinary Shareholders from time to time and are treated as being varied by the Company:

20.2.1 creating, allotting or issuing any shares or securities or to granting any right to require the allotment or issue of any shares or securities in the Company or any of its subsidiaries. This does not include the creation, allotment or issue of any shares or securities on the day these Articles were adopted;

- 20.2.2 increasing, reducing, repaying, purchasing, subdividing, consolidating or otherwise varying the share capital of the Company or any of its subsidiaries or reducing the amount, if any, standing to the credit of the share premium account or capital redemption reserve fund except under the terms of these Articles;
 - 20.2.3 acquiring the whole or part of any undertaking or acquiring or disposing of any shares in the capital of any Company or permitting any of its subsidiaries to acquire or dispose of any undertaking or shares (other than a transfer of shares or securities of any subsidiary of the Company which is governed by these Articles) where the acquisition or disposal in question would be material in the context of the Company and its subsidiaries as a group;
 - 20.2.4 altering any provision of the Articles or any of its subsidiaries;
 - 20.2.5 otherwise than as permitted by these Articles, registering any transfer of any Shares in favour of any person, firm or Company or its nominee if that transferee, together with any Connected Person, would as a result acquire a Controlling Interest in the Shares then in issue. For the purpose of this Article 20.2.5, and Article 33.3.3, **Connected Persons** has the meaning given to that expression in section 1122 the Corporation Tax Act 2010;
 - 20.2.6 changing the accounting reference date of the Company or any of its subsidiaries;
 - 20.2.7 applying by way of capitalisation any sum in or towards paying up any share or loan capital of the Company or any of its subsidiaries;
 - 20.2.8 entering into a contract to purchase any of its shares;
 - 20.2.9 redeeming any of its Shares;
 - 20.2.10 passing a resolution that it be wound up.
- 20.3 The matters listed in Article 20.2 do not affect any other restrictions in these Articles relating to the modification of the rights attached to other classes of Shares.

Partly paid shares

21. COMPANY'S LIEN OVER SHARES

- 21.1 The Company has a lien (the **Company's Lien**) over every share, whether or not fully paid, which is registered in the name of any person indebted or under any liability to the Company, whether he is the sole registered holder of the share or one of several joint holders, for all monies payable by him (either alone or jointly with any other person) to the Company, whether payable immediately or at some time in the future.
- 21.2 The Company's Lien over a share:
 - 21.2.1 takes priority over any third party's interest in that share; and

- 21.2.2 extends to any dividend or other money payable by the Company in respect of that share and (if the lien is enforced and the share is sold by the Company) the proceeds of sale of that share.

The directors may at any time decide that a share which is or would otherwise be subject to the Company's Lien shall not be subject to it, either wholly or in part.

22. ENFORCEMENT OF THE COMPANY'S LIEN

- 22.1 Subject to the provisions of this Article 22, if:

- 22.1.1 a Lien Enforcement Notice has been given in respect of a share; and

- 22.1.2 the person to whom the notice was given has failed to comply with it,

the Company may sell that share in such manner as the directors decide.

- 22.2 A Lien Enforcement Notice:

- 22.2.1 may only be given in respect of a share which is subject to the Company's Lien and in respect of a sum payable to the Company for which the due date for payment has passed;

- 22.2.2 must specify the share concerned;

- 22.2.3 must require payment of the sum within 14 clear days of the notice (that is, excluding the date on which the notice is given and the date on which that 14 day period expires);

- 22.2.4 must be addressed either to the holder of the share or to a transmittee of that holder; and

- 22.2.5 must state the Company's intention to sell the share if the notice is not complied with.

- 22.3 Where shares are sold under this Article 22:

- 22.3.1 the directors may authorise any person to execute an instrument of transfer of the shares to the purchaser or to a person nominated by the purchaser; and

- 22.3.2 the transferee is not bound to see to the application of the consideration, and the transferee's title is not affected by any irregularity in or invalidity of the process leading to the sale.

- 22.4 The net proceeds of any such sale (after payment of the costs of sale and any other costs of enforcing the lien) must be applied:

- 22.4.1 first, in payment of so much of the sum for which the lien exists as was payable at the date of the Lien Enforcement Notice; and

- 22.4.2 second, to the person entitled to the shares at the date of the sale, but only after the certificate for the shares sold has been surrendered to the Company

for cancellation, or an indemnity in a form reasonably satisfactory to the directors has been given for any lost certificates, and subject to a lien equivalent to the Company's Lien over the shares before the sale for any money payable by that person (or his estate or any joint holder of the shares) after the date of the Lien Enforcement Notice.

A statutory declaration by a director or the Company secretary that the declarant is a director or the company secretary and that a share has been sold to satisfy the Company's Lien on a specified date:

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

23. CALL NOTICES

- 23.1 Subject to the Articles and to the terms on which shares are allotted, the directors may send a notice (a **Call Notice**) to a shareholder requiring the shareholder to pay the Company a specified sum of money (a **Call**) which is payable in respect of shares in the Company held by that shareholder at the date when the directors decide to send the Call Notice.

23.2 A Call Notice:

- 23.2.1 may not require a shareholder to pay a Call which exceeds the total sum unpaid on that shareholders shares (whether in respect of nominal value or premium);
 - 23.2.2 must state when and how any Call to which it relates is to be paid; and
 - 23.2.3 may permit or require the Call to be made in instalments.
- 23.3 A shareholder must comply with the requirements of a Call Notice, but no shareholder is obliged to pay any Call before 14 clear days (that is, excluding the date on which the notice is given and the date on which that 14 day period expires) have passed since the notice was sent.
- 23.4 Before the Company has received any Call due under a Call Notice the directors may:
 - 23.4.1 revoke it wholly or in part; or
 - 23.4.2 specify a later time for payment than is specified in the notice,by a further notice in writing to the shareholder in respect of whose shares the Call is made.

24. LIABILITY TO PAY CALLS

- 24.1 Liability to pay a Call is not extinguished or transferred by transferring the shares in respect of which it is required to be paid.

- 24.2 Joint holders of a share are jointly and severally liable to pay all Calls in respect of that share.
- 24.3 Subject to the terms on which shares are allotted, the directors may, when issuing shares, provide that Call Notices sent to the holders of those shares may require them:
- 24.3.1 to pay Calls which are not the same; or
- 24.3.2 to pay Calls at different times.

25. WHEN CALL NOTICE NEED NOT BE ISSUED

- 25.1 A Call Notice need not be issued in respect of sums which are specified, in the terms on which a share is issued, as being payable to the Company in respect of that share (whether in respect of nominal value or premium):
- 25.1.1 on allotment;
- 25.1.2 on the occurrence of a particular event; or
- 25.1.3 on a date fixed by or in accordance with the terms of issue.
- 25.2 But if the due date for payment of such a sum has passed and it has not been paid, the holder of the share concerned is treated in all respects as having failed to comply with a Call Notice in respect of that sum, and is liable to the same consequences as regards the payment of interest and forfeiture.

26. FAILURE TO COMPLY WITH CALL NOTICE: AUTOMATIC CONSEQUENCES

- 26.1 If a person is liable to pay a Call and fails to do so by the call payment date:
- 26.1.1 the directors may issue a notice of intended forfeiture to that person; and
- 26.1.2 until the Call is paid, that person must pay the Company interest on the Call from the call payment date at the relevant rate.
- 26.2 For the purposes of this Article 26:
- 26.2.1 the call payment date is, subject to Article 23.3, the time when the Call Notice states that a Call is payable, unless the directors give a notice specifying a later date, in which case the call payment date is that later date; and
- 26.2.2 the relevant rate is
- (a) the rate fixed by the terms on which the share in respect of which the Call is due was allotted;
- (b) such other rate as was fixed in the Call Notice which required payment of the Call, or has otherwise been determined by the directors; or
- (c) if no rate is fixed in either of these ways, 5% per annum.

26.3 The relevant rate must not exceed by more than 5 percentage points the base lending rate most recently set by the Monetary Policy Committee of the Bank of England in connection with its responsibilities under Part 2 of the Bank of England Act 1998.

26.4 The directors may waive any obligation to pay interest on a Call wholly or in part.

27. NOTICE OF INTENDED FORFEITURE

27.1 A notice of intended forfeiture:

27.1.1 may be sent in respect of any share in respect of which a Call has not been paid as required by a Call Notice;

27.1.2 must be sent to the holder of that share (or all the joint holders of that share) or to a transmittee of that holder;

27.1.3 must require payment of the Call and any accrued interest and all expenses that may have been incurred by the Company by reason of such non-payment by a date which is not less than 14 clear days after the date of the notice (that is, excluding the date on which the notice is given and the date on which that 14 day period expires);

27.1.4 must state how the payment is to be made; and

27.1.5 must state that if the notice is not complied with, the shares in respect of which the Call is payable will be liable to be forfeited.

28. DIRECTORS' POWER TO FORFEIT SHARES

If a notice of intended forfeiture is not complied with before the date by which payment of the Call is required in the notice of intended forfeiture, the directors may decide that any share in respect of which it was given is forfeited, and the forfeiture is to include all dividends or other moneys payable in respect of the forfeited shares and not paid before the forfeiture.

29. EFFECT OF FORFEITURE

29.1 Subject to the Articles, the forfeiture of a share extinguishes:

29.1.1 all interests in that share, and all claims and demands against the Company in respect of it; and

29.1.2 all other rights and liabilities incidental to the share as between the person whose share it was prior to the forfeiture and the Company.

29.2 Any share which is forfeited in accordance with the Articles:

29.2.1 is deemed to have been forfeited when the directors decide that it is forfeited;

29.2.2 is deemed to be the property of the Company; and

29.2.3 may be sold, re-allotted or otherwise disposed of as the directors think fit.

29.3 If a person's shares have been forfeited:

- 29.3.1 the Company must send that person notice that forfeiture has occurred and record it in the register of shareholders;
 - 29.3.2 that person ceases to be a shareholder in respect of those shares;
 - 29.3.3 that person must surrender the certificate for the shares forfeited to the Company for cancellation;
 - 29.3.4 that person remains liable to the Company for all sums payable by that person under the Articles at the date of forfeiture in respect of those shares, including any interest (whether accrued before or after the date of forfeiture); and
 - 29.3.5 the directors may waive payment of such sums wholly or in part or enforce payment without any allowance for the value of the shares at the time of forfeiture or for any consideration received on their disposal.
- 29.4 At any time before the Company disposes of a forfeited share, the directors may decide to cancel the forfeiture on payment of all Calls and interest due in respect of it and on such other terms as they think fit.

30. PROCEDURE FOLLOWING FORFEITURE

- 30.1 If a forfeited share is to be disposed of by being transferred, the Company may receive the consideration for the transfer and the directors may authorise any person to execute the instrument of transfer.
- 30.2 A statutory declaration by a director or the Company secretary that the declarant is a director or the company secretary and that a share has been forfeited on a specified date:
- 30.2.1 is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share; and
 - 30.2.2 subject to compliance with any other formalities of transfer required by the Articles or by law, constitutes a good title to the share.
- 30.3 A person to whom a forfeited share is transferred is not bound to see to the application of the consideration (if any) nor is that person's title to the share affected by any irregularity in or invalidity of the process leading to the forfeiture or transfer of the share.
- 30.4 If the Company sells a forfeited share, the person who held it prior to its forfeiture is entitled to receive from the Company the proceeds of such sale, net of any commission, and excluding any amount which:
- 30.4.1 was, or would have become, payable; and
 - 30.4.2 had not, when that share was forfeited, been paid by that person in respect of that share,

but no interest is payable to such a person in respect of such proceeds and the Company is not required to account for any money earned on them.

31. SURRENDER OF SHARES

31.1 A shareholder may surrender any share:

31.1.1 in respect of which the directors may issue a notice of intended forfeiture;

31.1.2 which the directors may forfeit; or

31.1.3 which has been forfeited.

31.2 The directors may accept the surrender of any such share.

31.3 The effect of surrender on a share is the same as the effect of forfeiture on that share.

31.4 A share which has been surrendered may be dealt with in the same way as a share which has been forfeited.

Transfers of shares

32. TRANSFERS

32.1 No transfer of Shares may be registered by the Directors unless the terms of these Articles have been complied with. In order to ensure that a particular transfer of Shares is permitted under these Articles, the Directors may ask the transferor, or the person named as transferee in any transfer lodged for registration, to supply them with any information and evidence they think reasonably necessary or relevant. If satisfactory information or evidence is not supplied within 28 days of asking for it, the Directors are entitled to refuse to register the transfer in question.

32.2 Subject to Articles 33 (Permitted Transfers) 34 (Mandatory Transfers) and 36 (Drag Along Rights) no transfer of the B Ordinary Shares may be made without Richmond Consent.

33. PERMITTED TRANSFERS

Permitted transfers to relations and trusts

33.1 Any Shareholder may, with Richmond Consent, at any time transfer (or by will bequeath or otherwise dispose of on death) all or any Shares held by him to a Privileged Relation.

33.2 Any Shareholder may, with Richmond Consent, at any time transfer (or by will bequeath or otherwise dispose of on death) all or any Shares held by him to trustees to be held on a Family Trust of which he is the settlor.

33.3 Where Richmond Consent is needed to a transfer to a Family Trust, that consent must be given when Richmond is satisfied:

33.3.1 with the terms of the trust instrument and the powers of the trustees;

- 33.3.2 with the identity of the proposed trustees;
 - 33.3.3 that the proposed transfer will not result in a Controlling Interest being held by trustees of that and any other trusts; and
 - 33.3.4 that no costs incurred in connection with the setting up or administration of the Family Trust in question are to be paid by the Company.
- 33.4 Where any Shares are held under a Family Trust:
- 33.4.1 on any change of trustees those Shares may be transferred to the new trustees of that Family Trust; and
 - 33.4.2 those Shares may be transferred at any time to the settlor or to another Family Trust of which he is the settlor or to any Privileged Relation of the settlor.
- 33.5 Any transfer of B Ordinary Shares may only be made with the prior consent of Richmond.

Permitted transfers by Richmond

- 33.6 Richmond is free to transfer any or all its Shares to:
- 33.6.1 any member of the Richmond Group; or
 - 33.6.2 any third party,
- without any restriction as to price or otherwise and the provisions of Article 35 (Pre-emption Rights on Transfer) shall not apply to any transfer of the A Ordinary Shares. Any such transfer must be registered by the Directors.

Approved transfers

- 33.7 Despite anything else said in these Articles, if Richmond Consent is obtained, then a transfer of any Share may be made without restriction as to price or otherwise and any such transfer must be registered by the Directors.

34. MANDATORY TRANSFERS

Family trusts

- 34.1 If any Shares held under Family Trusts cease to be so held (except as a result of a transfer to a settlor or to any Privileged Relation of the settlor) or there are no longer any beneficiaries of the Family Trust other than a charity or charities, a Deemed Transfer Notice (defined in Article 35.1) is deemed to have been given in respect of the Relevant Shares (defined in Article 34.2) by the Shareholder of those Relevant Shares.
- 34.2 **Relevant Shares** means and includes the Shares originally transferred to the trustees and any additional Shares issued or transferred to the trustees as a result of their holding the Relevant Shares or any of them.

Cessation of employment - Compulsory Employee Transfers

- 34.3 If a person ceases to be a Director or Employee (and does not continue in that capacity in relation to any of them) (**Departing Shareholder**), he will be treated as having served a Deemed Transfer Notice on the date he ceased to be a Director or Employee in respect of:
- 34.3.1 all the Shares the Departing Shareholder held immediately before that happened; and
 - 34.3.2 all Shares held by the Departing Shareholder's Privileged Relations and/or Family Trusts (other than Shares which the remaining Directors are satisfied were not acquired by these holders either (i) directly or indirectly from the Departing Shareholder or (ii) because of their connection with the Departing Shareholder. The decision of the Board in this respect is final.)

35. PRE-EMPTION RIGHTS ON TRANSFER

- 35.1 Unless these Articles say otherwise, every Shareholder (excluding any A Ordinary Shareholder) who wants to transfer any Shares must give written notice of this to the Company (**Transfer Notice**). Where a Transfer Notice is treated as being given it is referred to as a **Deemed Transfer Notice**. The transferor under a Transfer Notice and a Deemed Transfer Notice is referred to as the **Seller**.
- 35.2 This Article 35.2 applies only to a Bad Leaver. If a Deemed Transfer Notice is deemed to have been served due to the Departing Shareholder being a Bad Leaver, the Board has a period of 40 Business Days from the date of the Deemed Transfer Notice to decide whether or not the Departing Shareholder's Shares will be subject to the transfer provisions set out in this Article 35. If the Board decides that the Departing Shareholder's Shares will not be subject to this Article 35 then the Departing Shareholder shall be entitled to keep his Shares.
- 35.3 Transfer Notices and Deemed Transfer Notices have the effect of appointing the Company as the agent of the Seller for the sale of the Shares to be sold (**Sale Shares**).
- 35.4 A Transfer Notice must specify the class, number and distinguishing number (if any) of the Shares which the Seller wishes to sell (**Sale Shares**) and whether or not the Seller has received an offer from a third party for the Sale Shares and, if so the identity of that third party and the terms offered for the Sale Shares. A Transfer Notice, but not a Deemed Transfer Notice, may state that, unless all the Sale Shares are sold, none of them can be sold (**Total Transfer Condition**). A Total Transfer Condition is binding on the Company.

Transfer Price

- 35.5 Subject to Article 35.6, the Transfer Price of the Sale Shares will be decided by agreement between the Seller and the Directors but if they fail to agree the Transfer Price shall be equal to the Fair Value (calculated in accordance with Article 35.7).
- 35.6 In the case of a Compulsory Employee Transfer:

35.6.1 if the Shareholder in question is a Bad Leaver, the Transfer Price shall be the lower of (a) the original subscription price of the Sale Shares and (b) the Fair Value; and

35.6.2 if the Shareholder in question is a Good Leaver, the Transfer Price shall be the higher of (a) the original subscription price of the Sale Shares and (b) the Fair Value.

35.7 **Fair Value** will be an amount calculated by the Directors in accordance with the formula:

$$FV = \left(\frac{\text{Net Assets}}{A} \right) \times B$$

Where:

FV = Fair Value of the Sale Shares

A = the total number of issued Shares of the Company as at the date of the Transfer Notice or Deemed Transfer Notice

B = the number of B Ordinary Shares held by you that are subject to the Transfer Notice or Deemed Transfer Notice

Net Assets = the consolidated net assets of the Company and its subsidiaries as derived from the annual accounts of the Company and any relevant subsidiaries for the immediately preceding financial year before the date of the Transfer Notice or Deemed Transfer Notice.

Offers – general

35.8 Once the Transfer Price has been determined then, unless the Seller gives a valid notice of cancellation, the Sale Shares will be offered for sale as set out below.

35.9 Any Shares being sold because of a Transfer Notice or a Deemed Transfer Notice must first be offered to such persons as are approved by Richmond following the procedures set out in Articles 35.10 to 35.12 (**Approved Transferees**). If the Company does not find purchasers for all the Shares subject to the Compulsory Employee Transfer, then, with Richmond Consent, any unsold Shares must be offered to the Company. The required Richmond Consent may be refused if, in Richmond's opinion, any such transfer of Shares to the Company would result in the Company becoming a subsidiary of any member of Richmond's Group. Whether a company is a subsidiary will be determined by Richmond and will include subsidiaries under tax legislation and company law.

35.10 The Company will:

35.10.1 first offer the Sale Shares at the Transfer Price to all the Approved Transferees pro rata as nearly as may be to the respective numbers of Shares held by those Shareholders. This offer will remain open for acceptance for 20 Business Days (**First Offer Period**). This offer will invite the relevant

Shareholder to state in writing the maximum number of Sale Shares offered to them they wish to buy; and

- 35.10.2 if any Shares remain unsold at the end of the First Offer Period those unsold Sale Shares will immediately be offered at the Transfer Price to those Approved Transferees (if any) who have already accepted Sale Shares and if there is more than one in proportion as nearly as may be to their existing holding of Shares. This offer remains open for a further period of 20 Business Days and after the end of that further period, the Company will continue to make offers on the same terms while any Shareholder continues to state in writing his willingness to buy all the Shares offered to him.
- 35.11 If the Company finds a buyer for all or any of the Sale Shares the Seller must on receipt of the Transfer Price transfer the Sale Shares (or as many of the Sale Shares that the Company has found a buyer(s) for) to that buyer. If the Seller fails to carry out the sale, the Company may authorise some other person to execute a transfer of the Sale Shares to the buyer and the Company may give a good receipt for the Transfer Price and may register the buyer as the holder of the Sale Shares and issue to it certificates for these Sale Shares at which point the buyer becomes entitled to the Sale Shares.

Transfers free of pre-emption

- 35.12 If the Company fails within 20 Business Days of the service of the final offer by the Company under Article 35.10 to find Shareholders willing to buy all of the Sale Shares or if through no default (withdrawal of the Transfer Notice by the Seller under Article 35 not being a default) of the Seller, the purchase of any of the Sale Shares is not completed within 30 Business Days of the due date for completion, the Seller is free at any time within 20 Business Days of the end of these periods to transfer any of the Sale Shares which were not accepted or in respect of which the sale was not completed, to any person he may wish provided that:
- 35.12.1 the sale is completed at the Transfer Price or any higher or (subject to what is said below) lower price and the terms of payment of the purchase price are no more favourable to the buyer than those rejected by the existing Shareholders; and
- 35.12.2 no Sale Shares may be sold at a lower price than the Transfer Price without first serving a further Transfer Notice on the Company setting out that lower price and the provisions of this Article 35.12.2 apply to this further Transfer Notice except that the period of acceptance will be 10 Business Days instead of 20 Business Days and the Transfer Price will be that lower price. However if the Sale Shares were the subject of a Total Transfer Condition the sale may only be made of all the Sale Shares and not part only.

36. DRAG ALONG

- 36.1 If holders of more than 50% in nominal value of the Shares (**Selling Shareholders**) wish to transfer all their interest in their Shares (**Transferring Shares**) to either:
- 36.1.1 a bona fide arm's length buyer; or

- 36.1.2 a member of the Richmond Group (provided that in these circumstances the price of Transferring Shares shall be supported by a written valuation carried out by a reputable independent firm of chartered accountants),

(the proposed transferee being referred to in each case as a **(Buyer)**)

the Selling Shareholders have the option (**Drag Along Option**) to require all the other Shareholders (**Called Shareholders**) to sell and transfer all their Shares (**Called Shares**) to the Buyer or as the Buyer may direct, in accordance with these Articles.

- 36.2 The Selling Shareholders may exercise the Drag Along Option by giving written notice at any time before the transfer of their Shares to the Buyer (**Drag Along Notice**). A Drag Along Notice must state that the Called Shareholders are required to transfer all the Called Shares to the Buyer under this Article, the identity of the Buyer, the consideration payable and the proposed date of transfer.
- 36.3 A Drag Along Notice once issued is irrevocable but will lapse if for any reason there is no sale of the Selling Shareholders' Shares to the Buyer within 20 Business Days after the date of service of the Drag Along Notice. The Selling Shareholders are entitled to serve further Drag Along Notices following the lapse of any particular Drag Along Notice.
- 36.4 The consideration (in cash or otherwise) for which the Called Shareholders are obliged to sell each Called Share will be the same as that attributed by the offer from the Buyer for the Transferring Shares held by the Selling Shareholders (**Equivalent Consideration**).
- 36.5 Completion of the sale of the Called Shares will take place on the same date as the date proposed for the completion and sale of the Selling Shareholders' unless:
- 36.5.1 all of the Called Shareholders and the Selling Shareholders agree otherwise;
or
- 36.5.2 that date is less than three Business Days after the Drag Along Notice, in which case it must be deferred until the third Business Day after the Drag Along Notice.
- 36.6 The provisions of Article 35 (rights of pre-emption) do not arise on any transfer of Shares to a Buyer (or as he may direct) as a result of a duly served Drag Along Notice.
- 36.7 If any Called Shareholder fails to carry out the sale of any of his Called Shares on the date specified in the Drag Along Notice, the Directors may authorise some person to execute a transfer of the Called Shares in question to the Buyer and the Company may give a good receipt for the purchase price of these Called Shares and may register the Buyer as the holder of these Called Shares and issue to it certificates for the Called Shares at which point the Buyer becomes entitled to the Called Shares.
- 36.8 As soon as a person, following the issue of a Drag Along Notice, becomes a Shareholder pursuant to the exercise of a pre-existing option to acquire Shares in the Company (**New Shareholder**) a Drag Along Notice is deemed to have been served on the New Shareholder on the same terms as the previous Drag Along Notice. The New Shareholder is immediately bound to sell and transfer all the Shares acquired by

him to the Buyer or as the Buyer may direct and the provisions of this Article 36 will apply in exactly the same way to the New Member except that completion of the sale of those Shares will take place immediately on the Drag Along Notice being deemed served on the New Member.

37. TAG ALONG RIGHTS

37.1 The provisions of Articles 37.2 to 37.5 shall apply if in one or a series of related transactions, the A Ordinary Shareholder proposes to transfer 25% or more of the total number of A Ordinary Shares (**Tag Shares**) issued by the Company (**Proposed Transfer**) to either:

37.1.1 a bona fide arm's length buyer; or

37.1.2 a member of the Richmond Group (provided that in these circumstances the price of the Tag Shares shall be supported by a written valuation carried out by a reputable independent firm of chartered accountants),

(the proposed transferee being referred to in each case as a (**Buyer**).

If the conditions of this Article 37.1 are satisfied then the provisions of this Article will apply on all subsequent transfers by the A Ordinary Shareholder of any A Ordinary Shares.

37.2 Before making a Proposed Transfer, the A Ordinary Shareholder shall procure that the Buyer makes an offer (**Offer**) to all the other Shareholders to purchase a proportion of all Shares held by each of them equal to the proportion of A Ordinary Shares proposed to be transferred by the holder of not less than 51% of the A Ordinary Shares for a consideration per Share that is at least equal to the highest price per Share offered or paid by the Buyer, or any person Acting in Concert with the Buyer, in the Proposed Transfer (**Specified Price**).

37.3 The Offer shall be made by written notice (**Offer Notice**), at least 10 Business Days before the proposed sale date (**Sale Date**). To the extent not described in any accompanying documents, the Offer Notice shall set out:

37.3.1 the identity of the Buyer;

37.3.2 the Specified Price and other terms and conditions of payment;

37.3.3 the Sale Date; and

37.3.4 the number of the A Ordinary Shares to be transferred; and

37.3.5 the number of Shares proposed to be purchased by the Buyer from each of the other Shareholders (**Offer Shares**).

37.4 If the Buyer fails to make the Offer to the other Shareholders in accordance with Articles 37.2 and 37.3 the A Ordinary Shareholder shall not be entitled to complete the Proposed Transfer and the Company shall not register any transfer of the A Ordinary Shares effected in accordance with the Proposed Transfer.

- 37.5 If the Offer is accepted by any other Shareholder (**Accepting Shareholder**) in writing within 10 Business Days of the date of the Offer Notice, the completion of the Proposed Transfer shall be conditional on completion of the purchase of all the Offer Shares held by the Accepting Shareholder.

ADMINISTRATIVE ARRANGEMENTS

38. MEANS OF COMMUNICATION TO BE USED

- 38.1 Any notice, document or other information shall be deemed served on or delivered to the intended recipient:
- 38.1.1 if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted (or five Business Days after posting either to an address outside the United Kingdom or from outside the United Kingdom to an address within the United Kingdom, if (in each case) sent by reputable international overnight courier addressed to the intended recipient, provided that delivery in at least five Business Days was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the courier service provider);
 - 38.1.2 if properly addressed and delivered by hand, when it was given or left at the appropriate address;
 - 38.1.3 if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied; and
 - 38.1.4 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.

For the purposes of this article, no account shall be taken of any part of a day that is not a working day.

- 38.2 In proving that any notice, document or other information was properly addressed, it shall be sufficient to show that the notice, document or other information was delivered to an address permitted for the purpose by the Act.

39. SUBSIDIARIES

- 39.1 Subject to these Articles, the Directors will exercise all voting and other rights or powers of control of the Company in relation to itself and its subsidiaries in order to secure (but as regards its subsidiaries only in so far as it is able) that:
- 39.1.1 no shares or other securities are issued or allotted by any subsidiary and no rights are granted which might require the issue of any shares or securities other than to the Company or one of its wholly-owned subsidiary; and
 - 39.1.2 neither the Company nor any of its subsidiaries transfers or disposes of any shares or securities of any subsidiary of the Company or any interest in such

shares etc or any rights attached to such shares etc. other than to the Company or one of its wholly-owned subsidiaries.

39.2 The Directors cannot do any of the things listed in Article 39.1 without Richmond Consent.

40. INDEMNITY

40.1 Subject to Article 40.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:

40.1.1 each relevant officer may be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer:

- (a) in the actual or purported execution and/or discharge of his duties, or in relation to them; and
- (b) in relation to the Company's (or any associated company's) activities as trustee of an occupational pension scheme (as defined in section 235(6) of the Act),

including (in each case) any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which the court grants him, in his capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company's (or any associated company's) affairs; and

40.1.2 the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in Article 40.1.1 and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

40.2 This article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law.

40.3 In this article:

40.3.1 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate; and

40.3.2 a "relevant officer" means any Director or other officer or former Director or other officer of the Company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act), but excluding in each case any person engaged by the Company (or associated company) as auditor (whether or not he is also a Director or other officer), to the extent he acts in his capacity as auditor).

41. INSURANCE

41.1 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.

41.2 In this article:

41.2.1 a "relevant officer" means any Director or other officer or former Director or other officer of the Company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act), but excluding in each case any person engaged by the Company (or associated company) as auditor (whether or not he is also a Director or other officer), to the extent he acts in his capacity as auditor);

41.2.2 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, any associated company or any pension fund or employees' share scheme of the Company or associated company; and

41.2.3 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.