
PRIVATE COMPANY LIMITED BY SHARES

WRITTEN RESOLUTION

OF

**CONNECT AIRWAYS LIMITED
(THE "COMPANY")**

CIRCULATED ON 21 FEBRUARY 2019 (THE "CIRCULATION DATE")

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006, the directors of the Company propose that the following written resolution is passed as a special resolution (the **Special Resolution**).

1 Special Resolution

IT IS RESOLVED THAT the articles of association attached to this Written Resolution at Appendix A be approved and adopted as the articles of association of the Company in substitution for and to the exclusion of the existing articles of association.

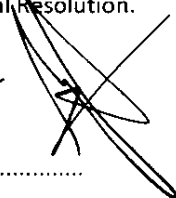
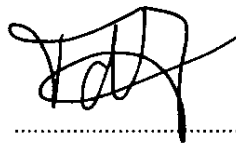
2 Agreement

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

The undersigned, each an eligible member (see Note (a) below) entitled to vote on the Special Resolution on the Circulation Date, hereby agrees to the Special Resolution.

Signed for and on behalf of

DLP HOLDINGS S.À R.L.

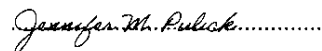


Name: Tjebco de Jong / Johan van den Berg

Title: Manager A

TRUSTMOORE LUXEMBOURG SA

Date: 21 February 2019



Name: Jennifer M. Pulick

Title: Manager B

CYRUS CAPITAL PARTNERS, L.P.

Date: 21 February 2019

SATURDAY



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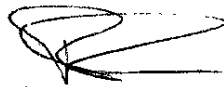
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#247

COMPANIES HOUSE

STOBART AVIATION LIMITED



DULY AUTHORISED ATTORNEY
Name: RICHARD CAYCE.

Title:

Dated: 21 February 2019

VIRGIN TRAVEL GROUP LIMITED

.....

Name:

Title:

Dated:

STOBART AVIATION LIMITED

.....
Name:

Title:

Dated:

VIRGIN TRAVEL GROUP LIMITED

T. Mackay
.....
Name: TOM MACKAY

Title: C.F.O.

Dated: 21 February 2019

NOTES

- (a) An eligible member is any member of the Company who is entitled to vote on the Special Resolution on the Circulation Date.
- (b) If you agree with the Special Resolution, please indicate your agreement by signing and dating this document where indicated above and returning it to the Company by attaching a scanned copy of the signed document to an e-mail and sending it to james.mead@morganlewis.com. Please enter "Connect Airways – New Articles" in the e-mail subject box.
- (c) If you do not agree to the Special Resolution, you do not need to do anything. You will not be deemed to agree if you fail to reply.
- (d) Once you have indicated your agreement to the Special Resolution you may not revoke your agreement.
- (e) Unless sufficient agreement has been received for the Special Resolution to pass on or before the date that is two weeks after the Circulation Date, it will lapse. If you agree to the Special Resolution, please ensure that your agreement reaches us before or on this date.

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.

CONNECT AIRWAYS LIMITED

Articles of Association

The Companies Act 2006
Company Limited by Shares

(as adopted by special resolution on 21 February 2019)

Morgan Lewis

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Preliminary

1. Default Articles not to apply

Neither the regulations in The Companies (Model Articles) Regulations 2008 nor any other articles or regulations prescribing the form of articles applicable to the Company under any former enactment relating to companies shall apply to the Company.

Part 1

Interpretation and Limitation of Liability

2. Defined Terms

2.1 In the Articles, unless the context requires otherwise:

“Accepting Shareholder” has the meaning given in Article 43.5;

“Affiliates” means in relation to a person or entity, any other person or entity which, directly or indirectly, Controls, or is Controlled by, or is under Common Control with, such person or entity, and shall include:

- (a) in relation to any Shareholder, "Affiliate" shall include such Shareholder's Subsidiaries, Related Funds, or any special purpose vehicle wholly-owned by such Related Funds or Affiliates;
- (b) in relation to DLP, "Affiliate" shall include an entity Controlled or managed by Cyrus Capital Partners;
- (c) in relation to SAL, "Affiliate" shall include a Subsidiary of SGL;
- (d) in relation to VTG, "Affiliate" shall include Air France-KLM S.A, Delta Air Lines, Inc., Virgin Investments Limited, or any of their respective Affiliates,

provided that, neither the Company nor its Subsidiaries shall be considered to be an Affiliate of SGL and its Affiliates, SAL and its Affiliates, DLP and its Affiliates, or VTG and its Affiliates;

“Alternate Director” has the meaning given in Article 27;

“appointor” has the meaning given in Article 27;

“Articles” means the Company's articles of association;

“Associated Company” has the same meaning as in Section 256 Companies Act 2006;

“Available Profits” means profits available for distribution within the meaning of the Companies Acts;

“bankruptcy” includes individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy;

“Board” means the board of directors of the Company;

“Business Day” means a day other than a Saturday, Sunday or public holiday in England or Luxembourg when banks in London or Luxembourg are open for business;

“Called Shareholder” has the meaning given in Article 42.4;

“Called Shares” has the meaning given in Article 42.4;

“Chair” has the meaning given in Article 14;

“Chairman of the Meeting” has the meaning given in Article 54;

“Change of Control” means:

- (a) in relation to DLP if a person other than Cyrus Capital Partners (or an Affiliate thereof) acquires Control of DLP;
- (b) in relation to SAL:
 - (i) if a person other than SGL (or an Affiliate thereof) acquires Control of SAL; or
 - (ii) if a competitor of the Company or VTG or a person on the SGL Restricted List, acquires Control of SGL who was not in Control of SGL on the date of adoption of these Articles;
- (c) in relation to VTG:
 - (i) if a person other than Virgin Atlantic Limited (or an Affiliate thereof) acquires Control of VTG; or
 - (ii) if a person other than Air France-KLM, Delta Air Lines, Inc., or Sir Richard Branson acquires Control of Virgin Atlantic Limited; and
- (d) in relation to any other Shareholder, a person acquires Control of that Shareholder who was not in Control of that Shareholder on the date on which they became a Shareholder;

“Common Control” means any two or more entities who jointly Control another body corporate;

“Company” means Connect Airways Limited, a company incorporated under the laws of England and Wales, with its registered office at 4 Cork Street, 1st Floor, London W1S 3LB and company number 11732177;

“Companies Acts” means the Companies Acts (as defined in Section 2 of the Companies Act 2006), in so far as they apply to the Company;

“Control” means, in relation to a body corporate, the power of a person to secure that the affairs of the body corporate are conducted in accordance with the wishes of that person:

- (a) by means of the holding of shares, or the possession of voting power, in or in relation to that or any other body corporate; or
- (b) by virtue of any powers conferred by the constitutional or corporate documents, or any other document, regulating that or any other body corporate;

“Counter Price” has the meaning given to it in Article 41.5(c);

“Cyrus Capital Partners” means Cyrus Capital Partners, LP of 65 E 55th Street, 35th Floor, New York, Y10022;

“Default Event” means in relation to a Shareholder, any event specified in Article 40.1 that happens to that Shareholder;

“Designated Date” means the date agreed in writing by the Shareholders as the date in which the Company’s acquisition of Everdeal Holdings, Propius Holdings, and the Targets, becomes effective;

“Director” means a director of the Company, and includes any person occupying the position of director, by whatever name called;

“Dividend Policy” means the policy for the payment of dividends and distributions adopted by the Company from time to time;

“DLP” means DLP Holdings S.à. r.L., a company incorporated under the laws of Luxembourg with company number B228825 and registered office 6 Rue Dicks, L-1417 Luxembourg;

“DLP Director” means any Director appointed by DLP;

"document" includes, unless otherwise specified, any document sent or supplied in electronic form;

"Drag Buyer" means Third Party Purchaser to whom the Selling Shareholder(s) propose to sell their Shares pursuant to Article 42.2;

"Drag Notice" has the meaning given in Article 42.3;

"electronic form" has the meaning given in Section 1168 of the Companies Act 2006;

"Encumbrance" means any interest or equity of any person (including any right to acquire, option or right of pre-emption) or any mortgage, charge, pledge, lien, assignment, hypothecation, security interest, title retention or any other security agreement or arrangement;

"Everdeal Holdings" means Everdeal Holdings Limited, a company incorporated in Ireland with registered number 520459;

"Fair Value" means, in relation to Shares, the value determined in accordance with Article 44;

"Flybe Limited" means Flybe Limited, a company incorporated under the laws of England & Wales, with its registered office at New Walker Hangar Exeter International Airport, Clyst Honiton, Exeter, EX5 2BA, and company number 02769768;

"Flybe.com Limited" mean Flybe.com Limited, a company incorporated under the laws of England & Wales, with its registered office at New Walker Hangar Exeter International Airport, Clyst Honiton, Exeter, EX5 2BA, and company number 04252085;

"FSMA" means the Financial Services and Markets Act 2000;

"fully paid" in relation to a share, means that the nominal value and any premium to be paid to the Company in respect of that share have been paid to the Company;

"Fund" means any fund, bank, company, unit trust, investment trust, investment company, limited, general or other partnership, industrial provident or friendly society, any collective investment scheme (as defined by the FSMA), any investment professional (as defined in article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion Order) 2005 (the **"FPO"**)), any high net worth company, unincorporated association or partnership (as defined in article 49(2)(a) and (b) of the FPO) or any high value trust (as defined in article 49(6) of the FPO), any pension fund or insurance company or any person who is an authorised person under FSMA;

"Funding Instruments" means such equity, debt, hybrid or relevant funding instrument, other than Shares, held by a Shareholder and issued by the Company or its Subsidiaries from time to time;

"Group" means in relation to a company, that company, any company of which it is a Subsidiary (its holding company) and any other Subsidiaries of any such holding company; and each company in a Group is a member of the Group (and, for the purposes of this definition, the Company and its Subsidiaries shall not be considered to be members of the same Group as SGL and its Group or SAL and its Group or DLP and its Group or VTG and its Group). Unless the context otherwise requires, the application of the definition of Group to any company at any time shall apply to the company as it is at that time;

"Group 2 Airport" means any airport at which any member of the Company's Group has operations other than London Heathrow and Manchester Airport;

"hard copy form" has the meaning given in Section 1168 of the Companies Act 2006;

"holder" in relation to shares means the person whose name is entered in the register of members as the holder of the shares;

"IATA Level 3 Airport" means any airport which is designated as a Level 3 airport by the International Air Transport Association pursuant to the World Slot Guidelines;

"Initial Lock-In Period" means the period of three years beginning on the Designated Date;

"Initial Sale Notice" has the meaning given to it in Article 41.2;

"Member State" means a member state of the European Union or a member of the European Economic Area;

"Nationality Requirements" means any requirement of applicable law which relates to the nationality of any persons (or the majority of such) which own or controls the Company or its subsidiaries;

"Non-Defaulting Shareholder" has the meaning given in Article 40.2;

"Non-Selling Shareholder" has the meaning given in Article 41.3;

"Notice Period" has the meaning given in Article **Error! Reference source not found.**

"ordinary resolution" has the meaning given in Section 282 of the Companies Act 2006;

"paid" means paid or credited as paid;

"participate", in relation to a Directors' meeting, has the meaning given in Article 12;

"payee" has the meaning given in Article 46;

"Preferred Offer Price" has the meaning given in Article 41.8(c);

"Prescribed Value" means the Fair Value less 5% (five per cent);

"Propius Holdings" means Propius Holdings Limited, a company incorporated in the Cayman Islands with registered number 907306;

"Propius SPA" means the share purchase agreement to be entered into between the Company as buyer and SAL as seller in respect of the purchase by the Company of the entire issued share capital of Propius Holdings;

"Proposed Sale Price" has the meaning given in Article 41.3;

"Pro Rata Proportion" means:

- (a) for the purposes of Article 40, the proportion of each Non-Defaulting Shareholder's Shares to the total number of ordinary shares in the Company, less those held by the Defaulting Shareholder; and
- (b) for the purposes of Article 41, the proportion of each Non-Selling Shareholder's Shares to the total number of ordinary shares in the Company, less those held by the Selling Shareholder;

"proxy notice" has the meaning given in Article 61;

"Qualifying National" means a person of the nationality required in order to satisfy the nationality, ownership, and control requirements of UK airlines under UK legislation, which at the date of adoption of these Articles shall mean an EEA national. In the event that UK legislation is amended so that there are no nationality, ownership, and control requirements, a Qualifying National shall mean a United Kingdom national pursuant to the Route Licence requirements of the Civil Aviation Act 1982, as defined in section 105 thereof;

"Related Fund" means any trust, limited partnership, general partnership or other collective investment vehicle established for the professional management of investments and which is managed by a Shareholder pursuant to an investment management or similar agreement, or which the Shareholder otherwise controls (whether through control of the trustee, general partner or otherwise);

"Related Party Transaction" means an agreement between the Company or any of its Subsidiaries on the one hand, and one or more of the Shareholders and/or their Affiliates on the other hand;

"Relevant Agreement" means any agreement entered into between Shareholders relating to the governance of the Company from time to time;

"Relevant Company" has the meaning given in Article 19.6;

"Relevant Officer" means any Director, or Secretary or former Director or Secretary of the Company or any director or secretary or former director or secretary of an Associated Company of the Company;

"Reserved Matters" means the matters requiring the consent of all Specified Shareholders set out in Article 58.1 and in any Relevant Agreement;

"Restricted Transferee" means, for so long as VTG or its Affiliates remain Shareholders, each of:

- (a) International Consolidated Airlines Group S.A. (and any member of its Group or its Affiliates);
- (b) Deutsche Lufthansa AG (and any member of its Group or its Affiliates); and
- (c) Norwegian Air Shuttle ASA (and any member of its Group or its Affiliates);

"SAL" means Stobart Aviation Limited, a company incorporated under the laws of England and Wales, with its registered office at Third Floor, 15 Stratford Place, London, England, W1C 1BE and company number 10756283;

"SAL Director" means any Director appointed by SAL;

"Sale Instruments" has the meaning given in Article 40.3;

"Sale Notice" has the meaning given in Article 41.3;

"Sale Shares" has the meaning given in Article 41.3;

"Secretary" means any person appointed to perform the duties of the secretary of the Company (including any deputy or assistant secretary) in accordance with Article 28;

"Selling Shareholder" means:

- (a) for the purposes of Article 41, any Shareholder who wishes to sell its Shares other than in accordance with Articles 39 and 40; and

(b) for the purposes for Article 42 and Article 43:

- a. during the period from the expiry of the Initial Lock-In Period to the date which is two years after the expiry of the Initial Lock-In Period, DLP; and
- b. during the period after the date which is two years after the expiry of the Initial Lock-In Period, DLP or any Shareholder(s) who alone holds, or together (including with DLP if applicable) hold 60 per cent or more of the share capital of the Company;

"SGL" means Stobart Group Limited, a company incorporated in Guernsey;

SGL Restricted List means Mr Andrew Tinkler, Hosking Partners LLP, Bateleur Capital LLC, Mr Neil Woodford, Mr Philip Day and/or Mesa Air Group Inc or any of their respective related entities or affiliates funds and/or any person who votes against the scheme of arrangement in respect of Flybe Group PLC;

"Shareholder" means a person who is the holder of a Share;

"Shares" means together the ordinary shares of £0.01 nominal value, and any other classes of shares issued from time to time, in the capital of the Company;

"special resolution" has the meaning given in Section 283 of the Companies Act 2006;

"Specified Shareholder" means each of DLP, SAL, and VTG;

"Stobart Air SPA" means the share purchase agreement to be entered into between the Company as buyer and SAL as seller in respect of the purchase by the Company of part of the issued share capital of Everdeal 2019 Limited and Everdeal Employees 2019 Limited;

"Subsidiary" has the meaning given in Section 1159 of the Companies Act 2006;

"Tag Buyer" means a person to whom the Selling Shareholder(s) propose to sell their Shares pursuant to Article 43;;

"Tag Notice" has the meaning given in Article 43.3;

"Targets" means Flybe Limited and Flybe.com Limited;

"Third Party Nominee" has the meaning given in Article 41.5;

"Third Party Purchaser" means a person who wishes to purchase Shares, and in which none of the Shareholders or their Affiliates have an economic or legal interest or who does not have an economic or legal interest in any of the Shareholders;

"Valuer" means the person appointed in accordance with Article 44 to determine the Fair Value of Shares;

"VTG" means Virgin Travel Group Limited, a company incorporated under the laws of England & Wales, with its registered office at The VHQ, Fleming Way, Crawley, West Sussex, United Kingdom, RH10 9DF, and company number 02274332;

"VTG Director" means any Director appointed by VTG; and

"VTG Strategic Partners" includes Air France, KLM, Delta, Jet Airways, AeroMexico, Alitalia, and such other partners with whom VTG may conclude strategic partnerships from time to time, provided that such other partners are notified to the Company or its Subsidiaries;

"writing" means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise.

2.2 Unless the context otherwise requires, other words or expressions contained in these Articles bear the same meaning as in the Companies Act 2006 as in force on the date when these Articles become binding on the Company.

2.3 The provisions of these Articles relating to general meetings and to the proceedings at such meetings shall apply to separate meetings of a class of Shareholders.

3. Liability of Shareholders

The liability of the Shareholders is limited to the amount, if any, unpaid on the shares held by them.

Part 2 Directors

Directors' Powers and Responsibilities

4. Number of Directors

The Directors shall not be less than three in number, but shall not be more than six in number.

5. Directors' General Authority

Subject to the Articles and any Relevant Agreement, the Directors are responsible for the management of the Company's business, for which purpose they may exercise all the powers of the Company.

6. Shareholders' Reserve Power

- 6.1 The Shareholders may, by special resolution, direct the Directors to take, or refrain from taking, any specified action.
- 6.2 No such special resolution invalidates anything which the Directors have done before the passing of the resolution.

7. Directors may Delegate

- 7.1 Subject to the Articles and any Relevant Agreement, the Directors may delegate any of the powers which are conferred on them under the Articles:
 - (a) to such person (who need not be a Director) or committee (comprising any number of persons, who need not be Directors);
 - (b) by such means (including by power of attorney);
 - (c) to such an extent;
 - (d) in relation to such matters or territories; and
 - (e) on such terms and conditions,as they think fit.
- 7.2 If the Directors so specify, any such delegation may authorise further delegation of the Directors' powers by any person to whom they are delegated.
- 7.3 Any reference in these Articles to the exercise of a power or discretion by the Directors shall include a reference to the exercise of a power or discretion by any person or committee to whom it has been delegated.
- 7.4 The Directors may revoke any delegation in whole or part, or alter its terms and conditions.

8. Committees

The Directors may make regulations in relation to the procedures of committees or sub-committees to whom their powers or discretions have been delegated or sub-delegated. Subject to any such regulations, the meetings and procedures of any committee or sub-committee shall be governed by the provisions of these Articles regulating the meetings and procedures of Directors.

Decision-Making by Directors

9. Voting at Board Meetings

- 9.1 The general rule about decision-making by Directors is that any decision of the Directors must be either a majority decision at a meeting or a decision taken by Directors' written resolution in accordance with Article 10.
- 9.2 If the Company has fewer Directors than required pursuant to Article 4, the Directors shall take no decisions other than to:
- (a) appoint additional Directors
 - (b) or call a meeting of Shareholders for the purpose of appointing additional Directors,
- in order to comply with Article 4.
- 9.3 No Director shall have a casting vote where the number of votes for and against a proposal are equal.
- 9.4 Where these Articles or any Relevant Agreement specifies a voting threshold in respect of a particular matter which is different to the threshold set out in Article 9.1, such other threshold shall apply to any decision taken at a meeting or by Directors' written resolution in respect of that matter.

10. Directors' Written Resolutions

- 10.1 Any Director may propose a written resolution by giving written notice to the other Directors or may request the Secretary (if any) to give such notice.
- 10.2 A Directors' written resolution is adopted when all the Directors who would have been entitled to vote on such resolution if it had been proposed at a meeting of the Directors have:
- (a) signed one or more copies of it; or
 - (b) otherwise indicated their agreement to it in writing.
- 10.3 A Directors' written resolution is not adopted if the number of Directors who have signed it is less than or otherwise does not meet the requirements for the quorum for Directors' meetings.

11. Calling a Directors' Meeting

- 11.1 A Director, or Secretary (if any) at the request of a Director shall be entitled to convene a Director's meeting on at least 5 Business Days' prior written notice.

11.2 Notice of any Directors' meeting must indicate:

- (a) its proposed date and time;
- (b) where it is to take place; and
- (c) if it is anticipated that Directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting,

and must include:

- (d) an agenda specifying in reasonable detail the matters to be raised at the meeting; and
- (e) copies of any papers to be discussed at the meeting.

11.3 Notice of a Directors' meeting need not be given to Directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the Company before or after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.

11.4 Notice of a Directors' meeting may be circulated by email.

11.5 Matters not included in the agenda circulated with notice of a Directors' meeting pursuant to Article 11.2(d), may not be raised at a meeting of Directors unless all such Directors who are present at the meeting agree.

11.6 The Directors shall hold a minimum of one meeting every three (3) months.

12. Participation in Directors' Meetings

12.1 Subject to the Articles, Directors participate in a Directors' meeting, or part of a Directors' meeting, when:

- (a) the meeting has been called and takes place in accordance with the Articles and any Relevant Agreement; and
- (b) they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.

12.2 In determining whether Directors are participating in a Directors' meeting, it is irrelevant where any Director is or how they communicate with each other, provided that all Directors participating in the meeting are able to communicate with each other clearly.

12.3 The Directors shall not conduct meetings in such places that would have the effect of:

- (a) changing the tax domicile of the Company; or
- (b) causing the Company to be in breach of Nationality Requirements, or other applicable regulatory requirements.

12.4 If all the Directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

13. Quorum for Directors' Meetings

13.1 Save as may be provided in a Relevant Agreement, no business shall be conducted at any meeting of Directors unless a quorum is present at the beginning of the meeting and at the time when there is to be voting on any business.

13.2 The quorum for Directors' meetings shall be at least three directors comprising:

- (a) one (1) DLP Director;
- (b) one (1) SAL Director; and
- (c) one (1) VTG Director,

provided that the majority of Directors present must be Qualifying Nationals.

13.3 If no quorum is present within 30 minutes of the time specified for a Directors' meeting in a notice of meeting delivered in accordance with Article 11, the meeting shall be adjourned for two (2) Business Days at the same place and time (unless the Directors, including at least one (1) DLP Director, one (1) SAL Director, and one (1) VTG Director agree otherwise), and the quorum for such adjourned meeting shall be any two Directors, provided that they must both be Qualifying Nationals.

13.4 Subject to disclosure in accordance with the Companies Act 2006, a Director shall be entitled to vote, and count as part of a quorum, on any resolution in respect of any contract, transaction or arrangement, or any other proposal, in which he (or a person connected with him) has an interest, provided that the Director shall not be required to disclose such interest if it is solely of a kind permitted by Article 19.1.

14. Chairing of Directors' Meetings

14.1 The Directors may appoint a Director to chair their meetings.

14.2 The person so appointed for the time being is known as the Chair.

14.3 The Chair shall:

- (a) be a Qualifying National;
 - (b) hold such role for a term of one (1) year;
 - (c) the first Chair shall be a DLP Director;
 - (d) the second Chair shall be an SAL Director;
 - (e) the third Chair shall be a VTG Director; and
 - (f) the role of the Chair shall rotate between the Shareholders' appointed Directors in accordance with the order set out in (c) to (e) above.
- 14.4 If the Chair is not participating in a Directors' meeting within ten minutes of the time at which it was to start, the participating Directors may appoint one of their number to chair such a meeting.

15. Validity of Proceedings

All acts done by any meeting of Directors, or of any committee or sub-committee of the Directors, or by any person acting as a member of any such committee or sub-committee, shall as regards all persons dealing in good faith with the Company be valid, notwithstanding that there was some defect in the appointment of any Director or any such persons, or that any such persons were disqualified or had vacated office, or were not entitled to vote.

16. Record of Decisions to be kept

The Directors must ensure that the Company keeps a record, in writing, of every majority decision taken by the Directors and of every Directors' written resolution for at least 10 years from the date of the decision or resolution.

17. Directors' Discretion to make further Rules

Subject to the Articles and the provisions of any Relevant Agreement, the Directors may unanimously make any rule which they think fit about how they take decisions, and about how such rules are to be recorded or communicated to Directors.

Directors' Interests

18. Authorisation of Directors' Interests

- 18.1 For the purposes of Section 175 of the Companies Act 2006, the Directors shall have the power to authorise any matter which would or might otherwise constitute or give rise to a breach of the duty of a Director to avoid a situation in which he has, or

can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company (an **"Interested Director"**).

18.2 Authorisation of a matter under this Article 18 shall be effective only if

- (a) the matter in question shall have been proposed for consideration at a meeting of the Directors, in accordance with the usual procedures for such meetings or in such other manner as the Directors may resolve; and
- (b) the matter was agreed to without the Interested Director voting or would have been agreed to if the vote of the Interested Director had not been counted.

18.3 Any authorisation of a matter under this Article may:

- (a) extend to any actual or potential conflict of interest which may arise out of the matter so authorised;
- (b) be subject to such conditions or limitations as the Directors may resolve, whether at the time such authorisation is given or subsequently; and
- (c) be terminated by the Directors at any time;

and a Director shall comply with any obligations imposed on him by the Directors pursuant to any such authorisation.

18.4 A Director shall not, save as otherwise agreed by him, be accountable to the Company for any benefit which he (or a person connected with him) derives from any matter authorised by the Directors under this Article 18 and any contract, transaction or arrangement relating to such a matter shall not be liable to be avoided on the grounds of any such benefit.

19. Permitted Interests

19.1 Subject to compliance with Article 19.2, a Director, notwithstanding his office, may have an interest of the following kind:

- (a) where a Director (or a person connected with him) is a director or other officer of, or employed by, or otherwise interested (including by the holding of shares (whether directly or indirectly)) in any Relevant Company;
- (b) where a Director (or a person connected with him) is a party to, or otherwise interested in, any contract, transaction or arrangement with a Relevant Company, or in which the Company is otherwise interested;

- (c) where a Director has an interest which cannot reasonably be regarded as likely to give rise to a conflict of interest;
 - (d) where a Director has an interest, or a transaction or arrangement gives rise to an interest, of which the Director is not aware;
 - (e) where a Director has any other interest authorised by ordinary resolution,
- and for the avoidance of doubt, a Director
- (f) may represent the interests of a direct or indirect Shareholder of the Company whose interests may conflict, from time to time, with the interests of the Company;
 - (g) may hold an interest in (i) a direct or indirect Shareholder of the Company; and/or (ii) an affiliate of the Shareholder; and/or (iii) a body corporate, trust, partnership (including limited partnerships) or Fund which Controls, is Controlled by or is under Common Control with the Shareholder; and
 - (h) shall not, save as otherwise agreed by him, be accountable to the Company for any benefit which he derives from any such contract, transaction or arrangement or from any such office or employment or from any interest in any such body corporate or for such remuneration and no such contract, transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit.

No authorisation under Article 18 shall be necessary in respect of any such interest.

19.2 A Director shall declare the nature and extent of any interest permitted under Article 19.1 and not falling within Article 19.3, at a meeting of the Directors or in such other manner as the Directors may resolve.

19.3 No declaration of an interest shall be required by a Director in relation to an interest:

- (a) falling within Article 19.1(c) or 19.1(d);
- (b) if, or to the extent that, the other Directors are already aware of such interest (and for this purpose the other Directors are treated as aware of anything of which they ought reasonably to be aware); or
- (c) if, or to the extent that, it concerns the terms of his service contract (as defined in Section 227 of the Companies Act 2006), if any, that have been or are to be considered by a meeting of the Directors, or by a committee of Directors appointed for the purpose under these Articles.

19.4 If a director has duly declared his interest in a matter of the nature referred to in article 19.2:

- (a) he shall not, by reason of his office, save as otherwise agreed by him, be accountable to the company for any benefit which he (or a person connected with him) derives from any such office or employment or from any such transaction or arrangement or from any interest in any Relevant Company or for such remuneration, each as referred to in Article 19.1;
- (b) he shall not infringe his duty to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company as a result of any such office or employment or any such transaction or arrangement or any interest in any Relevant Company;
- (c) he shall not be required to disclose to the Company, or use in performing his duties as a director of the Company, any confidential information relating to such office or employment if to make such a disclosure or use would result in a breach of a duty or obligation of confidence owed by him in relation to or in connection with such office or employment;
- (d) he may absent himself from discussions, whether in meetings of the directors or otherwise, and exclude himself from information, which will or may relate to such office, employment, transaction, arrangement or interest; and
- (e) no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit.

19.5 For the purposes of this article:

- (a) a director shall be deemed to have disclosed the nature and extent of an interest which consists of him being a director, officer or employee of any shareholder or group undertaking of a shareholder or any body corporate in which any shareholder or group undertaking is interested;
- (b) a general notice given to the directors that a director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the director has an interest in any such transaction of the nature and extent so specified; and
- (c) an interest of which a director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his.

19.6 For the purposes of this Article 19, “**Relevant Company**” shall mean:

- (a) any member of the Group;
- (b) any holding company of the Company or a subsidiary of any such holding company;
- (c) any body corporate promoted by the Company; or
- (d) any body corporate in which the Company is otherwise interested.

20. Confidential Information

20.1 Subject to Article 20.2, if a Director, otherwise than by virtue of his position as Director, receives information in respect of which he owes a duty of confidentiality to a person other than the Company, he shall not be required:

- (a) to disclose such information to the Company or to the Directors, or to any Director, officer or employee of the Company; or
- (b) otherwise use or apply such confidential information for the purpose of or in connection with the performance of his duties as a Director.

20.2 Where such duty of confidentiality arises out of a situation in which the Director has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company, Article 20.1 shall apply only if the conflict arises out of a matter which has been authorised under Article 18 or falls within Article 19.

20.3 This Article 20 is without prejudice to any equitable principle or rule of law which may excuse or release the Director from disclosing information, in circumstances where disclosure may otherwise be required under this Article 20.

20.4 Each Director may disclose to their appointing Shareholder:

- (a) any information received by the Director in their capacity as a Director;
- (b) any information received by virtue of the Director being a member of a committee;
- (c) any other information provided to the Director relating to the Company or the Company's Subsidiaries, which it is reasonably incidental to the Shareholder's interest as a shareholder in the Company.

20.5 Each Shareholder shall keep, and shall procure that their appointed Director keeps all information relating to the Company segregated and treated as confidential, provided that such Director may disclose such information to its appointing Shareholder, and members of such Shareholder's Group in accordance with such Group's policies and relevant mandatory legal and regulatory requirements.

21. Directors' Interests - General

21.1 For the purposes of Articles 18 to 20:

- (a) a person is connected with a Director if that person is connected for the purposes of Section 252 of the Companies Act 2006; and
- (b) an interest (whether of the Director or of such a connected person) of which a Director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his.

21.2 The Company may by special resolution ratify any contract, transaction or arrangement, or other proposal, not properly authorised by reason of a contravention of any provisions of Articles 18 to 20.

Appointment of Directors

22. Methods of Appointing Directors

22.1 Subject to the provisions of any Relevant Agreement, any person who is willing to act as a Director, and is permitted by law to do so, may be appointed to be a Director:

- (a) by ordinary resolution; or
- (b) by a notice given in accordance with Article 24.

23. Termination of Director's Appointment

23.1 A person ceases to be a Director as soon as:

- (a) that person ceases to be a Director by virtue of any provision of the Companies Act 2006 or is prohibited from being a director by law;
- (b) a bankruptcy order is made against that person;
- (c) a composition is made with that person's creditors generally in satisfaction of that person's debts;
- (d) a registered medical practitioner who is treating that person gives a written opinion to the company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months;
- (e) by reason of that person's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have;

- (f) notification is received by the Company from the Director that the Director is resigning from office, and such resignation has taken effect in accordance with its terms;
- (g) that person is absent from meetings of Directors for six consecutive months (unless he shall have appointed an Alternate Director who has not been similarly absent during such period) without permission and the Directors have resolved that that person should cease to be a Director;
- (h) notice of the Director's removal is given in accordance with Article 24; or
- (i) notice of termination is served or deemed served upon the Director and that notice is given by all the other Directors for the time being

23.2 If a Director holds an appointment to an executive office which automatically terminates on termination of his office as a Director, his removal from office pursuant to this Article 23 shall be deemed an act of the Company and shall have effect without prejudice to any claim for damages for breach of any contract of service between him and the Company.

24. Appointment and Removal of Directors by Specified Shareholders

- 24.1 Each Specified Shareholder shall be entitled to appoint up to two (2) Directors.
- 24.2 Each Specified Shareholder shall be entitled at any time to appoint any person or persons to the Board and to remove any Director whom they have appointed from the Board at any time for any reason whatsoever and to appoint another person or persons in his place.
- 24.3 Each appointment and removal pursuant to Article 24.2 shall be made by notice in writing and served on the Company and shall take effect on the date such notice is received by the Company or on the date specified in the notice, subject always to any applicable regulatory approvals.
- 24.4 A Specified Shareholder shall be required to give notice terminating the appointment of its appointed Directors upon ceasing to be a Shareholder, other than where its Shares are transferred to an Affiliate.
- 24.5 The Specified Shareholders shall procure that they will (so far as they are able) nominate a sufficient number of Qualifying Nationals as Directors to ensure that the Company and its Subsidiaries satisfy the Nationality Requirements.

25. Directors' Remuneration

- 25.1 Directors may undertake any services for the Company that the Directors decide.
- 25.2 Directors shall not be entitled to receive remuneration for their services from the Company, unless otherwise agreed by the Shareholders, holding not less than 75% (75 per cent) of the voting rights in the ordinary share capital of the Company.
- 25.3 Subject to these Articles, and the approval of the Shareholders as required by Article 25.2, a Director's remuneration may:
- (a) take any form; and
 - (b) include any arrangements in connection with the payment of a pension; allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that Director.
- 25.4 Unless the Directors decide otherwise, Directors' remuneration accrues from day to day.

26. Directors' Expenses

- 26.1 The Company may pay any reasonable expenses which the Directors properly incur in connection with their attendance at:
- (a) meetings of Directors or committees of Directors;
 - (b) general meetings; or
 - (c) separate meetings of the holders of any class of shares or of debentures of the Company,
- or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Company.

Alternate Directors

27. Alternate Directors

- 27.1 Any Director (the "**appointor**") may at any time appoint any person (including another Director) to be his alternate (the "**Alternate Director**") and may at any time terminate such appointment, provided that such Alternate Director must be a Qualifying National where their appointor is a Qualifying National.
- 27.2 The appointment or termination of appointment of an Alternate Director must be made by notice in writing signed by the appointor or in any other manner approved by the Directors.

- 27.3 The notice must identify the proposed Alternate Director and, in the case of an appointment, contain a statement signed by the proposed Alternate Director stating that the proposed Alternate Director is willing to act as such with respect to the Director giving the notice.
- 27.4 The appointment of an Alternate Director shall terminate:
- (a) when the appointor revokes the appointment by notice to the Company specifying when it is to terminate;
 - (b) on the occurrence in relation to the Alternate Director of any event which if it happened to the Alternate Director's appointor, would result in the termination of the appointor's appointment as a Director;
 - (c) on the death of the Alternate Director's appointor; or
 - (d) if his appointor ceases to be a Director.
- 27.5 An Alternate Director shall be entitled to receive notices of meetings of the Directors and of any committee of the Directors of which his appointor is a member and shall be entitled to attend and vote as a Director at any such meeting and be counted in the quorum at any such meeting at which his appointor is not personally present and generally at such meetings to perform all functions of his appointor as a Director. For the purposes of the proceedings at such meetings, the provisions of these Articles shall apply as if the Alternate Director (instead of his appointor) were a Director.
- 27.6 If an Alternate Director is himself a Director or shall attend any such meeting as an Alternate Director for more than one Director, his voting rights shall be cumulative but he shall not be counted more than once for the purposes of the quorum.
- 27.7 If his appointor is for the time being temporarily unable to act through ill health or disability an Alternate Director's signature to any resolution in writing of the Directors shall be as effective as the signature of his appointor.
- 27.8 This Article 27 shall also apply (with such changes as are necessary) to such extent as the Directors may from time to time resolve to any meeting of any committee of the Directors of which the appointor of an Alternate Director is a member.
- 27.9 An Alternate Director shall not (except as otherwise provided in this Article 27) have power to act as a Director, nor shall he be deemed to be a Director for the purposes of these Articles, nor shall he be deemed to be the agent of his appointor.
- 27.10 An Alternate Director shall be entitled to contract and be interested in and benefit from contracts or arrangements or transactions and to be repaid expenses and to be indemnified to the same extent as if he were a Director.

Secretary

28. Secretary

- 28.1 If the Directors so resolve, a Secretary shall be appointed on such terms as the Directors think fit.
- 28.2 Any Secretary so appointed may at any time be removed from office by the Directors, but without prejudice to any claim for damages for breach of any contract of service between him and the Company.

Part 3 Shares and Distributions

Shares

29. Dividend Rights

- 29.1 Subject to the Board recommending payment of the same, any Available Profits which the Company may determine to distribute in respect of any financial year shall be distributed amongst the holders of the Shares according to the number of such Shares held by the relevant Shareholder at the relevant time.

30. Return of Capital Rights

- 30.1 The rights as regards return of capital attaching to each class of Shares shall be as set out in this Article.
- 30.2 On a reduction or return of capital on liquidation or otherwise (except on a conversion, redemption or purchase by the Company of any Shares), the surplus assets of the Company remaining after the payment of its liabilities and all payments to be made in priority shall be distributed pro rata to each Shareholders' holding of Shares.

31. All Shares to be fully Paid Up

- 31.1 No share is to 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.
- 31.2 This does not apply to shares taken on the formation of the Company by the subscribers to the Company's memorandum.

32. Pre-Emption Rights

- 32.1 Subject to the provisions of any Relevant Agreement, the Directors may allot equity securities as if Sections 561 and 562 of the Companies Act 2006 are excluded and do not apply to the allotment of Shares by the Company.

33. Powers to Issue Different Classes of Share

- 33.1 Subject to the Articles and the provisions of any Relevant Agreement, but without prejudice to the rights attached to any existing share, the Company may issue shares with such rights or restrictions as may be determined.
- 33.2 The Company may issue shares which are to be redeemed, or are liable to be redeemed at the option of the Company or the holder, and the Directors may determine the terms, conditions and manner of redemption of any such shares.

34. Company not bound by less than Absolute Interests

Except as required by law, no person is to be recognised by the Company as holding any share upon any trust, and except as otherwise required by law or the Articles, the Company is not in any way to be bound by or recognise any interest in a share other than the holder's absolute ownership of it and all the rights attaching to it.

35. Payment of commissions on subscription for shares

- 35.1 The Company may pay any person a commission in consideration for that person:
- (a) subscribing, or agreeing to subscribe, for shares; or
 - (b) procuring, or agreeing to procure, subscriptions for shares.
- 35.2 Any such commission may be paid:
- (a) in cash, or in fully paid or partly paid shares or other securities, or partly in one way and partly in the other; and
 - (b) in respect of a conditional or an absolute subscription.

36. Share Certificates

- 36.1 The Company must issue each Shareholder, free of charge, with one or more certificates in respect of the Shares which that Shareholder holds.
- 36.2 Every certificate must specify:
- (a) the number and class of Shares to which it relates;
 - (b) the nominal value of those shares;

- (c) that the shares are fully paid; and
 - (d) any distinguishing numbers assigned to them.
- 36.3 No certificate may be issued in respect of Shares of more than one class.
- 36.4 If more than one person holds a Share, only one certificate may be issued in respect of it.
- 36.5 Certificates must:
 - (a) have affixed to them the Company's common seal; or
 - (b) be otherwise executed in accordance with the Companies Act 2006.

37. Replacement Share Certificates

- 37.1 A Shareholder who has separate certificates-in respect of Shares of one class may request in writing that it be replaced with a consolidated certificate. The Company may comply with such request at its discretion.
- 37.2 A Shareholder who has a consolidated certificate may request in writing that it be replaced with two or more separate certificates representing the Shares in such proportions as he may specify. The Company may comply with such request at its discretion.
- 37.3 If a share certificate is damaged or defaced or alleged to have been lost, stolen or destroyed, the member shall be issued a new certificate representing the same Shares upon request.
- 37.4 No new certificate will be issued pursuant to this Article 37 unless the relevant Shareholder has:
 - (a) first delivered the old certificate or certificates to the Company for cancellation; or
 - (b) complied with such conditions as to evidence and indemnity as the Directors may think fit.
- 37.5 In the case of Shares held jointly by several persons, any request pursuant to this Article 37 may be made by any one of the joint holders.

38. Share Transfers – General

- 38.1 Subject to Article 38.2, Shares may be transferred by means of an instrument of transfer executed by or on behalf of the transferor provided such transfer is in accordance with any Relevant Agreement. Such instrument of transfer must be in

hard copy form but may otherwise be in any usual form or any other form approved by the Directors.

- 38.2 No Shareholder shall create any Encumbrance over, transfer, or otherwise dispose of or give any person any rights in or over any Share, or interest in any Share, in the Company (whether direct or indirect) unless it is permitted or required in accordance with these Articles.
- 38.3 No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any share.
- 38.4 The Company may retain any instrument of transfer which is registered.
- 38.5 The transferor remains the holder of the Shares concerned until the transferee's name is entered in the register of members in respect of those shares.
- 38.6 Subject to the provisions of any Relevant Agreement the Directors may refuse to register the transfer of a share, and if they do so, the instrument of transfer must be returned to the transferee with the notice of the refusal unless they suspect that the proposed transfer may be fraudulent.
- 38.7 The Directors shall not be required to register a transfer of Shares unless it complies with the provisions of the Articles and any Relevant Agreement.
- 38.8 Where a Shareholder seeks to sell Shares, such transfer shall:
 - (a) transfer the Shares free from all Encumbrances, in such form as required to allow the transferee to establish legal ownership in accordance with the laws of England and Wales;
 - (b) deliver the resignation of directors appointed by the transferring Shareholder, except where the transfer is to an Affiliate pursuant to Article 39;
 - (c) include warranties from the transferring Shareholder that it has the requisite, capacity, power, and authority to transfer the Shares;
 - (d) include a warranty from the transferring Shareholder that it is the sole beneficial owner of the Shares being transferred; and
 - (e) the Shares sold shall include whatever rights attach to them under the Articles and any Relevant Agreement.
- 38.9 A Shareholder may not transfer its Shares during the Initial Lock-In Period other than in accordance with Articles 39 or 40.

38.10 A Shareholder may not, during the period of five (5) years starting on the Designated Date, transfer any of its Shares to a Restricted Transferee, without the written consent of all Shareholders.

38.11 Where a Shareholder also holds Funding Instruments, it shall be a condition of any transfer of Shares that the Shareholder also transfers the Funding Instruments, in accordance with the Funding Instruments' underlying documents.

39. Permitted Transfers

39.1 A Shareholder may, after having given written notice to the other Shareholders, transfer all (and not some only) of its Shares to an Affiliate (with a similar covenant strength and credit profile to the relevant Shareholder), if at the time of the transfer, the transferring Shareholder:

- (a) procures that any applicable regulatory approvals have been obtained;
- (b) ensures that the transfer shall not cause the Company's operating subsidiaries to cease to comply with requirements of applicable law, including Nationality Requirements;
- (c) includes no material terms other than price, and those required by these Articles in relation to the Shares being transferred; and
- (d) transfers the entire legal and beneficial interest in the Shares.

39.2 Where a Shareholder transfers its Shares pursuant to Article 39.1, in the event that the transferee ceases to meet the definition of an Affiliate (with, or guaranteed by an Affiliate with similar covenant strength and credit profile to the relevant Shareholder), or such Affiliate's ownership of the Shares would cause the Company to be in breach of its regulatory requirements, the transferring Shareholder shall procure that the Shares are transferred to:

- (a) the transferring Shareholder; or
- (b) an Affiliate of the transferring Shareholder.

39.3 Failure to comply with Article 39.2 within five (5) Business Days of the date on which the transferee ceases to be an Affiliate, or the date on which such Affiliate's ownership of Shares constitutes a breach of the Company's regulatory requirements, shall constitute a Default Event.

40. Default

40.1 If any of the below happen to a Shareholder, it shall constitute a Default Event and the remaining provisions of Article 40 shall apply:

- (a) if any procedure is commenced with a view to the appointment of an insolvency practitioner in respect of a Shareholder, or a Shareholder is unable to pay its debts as they fall due within the meaning of the insolvency legislation applicable to the Shareholder;
- (b) a step is taken to initiate any process by or under which:
 - (i) the ability of a Shareholders' creditors to take any actions to enforce their debts is suspended, restricted, or prevented;
 - (ii) some or all of the Shareholders' creditors accept, by agreement or in pursuance of a court order, an amount of less than the sums owing to them in satisfaction of those sums with a view to preventing the dissolution of the Shareholder;
 - (iii) a person is appointed to manage the affairs, business, and assets of the Shareholder on behalf of its creditors;
 - (iv) the holder of a charge over the Shareholders' assets is appointed to control the business and assets of the Shareholder;
- (c) a process has been instituted that could reasonably lead to the Shareholder being dissolved and its assets being distributed among the Shareholders' creditors, shareholders or other contributor;
- (d) a Change of Control with respect to the Shareholder occurs without the prior written consent of the other Shareholders;
- (e) a Shareholder fails to comply with Article 39.3 within five (5) Business Days;
- (f) the Shareholder is in material breach of its obligations under any relevant Agreement, which has not been remedied within 20 (twenty) Business Days (or later if agreed between the Shareholders) of at least one of the other Shareholders requiring remedy.

40.2 If a Default Event occurs with respect to a Shareholder (for the purposes of this Article the "**Defaulting Shareholder**"), it shall give notice of it to the other Shareholders (for the purposes of this Article, the "**Non-Defaulting Shareholder(s)**") as soon as possible after they become aware of such Default Event, and, if it does not, it shall be deemed to have done so on the date on which the Non-Defaulting Shareholder(s) become aware of the Default Event (a "**Default Notice**").

40.3 As soon as practicable after service, or deemed service, of the Default Notice, the Shareholders shall appoint a Valuer, to determine the Prescribed Value of the Defaulting Shareholder's Shares and Funding Instruments (if any) (the "**Sale Instruments**"), in accordance with Article 44.

40.4 The Non-Defaulting Shareholders have the right, within 30 days of receiving notification of the Prescribed Value determined by the Valuer, to either:

40.4.1 severally serve a notice on the Defaulting Shareholder to buy all of the Sale Instruments:

(a) subject to (b) below, at the Prescribed Value; or

(b) if the Default Event is a result of the Change of Control at SGL to a person on the SGL Restricted List, acquires Control of SAL, at the Fair Value,

or, in each case, for their designee to buy those Sale Instruments, in which case such designee may purchase those Sale Instruments directly from the Defaulting Shareholder); or

40.4.2 jointly elect by written notice served on the Seller for Connect to be wound up and this Deed to be terminated in which case the provisions of clause 23.2 to 23.4 shall apply.

40.5 Where multiple Non-Defaulting Shareholders seek to exercise their right under Article **Error! Reference source not found.**, each shall be entitled to purchase a number of Sale Instruments in their Pro Rata Proportions, or such other proportions as agreed between the Buyers.

40.6 The service of a notice under Article **Error! Reference source not found.** shall bind the Defaulting Shareholder to sell, and the Non-Defaulting Shareholder(s) to buy, the Sale Instruments in accordance with the Articles.

40.7 From the date of the Default Notice until the earlier of the date on which the Sale Instruments are sold and the expiry of the Notice Period, each in accordance with Article **Error! Reference source not found.**:

(a) the voting rights attaching to any Shares held by the Defaulting Shareholder, and the voting rights of any Directors appointed by the Defaulting Shareholder, shall be suspended from the date of the giving of the Default Notice (or on the date such Default Notice is deemed given); and

(b) the quorum for a meeting of Shareholders or Directors shall no longer include a Director appointed by the defaulting Shareholder, or the Defaulting Shareholder as applicable.

41. Right of First Offer

41.1 After the expiry of the Initial Lock-In Period, a Shareholder must not sell its Shares, other than in accordance with Articles 39 or 40, without first complying with the provisions of this Article 41.

- 41.2 The Selling Shareholder shall notify the other Shareholders (**Non-Selling Shareholders**) that it is considering selling its Shares (**Sale Shares**) (**Initial Sale Notice**) and the Shareholders shall, as soon as reasonably practicable following receipt by the Non-Selling Shareholders of such notice, enter into good faith negotiations to determine (if possible) a mutually agreeable way for such a sale to occur without the remaining provisions of this Article 41 applying. The Sale Shares must consist of all, and not some only, of the Shares held by the Selling Shareholder.
- 41.3 If no agreement has been reached under Article 41.2 within 10 Business Days after the date of receipt of the Initial Sale Notice, the Selling Shareholder shall give notice to the Non-Selling Shareholders including the proposed price ("**Proposed Sale Price**") and any other terms and conditions of the proposed sale ("**Sale Notice**").
- 41.4
- 41.5 Within 30 (thirty) days of receipt of a Sale Notice, each of the Non-Selling Shareholders shall (either jointly or severally) notify the Selling Shareholder:
- (a) that it does not wish to purchase the Sale Shares;
 - (b) that it wishes to purchase the Sale Shares at the Proposed Sale Price or that it wishes to nominate a third party ("**Third Party Nominee**") at the Proposed Sale Price; or
 - (c) of an alternative price (the "**Counter Price**") on which it, or its Third Party Nominee, would be willing to acquire the Sale Shares, but on the same terms and conditions besides price as are set out in the Sale Notice; and
 - (d) the identity of the Third Party Nominee (if any).
- 41.6 Where a Non-Selling Shareholder has failed to respond within 30 (thirty) days of receipt of the Sale Notice, they shall be deemed to have confirmed that they do not wish to purchase the Sale Shares.
- 41.7 The Shareholders undertake that on receipt of a Sale Notice, the Non-Selling Shareholders shall seek to act together in their response, but acknowledge that the rights and obligations in this Article 41 are individual in nature.
- 41.8 If a Counter Price is proposed by one or more of the Non-Selling Shareholders:
- (a) the Selling Shareholder and the relevant Non-Selling Shareholder(s) shall negotiate for 10 (ten) Business Days to seek to agree a price for the Sale Shares;
 - (b) if the Selling Shareholder and the relevant Non-Selling Shareholder(s) are unable to agree a price for the Sale Shares, they shall jointly instruct the

Valuer to determine the Fair Value in accordance with Article 44 specifically with regard for the factors set out in Article 44.4; and

- (c) the price for a sale pursuant to Article 41.5(c), shall be the closer of the Proposed Sale Price and the Counter Price to the Fair Value determined by the Valuer in accordance with Article 41.8(b) (the “**Preferred Offer Price**”), which shall be accepted as a final determination by the Selling Shareholder and the relevant Non-Selling Shareholder(s).

41.9 If one Non-Selling Shareholder provides notice pursuant to Article 41.5(b) or 41.5(c), it shall be obliged to purchase, or to procure that its Third Party Nominee purchases, 100% (one hundred per cent) of the Sale Shares at the Proposed Sale Price or Preferred Offer Price, as applicable.

41.10 If more than one Non-Selling Shareholder provides notice pursuant to Article 41.5(b) or 41.5(c):

- (a) each Non-Selling Shareholder shall be obliged to purchase, or to procure that its Third Party Nominee purchases, its Pro Rata Proportion of Sale Shares; and
- (b) such purchase shall be at the price that Non-Selling Shareholder has accepted, being either the Proposed Sale Price or the Preferred Offer Price (irrespective of the price the other Non-Selling Shareholder(s) has accepted).

41.11 If one or more wish to purchase or wish to nominate a Third Party Nominee to purchase the Sale Shares pursuant to Article 41.5(b) or 41.5(c), the Selling Shareholder and the relevant Non-Selling Shareholder(s) shall use reasonable endeavours to complete the acquisition (or procure the completion of the acquisition of the Sale Shares by the Third Party Nominee) of the Sale Shares as soon as is reasonably practicable after:

- (a) the Non-Selling Shareholder(s) provides notice that it wishes to purchase or wishes to nominate a Third Party Nominee to Purchase the Sale Shares at the Proposed Sale Price in accordance with Article 41.5(b); or
- (b) the Preferred Offer Price has been determined in accordance with Article 41.8.

41.12 If:

- (a) none of the Non-Selling Shareholders inform the Selling Shareholder pursuant to Article 41.5(b) or 41.5(c), that they wish to purchase or to nominate a Third Party Nominee to purchase the Sale Shares; or

- (b) all the Non Selling Shareholders positively confirm that they do not wish to purchase the Sale Shares pursuant to Article 41.5(a),

Article 41.13 shall apply.

41.13 Where the Selling Shareholder becomes aware that the Non-Selling Shareholders do not wish to purchase the Sale Shares, the Selling Shareholder may:

- (a) appoint a mutually agreed financial adviser to conduct a customary auction process for the sale of the Sale Shares to a Third Party Purchaser (provided that each Non-Selling Shareholder shall be entitled to participate in such auction); or
- (b) negotiate a sale of the Sale Shares to a Third Party Purchaser directly,

provided that such a sale of the Sale Shares to a Third Party Purchaser must be agreed within 6 months from the earlier of the date upon which: (i) the Non-Selling Shareholders inform the Selling Shareholder that they do not wish to purchase the Sale Shares; and (ii) the Non-Selling Shareholders are deemed to have confirmed that they do not wish to purchase the Sale Shares pursuant to clause 41.6. The Selling Shareholder may extend the 6 month period by a further 30 days provided that at least one the Non-Selling Shareholders (acting reasonably) agrees to such extension.

41.14 Notwithstanding Articles 41.12 and 41.13, a Selling Shareholder shall not be obliged to sell the Sale Shares to any Third Party Purchaser pursuant to Article 41.13.

41.15 The Selling Shareholder shall notify the Non-Selling Shareholders as soon as reasonably practicable after the Selling Shareholder has determined that it will not sell the Sale Shares to a Third Party Purchaser pursuant to Article 41.13.

41.16 For a period of 12 (twelve) months from the date that the Selling Shareholder notifies the Non-Selling Shareholders that the Sale Shares have not been sold pursuant to the auction process, the Selling Shareholder shall not be permitted to commence any sale process that would result in the management of the Company (or its Subsidiaries) being required to participate in any due diligence process for a period of 30 (thirty) days or more.

41.17 The provisions of Articles 42 and 43 shall not apply in the event that Shares are sold to one or more Non-Selling Shareholder(s) or Third Party Nominee(s) pursuant to this Article 41.

42. Drag Along Rights

- 42.1 The provisions of this Article 42 shall only apply after the expiry of the Initial Lock-In Period and shall not apply to a transfer of Shares pursuant to Articles 39, 40 or 42 or a transfer of Shares to a Non-Selling Shareholder or a Third Party Nominee under Article 41.
- 42.2 If the Selling Shareholder(s) agrees to sell all (but not some only) of its Sale Shares to a Drag Buyer (having complied with the provisions of Article 41), then the Selling Shareholder(s) may notify each Non-Selling Shareholder that they must sell to the Drag Buyer all (but not some only) of the Non-Selling Shareholder's Shares at the same price and on the same terms as the terms on which the Drag Buyer proposes to purchase the Sale Shares ("**Drag Notice**"), provided that each Non-Selling Shareholder shall only be required to give warranties in respect of their title to the Shares and their capacity to sell.
- 42.3 A Drag Notice must specify the following:
- (a) that the Non-Selling Shareholder is required to transfer all of their Shares;
 - (b) the identity of the Drag Buyer;
 - (c) the price per Share payable to that Non-Selling Shareholder, which must be at least equal to the price per Share payable to the Selling Shareholder for the Sale Shares (with the total amount payable by the Drag Buyer for the Non-Selling Shareholder's Shares being referred to as the "**Drag Price**");
 - (d) any other material terms to the transfer of the Sale Shares; and
 - (e) the proposed date of the transfer (which may be established by a formula).
- 42.4 Once a Drag Notice has been received, each Non-Selling Shareholder shall be considered a **Called Shareholder**, and their Shares shall be considered **Called Shares**.
- 42.5 Once issued, a Drag Notice shall be irrevocable. However, a Drag Notice shall lapse if, for any reason, the Selling Shareholder has not sold the Sale Shares to the Drag Buyer within 30 (thirty) Business Days of serving the Drag Notice (or such longer period as may be required for regulatory purposes).
- 42.6 No Drag Notice shall require a Called Shareholder to agree to any terms except those specifically contemplated by this Article 42.
- 42.7 Completion of the sale of the Called Shares shall take place on the Completion Date. **Completion Date** means the date proposed for completion of the sale of the Sale Shares unless:

- (a) the Called Shareholder(s) and the Selling Shareholder(s) agree otherwise in which case the Completion Date shall be the date agreed in writing by the Called Shareholder(s) and the Selling Shareholder(s); or
 - (b) that date is less than 15 (fifteen) Business Days after the date on which the Drag Notice is served, in which case the Completion Date shall be the 15th (fifteenth) Business Day after service of the Drag Notice.
- 42.8 Subject to Article 42.9, on or before the Completion Date, each Called Shareholder shall execute and deliver stock transfer forms for the Called Shares, together with the relevant share certificates (or a suitable indemnity for any lost share certificates) to the Company. On the Completion Date, the Company shall pay the Called Shareholder(s), on behalf of the Drag Buyer (unless the Drag Buyer pays the Called Shareholder(s) directly), the Drag Price to the extent that the Drag Buyer has put the Company in the requisite funds. The Company's receipt for the price shall be a good discharge to the Drag Buyer in respect of the acquisition of the Called Shares. The Company shall hold the amounts due to the Called Shareholder(s) on trust for the Called Shareholder(s) without any obligation to pay interest.
- 42.9 To the extent that the Drag Buyer has not, on the Completion Date, paid the Called Shareholder(s) the Drag Price or put the Company in funds to pay the Drag Price, the Called Shareholder(s) shall be entitled to, and the Selling Shareholder shall procure, the return of the stock transfer forms and share certificates (or suitable indemnity) for the relevant Called Shares and neither the Selling Shareholder nor the Called Shareholder(s) shall have any further rights or obligations under this Article 42 in respect of the Called Shares, in respect of the Drag Notice in question, and no further Drag Notice may be served in relation to the Drag Buyer in question for three (3) months.
- 42.10 If any Called Shareholder does not, on or before the Completion Date, execute and deliver (in accordance with Article 42.8) stock transfer form(s), together with the relevant share certificates (or a suitable indemnity for any lost certificates), in respect of all of the Called Shares held by it, the relevant Called Shareholder shall be deemed to have irrevocably appointed any person nominated for the purpose by the Selling Shareholder to be its agent to execute all necessary transfer(s), share certificates and indemnity/(ies) on its behalf, against receipt by the Company (on trust for the Called Shareholder) of the Drag Price, and to deliver such stock transfer form(s), certificates and indemnity/(ies) to the Drag Buyer (or as it may direct) as the holder thereof. After the Drag Buyer (or its nominee) has been registered as the holder of the Called Shares, the validity of such proceedings shall not be questioned by any such person. Failure to produce a share certificate (or other evidence of title and ownership) shall not impede the registration of Shares (as applicable) under this Article 42, provided that the Drag Price has been paid to the relevant Called Shareholder or to the Company on trust for the relevant Called Shareholder.

43. Tag Along Rights

- 43.1 The provisions of this Article 43 shall only apply after expiry of the Initial Lock-In Period. and shall not apply to a transfer of Shares pursuant to Articles 39, 40 or 42 or a transfer of Shares to a Non-Selling Shareholder or a Third Party Nominee under Article 41.
- 43.2 If, having complied with the provisions of clause 41 and having not provided a Drag Notice to the Non-Selling Shareholders under clause 42 or following the lapse of any Drag Notice, the Selling Shareholder(s) agrees to sell all (but not some only) of its Sale Shares to a Tag Buyer then:
- (a) the Selling Shareholder(s) shall notify each Non-Selling Shareholder that they have the right to sell all (but not some only) of the Non-Selling Shareholders' Shares at the same price and on the same terms as the terms on which the Tag Buyer proposes to purchase the Sale Shares, provided that each Non-Selling Shareholder shall only be required to give warranties in respect of their title to the Shares and their capacity to sell (**Tag Notice**); and
 - (b) each Non-Selling Shareholder may elect to sell its Shares to the Tag Buyer within 10 calendar days of receipt of the Tag Notice.
- 43.3 A Tag Notice must specify the following:
- (a) the fact that the notice is a Tag Notice;
 - (b) the identity of the Tag Buyer;
 - (c) the price per Share payable to the Selling Shareholder;
 - (d) any other material terms to the transfer of the Sale Shares; and
 - (e) the proposed date of the transfer (which may be established by a formula).
- 43.4 If the Tag Buyer fails to make, or the Selling Shareholder(s) fails to procure that the Tag Buyer makes, an offer to the Non-Selling Shareholders in respect of all of their Shares pursuant to Article 43.2, the Selling Shareholder(s) shall not be entitled to complete the sale of the Sale Shares to the Tag Buyer and the Company shall not register the transfer of the same.
- 43.5 If a Non-Selling Shareholder wishes to sell its Shares on the terms in the Tag Notice (an "**Accepting Shareholder**"), and notifies its intention to do so within ten (10) calendar days, the completion of the sale of the Sale Shares by the Selling Shareholder shall be conditional on completion of the purchase of all the Shares held by the Accepting Shareholder by the Tag Buyer on the terms described in the Tag Notice.

44. Valuation

- 44.1 In the event that Fair Value is required to be determined by a Valuer in accordance with these Articles, such Valuer shall be appointed and the valuation determined in accordance with this Article 44.
- 44.2 An independent Valuer, which shall be an internationally recognised investment bank with aviation expertise (the “**Valuer**”) shall be:
- (a) appointed by agreement between the Shareholders (each acting reasonably); or
 - (b) if the Shareholders are unable to agree on the appointment of a Valuer within 20 (twenty) Business Days of a Shareholder serving details of a suggested valuer on the others, a Shareholder shall then be entitled to request that the London representatives of the Association for Financial Markets in Europe nominate a London based Valuer of repute with the relevant professional qualifications and international experience in the valuation of companies of a similar nature to the Company.
- 44.3 The Valuer shall be requested to determine the Fair Value within 20 (twenty) Business Days of his appointment and to notify the Shareholders in writing of his determination.
- 44.4 For the purposes of Article 41, the Fair Value shall be the price per Share determined by the Valuer on the following bases and assumptions:
- (a) the past, current, and future prospects of the Company;
 - (b) an appropriate control premium (as determined by the Valuer) in the event that Selling Shareholder could seek to exercise the drag along rights in Article 42 that would enable the Selling Shareholder to sell to a Third Party Purchaser;
 - (c) there being no termination fee or “must use or pay” amount that would be payable by the licensee or a proposed purchaser if they did not wish to use the Virgin Atlantic brand following the proposed acquisition (whether or not such a fee would be payable); and
 - (d) there being no discount for sale of a minority interest, or due to less than 100 per cent of the Shares being sold.
- 44.5 For the purposes of determining Prescribed Value, the Fair Value for any Shares shall be the price per Share determined by the Valuer on the following bases and assumptions:

- (a) valuing each class of shares as a proportion of the total value of all the shares of that class in the capital of the Company;
 - (b) if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;
 - (c) the sale is to be on arms' length terms between a willing buyer and a willing seller;
 - (d) the Shares are sold free of all Encumbrances;
 - (e) the sale is taking place on the date the Valuer was requested to determine the Fair Value; and
 - (f) to take account of any other factors that the Valuer reasonably believes should be taken into account.
- 44.6 The Shareholders are entitled to make submissions to the Valuer including oral submissions and will provide (or procure that the Company provides) the Valuer with such assistance and documents as the Valuer reasonably requires for the purpose of reaching a decision, subject to the Valuer agreeing to give such confidentiality undertakings as each of the Shareholders may reasonably require in respect of the information requested of it.
- 44.7 To the extent not provided for by this Article 44, the Valuer may, in his reasonable discretion, determine such other procedures to assist with the valuation as he considers just or appropriate, including (to the extent he considers necessary) instructing professional advisers to assist him in reaching his valuation.
- 44.8 The Valuer shall act as expert and not as arbitrator and his written determination shall be final and binding on the Shareholders (in the absence of manifest error or fraud).
- 44.9 The Defaulting Shareholder subject to a Default Event pursuant to Article 40 shall bear the costs in relation to the reference to the Valuer, including the Valuer's fees and any costs properly incurred by him in arriving at his valuation (including any fees and costs of any advisers appointed by the Valuer).
- 44.10 Where the Fair Value is to be determined for the purposes of Article 41, the Company shall bear the costs in relation to the reference to the Valuer. The Valuer's fees and any costs properly incurred by him in arriving at his valuation (including any fees and costs of any advisers appointed by the Valuer) shall be borne by the Company.
- 45. Procedure for Declaring Dividends**

- 45.1 The Company may by ordinary resolution declare dividends, and, subject to the provisions of any Relevant Agreement and these Articles, the Directors may decide to pay interim dividends.
- 45.2 A dividend must not be declared, other than in accordance with the Dividend Policy, unless the Directors have made a recommendation as to its amount and received consent from the Specified Shareholder to make such declaration. Such a dividend must not exceed the amount recommended by the Directors.
- 45.3 No dividend may be declared or paid unless it is in accordance with Shareholders' respective rights.
- 45.4 Unless the Shareholders' resolution to declare or Directors' decision to pay a dividend, or the terms on which shares are issued, specify otherwise, it must be paid by reference to each Shareholder's holding of shares on the date of the resolution or decision to declare or pay it.
- 45.5 If the Directors act in good faith, they do not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of a fixed or interim dividend on shares with deferred or non-preferred rights.

46. Payment of Dividends and Other Distributions

- 46.1 Where a dividend or other sum which is a distribution is payable in respect of a share, it must be paid by one or more of the following means:
- (a) transfer to a bank or building society account specified by the payee either in writing or as the Directors may otherwise decide;
 - (b) sending a cheque made payable to the payee by post to the payee at the payee's registered address (if the payee is a holder of the share), or (in any other case) to an address specified by the payee either in writing or as the Directors may otherwise decide;
 - (c) sending a cheque made payable to such person by post to such person at such address as the payee has specified either in writing or as the Directors may otherwise decide; or
 - (d) any other means of payment as the Directors agree with the payee either in writing or by such other means as the Directors decide.
- 46.2 Subject to the provisions of these Articles and to the rights attaching to any shares, any dividend or other sum payable on or in respect of a share may be paid in such currency as the Directors may resolve, using such exchange rate for currency conversions as the Directors may select.

46.3 In the Articles, the “payee” means, in respect of a Share in respect of which a dividend or other sum is payable:

- (a) the holder of the Share; or
- (b) if the Share has two or more joint holders, whichever of them is named first in the register of members; or
- (c) such other person or persons as the holder (or, in the case of joint holders, all of them) may direct.

47. No Interest on Distributions

47.1 The Company may not pay interest on any dividend or other sum payable in respect of a share unless otherwise provided by:

- (a) these Articles;
- (b) the terms on which the share was issued; or
- (c) the provisions of another agreement between the holder of that share and the Company.

48. Unclaimed Distributions

48.1 All dividends or other sums which are:

- (a) payable in respect of shares; and
- (b) unclaimed after having been declared or become payable,

may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed.

48.2 The payment of any such dividend or other sum into a separate account does not make the Company a trustee in respect of it.

48.3 If:

- (a) 12 (twelve) years have passed from the date on which a dividend or other sum became due for payment; and
- (b) the payee has not claimed it,

the payee is no longer entitled to that dividend or other sum and it ceases to remain owing by the Company.

49. Non-Cash Distributions

- 49.1 Subject to the terms of issue of the Share in question and the provisions of any Relevant Agreement and these Articles, the Company may, by ordinary resolution on the recommendation of the Directors, direct the payment of a dividend in whole or in part by the transfer of non-cash assets of equivalent value (including, without limitation, shares or other securities in any Company) and the Directors shall give effect to such resolution.
- 49.2 For the purposes of paying a non-cash distribution, the Directors may make whatever arrangements they think fit, including, where any difficulty arises regarding the distribution:
- (a) fixing the value of any assets;
 - (b) paying cash to any payee on the basis of that value in order to adjust the rights of recipients; and
 - (c) vesting any assets in trustees.

50. Waiver of Distributions

- 50.1 Payees may waive their entitlement to a dividend or other distribution payable in respect of a share in whole or in part by giving the Company notice in writing to that effect, but if:
- (a) the share has more than one holder; or
 - (b) more than one person is entitled to the share, whether by reason of the death or bankruptcy of one or more joint holders, or otherwise,

the notice is not effective unless it is expressed to be given, and signed, by all the holders or persons otherwise entitled to the share.

Capitalisation of Profits

51. Authority to Capitalise and Appropriation of Capitalised Sums

- 51.1 Subject to the Articles and the provisions of any Relevant Agreement, the Directors may, if they are so authorised by an ordinary resolution:
- (a) capitalise any profits of the Company (whether or not they are available for distribution) which are not required for paying a preferential dividend, or any sum standing to the credit of the Company's share premium account, capital redemption reserve or other undistributable reserve; and

- (b) appropriate any sum which they so decide to capitalise (a “**capitalised sum**”) to the persons who would have been entitled to it if it were distributed by way of dividend (the “**persons entitled**”) and in the same proportions.

51.2 Capitalised sums must be applied:

- (a) on behalf of the persons entitled; and
- (b) in the same proportions as a dividend would have been distributed to them.

51.3 Any capitalised sum may be applied in paying up new shares of a nominal amount equal to the capitalised sum which are then allotted credited as fully paid to the persons entitled or as they may direct.

51.4 A capitalised sum which was appropriated from profits available for distribution may be applied in paying up new debentures of the Company which are then allotted credited as fully paid to the persons entitled or as they may direct.

51.5 Subject to the Articles the Directors may:

- (a) apply capitalised sums in accordance with Articles 51.3 and 51.4 partly in one way and partly in another;
- (b) make such arrangements as they think fit to deal with shares or debentures becoming distributable in fractions under this Article 51 (including to disregard fractional entitlements or for the benefit of them to accrue to the Company); and
- (c) authorise any person to enter into an agreement with the Company on behalf of all the persons entitled which is binding on them in respect of the allotment of shares and debentures to them under this Article 51.

Part 4

Decision-Making by Shareholders

Organisation of General Meetings

52. Attendance and Speaking at General Meetings

52.1 A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting.

52.2 A person is able to exercise the right to vote at a general meeting when:

- (a) that person is able to vote, during the meeting, on resolutions put to the vote at the meeting; and
 - (b) that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.
- 52.3 The Directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it.
- 52.4 In determining attendance at a general meeting, it is immaterial whether any two or more Shareholders attending it are in the same place as each other.
- 52.5 Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them.
- 53. Quorum for General Meetings and Notice**
- 53.1 No business shall be transacted at a general meeting of the Shareholders of the Company unless a quorum is present at the time when the meeting proceeds to business and remains present during the transaction of business.
- 53.2 The quorum for any meeting of Shareholders shall be the presence of a representative of each Specified Shareholder.
- 53.3 Notwithstanding anything contained in these Articles, if a quorum is not constituted at any meeting of Shareholders within 30 (thirty) minutes from the time appointed for the meeting or if during the meeting a quorum ceases to be present for a period exceeding 30 (thirty) minutes, the meeting shall be adjourned for two Business Days whereupon the meeting will be quorate provided a representative from at least half of the number of Specified Shareholders is present.
- 53.4 Subject to Article 53.5 below, a minimum of ten (10) Business Days' notice of each general meeting of the Company, accompanied with an agenda (as well as copies of any documents specified to be considered at such general meeting in such agenda) of the business to be transacted shall be given to all the Shareholders.
- 53.5 The notice period referred to in Article 53.4 above may be shortened with the written consent of the Specified Shareholders.
- 54. Chairing General Meetings**
- 54.1 The Chair shall chair general meetings if present and willing to do so.

54.2 If the Chair is unwilling to chair the meeting or is not present within ten (10) minutes of the time at which a meeting was due to start:

(a) the Directors present; or

(b) (if no Directors are present), the meeting,

must appoint a Director or Shareholder to chair the meeting, and such appointment must be the first business of the meeting.

54.3 The person chairing a meeting in accordance with this Article 54 is referred to as the "Chairman of the Meeting".

55. Attendance and Speaking by Directors and Non-Shareholders

55.1 Directors may attend and speak at general meetings, whether or not they are Shareholders.

55.2 The Chairman of the Meeting may permit other persons who are not:

(a) Shareholders of the Company; or

(b) otherwise entitled to exercise the rights of Shareholders in relation to general meetings, to attend and speak at a general meeting.

56. Adjournment

56.1 If the persons attending a general meeting within 30 (thirty) minutes of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the Chairman of the Meeting must adjourn it.

56.2 The Chairman of the Meeting may adjourn a general meeting at which a quorum is present if:

(a) the meeting consents to an adjournment; or

(b) the Chairman of the Meeting considers that an adjournment is necessary to ensure that the business of the meeting is conducted in an orderly manner.

56.3 The Chairman of the Meeting must adjourn a general meeting if directed to do so by the meeting.

56.4 When adjourning a general meeting, the Chairman of the Meeting must specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the Directors.

- 56.5 If the continuation of an adjourned meeting is to take place more than 14 (fourteen) days after it was adjourned, the Company must give at least 7 (seven) clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given) or such shorter period as the Specified Shareholders may consent to in writing:
- (a) to the same persons to whom notice of the Company's general meetings is required to be given; and
 - (b) containing the same information which such notice is required to contain.
- 56.6 No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.

Voting at General Meetings

57. Voting Rights of Shares

- 57.1 A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with the Articles.
- 57.2 Any matters that may be voted on at a general meeting, may also be approved by a written resolution of the Shareholders, to the extent permitted by law.
- 57.3 The Shares shall have equal voting rights on a written resolution or resolution to be passed at a general meeting of the Company (whether on a show of hands or on a poll).

58. Reserved Matters

- 58.1 Notwithstanding any other provision of these Articles, without the approval of all Specified Shareholders and any other Shareholder who holds 25% or more of the voting rights in the ordinary share capital of the Company, the Company shall not, and shall procure that its Subsidiaries do not (and the Shareholders agree that they shall exercise their rights as Shareholders to procure that none of the Company or its Subsidiaries shall) carry out any of the following matters:
- (a) varying or altering its issued share capital, including the granting of rights in respect of shares.
 - (b) amending its memorandum and/or articles of association.
 - (c) entering into, or varying the terms of, any material (as may be determined in accordance with any Relevant Agreement) Related Party Transactions.

- (d) raising additional funds, whether consisting of debt, equity or hybrid securities.
- (e) making a substantial change in the fundamental nature of the business of Connect or of any Subsidiary.
- (f) making any changes to the terms of employment of, or entering into or terminating any employment (or analogous) agreements with, the CEO or CFO of the Company.
- (g) disposing of, leasing or otherwise giving effect to a material change to the portfolio of slots at any Group 2 Airport or any IATA Level 3 Airport, other than in the ordinary course of business.
- (h) changing the headquarters of the company or main base to a location outside of the United Kingdom.
- (i) adopting, agreeing, or amending a budget (other than with the approval of a DLP Director, a SAL Director, and a VTG Director);
- (j) adopting, agreeing, or amending a business plan, including any five year rolling fleet plan.
- (k) entering into, renewing, or varying any partnerships with strategic partners, other than VTG Strategic Partners.
- (l) renewing or varying any existing relationships with International Airlines Group or Thomas Cook, unless:
 - (i) such renewal or variation is agreed unanimously by the Networks and Alliances working group established pursuant to a Relevant Agreement; or
 - (ii) it can be demonstrated by a Party to the reasonable satisfaction of the other Parties that the relationship provides value that cannot be replaced elsewhere.

The restriction in paragraph (k) shall not apply to the franchise agreement between Stobart Air ULC and Aer Lingus Limited dated 20 December 2012, provided that it does not prejudice the Connect Group's ability to operate remedy landing slots at London Heathrow; or

- (m) taking any preparatory steps towards, or agreeing to take any of the actions set out in paragraphs (a) to (l) above.

58.2 Notwithstanding any other provisions of these Articles, SAL shall not be entitled to vote on any matters concerning the exercise of enforcement of the Company's rights under the Propius SPA or Stobart Air SPA, which matters shall require the approval of one DLP Director and one VTG Director.

59. Errors and Disputes

59.1 No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid.

59.2 Any such objection must be referred to the Chairman of the Meeting, whose decision is final.

60. Poll Votes

60.1 A poll on a resolution may be demanded:

- (a) in advance of the general meeting where it is to be put to the vote; or
- (b) at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.

60.2 A poll may be demanded by:

- (a) the Chairman of the Meeting;
- (b) the Directors; or
- (c) any Shareholder present in person, by proxy or by corporate representative and entitled to vote.

60.3 A demand for a poll may be withdrawn if:

- (a) the poll has not yet been taken; and
- (b) the Chairman of the Meeting consents to the withdrawal.

60.4 Polls must be taken immediately and in such manner as the Chairman of the Meeting directs.

61. Content of Proxy Notices

61.1 Proxies may only validly be appointed by a notice in writing (a "**proxy notice**") which:

- (a) states the name and address of the Shareholder appointing the proxy;
 - (b) identifies the person appointed to be that Shareholder's proxy and the general meeting in relation to which that person is appointed;
 - (c) is signed by or on behalf of the Shareholder appointing the proxy, or is authenticated in such manner as the Directors may determine; and
 - (d) is delivered to the Company in accordance with the Articles and any instructions contained in the notice of the general meeting to which they relate.
- 61.2 The Company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.
- 61.3 Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.
- 61.4 Unless a proxy notice indicates otherwise, it must be treated as:
- (a) allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting; and
 - (b) appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.

62. Delivery of Proxy Notices

- 62.1 Proxy notices in hard copy form must be received at such place and by such deadline specified in the notice convening the meeting. If no place is specified, then the proxy notice must be received at the registered office of the Company for the time being. If no deadline is specified, proxy notices must be received, before the start of the meeting or adjourned meeting or, if a poll is taken otherwise than at or on the same day as the meeting or adjourned meeting, at the time for the taking of the poll at which it is to be used.
- 62.2 A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the Company by or on behalf of that person.
- 62.3 An appointment under a proxy notice may be revoked by delivering to the Company a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.

- 62.4 A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.
- 62.5 If a proxy notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the such person's behalf.
- 62.6 Any vote cast or poll demanded by a proxy shall not be invalidated by the previous death or insanity of the Shareholder or by the revocation or termination of the appointment of the proxy or of the authority under which the appointment was made unless notice of such death, insanity, revocation or termination was received in writing at the place specified in the notice of meeting for the receipt of proxy notices (or, if no place is specified, the registered office for the time being) before the start of the meeting or (in the case of a poll taken otherwise than on the same day as the meeting or adjourned meeting) the time appointed for the taking of the poll.

63. Amendments to Resolutions

- 63.1 An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if:
- (a) notice of the proposed amendment is given to the Company in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the Chairman of the Meeting may determine); and
 - (b) the proposed amendment does not, in the reasonable opinion of the Chairman of the Meeting, materially alter the scope of the resolution.
- 63.2 A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if:
- (a) the Chairman of the Meeting proposes the amendment at the general meeting at which the resolution is to be proposed; and
 - (b) the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.
- 63.3 If the Chairman of the Meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the Chairman of the Meeting's error does not invalidate the vote on that resolution.

Part 5
Administrative Arrangements

64. Means of Communication to be used

64.1 Subject to the Articles, anything sent or supplied by or to the Company under the Articles may be sent or supplied in any way in which the Companies Act 2006 provides for documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the Company.

64.2 Any notice, document or information (including a share certificate) which is sent or supplied by the Company in hard copy form, or in electronic form but to be delivered other than by electronic means, which is:

- (a) sent by hand and properly addressed shall be deemed to have been received by the intended recipient on the day of delivery;
- (b) sent by pre-paid post and properly addressed shall be deemed to have been received by the intended recipient at the expiration of 24 (twenty-four) hours (or, where first class mail is not employed, 48 (forty-eight) hours) after the time it was posted,

and in proving such receipt it shall be sufficient to show that such notice, document or information was properly addressed and, in the case of post, pre-paid and posted.

64.3 Any notice, document or information which is sent or supplied by the Company by electronic means shall be deemed to have been received by the intended recipient 24 hours after it was transmitted, and in proving such receipt it shall be sufficient to show that such notice, document or information was properly addressed.

64.4 The accidental failure to send, or the non-receipt by any person entitled to, any notice of or other document or information relating to any meeting or other proceeding shall not invalidate the relevant meeting or proceeding.

64.5 Subject to the Articles, any notice or document to be sent or supplied to a Director in connection with the taking of decisions by Directors may also be sent or supplied by the means by which that Director has asked to be sent or supplied with such notices or documents for the time being.

64.6 A Director may agree with the Company that notices, documents or information sent to that Director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than that provided in this Article 64.

65. Joint Holders

- 65.1 Except as otherwise specified in the Articles, anything which needs to be agreed or specified by the joint holders of a Share shall for all purposes be taken to be agreed or specified by all the joint holders where it has been agreed or specified by the joint holder whose name stands first in the register of members in respect of the share.
- 65.2 Except as otherwise specified in the Articles, any notice, document or information which is authorised or required to be sent or supplied to joint holders of a share may be sent or supplied to the joint holder whose name stands first in the register of members in respect of the share, to the exclusion of the other joint holders.
- 65.3 The provisions of this Article 65 shall have effect in place of the provisions of Schedule 5 of the Companies Act 2006 regarding joint holders of shares.

66. Company Seals

- 66.1 Any common seal may only be used by the authority of the Directors.
- 66.2 The Directors may decide by what means and in what form any common seal is to be used.
- 66.3 Unless otherwise decided by the Directors, if the Company has a common seal and it is affixed to a document, the document must also be signed by at least one authorised person in the presence of a witness who attests the signature.
- 66.4 For the purposes of this Article 66, an authorised person is:
- (a) any Director of the Company;
 - (b) the Secretary (if any); or
 - (c) any person authorised by the Directors for the purpose of signing documents to which the common seal is applied.
- 66.5 The Company may exercise all powers conferred by the Companies Act 2006 with regard to having an official seal for use abroad and such powers shall be vested in the Directors.

67. No Right to Inspect Accounts and Other Records

Except as provided by law, any Relevant Agreement, or authorised by the Directors or an ordinary resolution of the Company, no person is entitled to inspect any of the Company's accounting or other records or documents merely by virtue of being a Shareholder.

68. Provision for Employees on Cessation of Business

The Directors may decide to make provision for the benefit of persons employed or formerly employed by the Company or any of its subsidiaries (other than a Director or former Director or shadow Director) in connection with the cessation or transfer to any person of the whole or part of the undertaking of the Company or that subsidiary.

69. Bank Mandates

The Directors may by majority decision or written resolution authorise such person or persons as they think fit to act as signatories to any bank account of the Company and may amend or remove such authorisation from time to time by resolution.

70. Authentication of Documents

70.1 Any Director or the Secretary (if any) or any person appointed by the Directors for the purpose shall have power to authenticate:

- (a) any document affecting the constitution of the Company;
- (b) any resolution passed at a general meeting or at a meeting of the Directors or any committee; and
- (c) any book, record, document or account relating to the business of the Company, and to certify copies or extracts as true copies or extracts.

70.2 A document purporting to be a copy of any such resolution, or an extract from the minutes of any such meeting, which is certified shall be conclusive evidence in favour of all persons dealing with the Company that such resolution has been duly passed or, as the case may be, that any minute so extracted is a true and accurate record of proceedings at a duly constituted meeting.

Directors' Liabilities

71. Indemnity

71.1 Subject to Article 71.2, a Relevant Officer may be indemnified out of the Company's assets against:

- (a) any liability incurred by or attaching to that officer in connection with any negligence, default, breach of duty or breach of trust in relation to the Company or an Associated Company;
- (b) any liability incurred by or attaching to that officer in connection with the activities of the Company or an Associated Company in its capacity as a

trustee of an occupational pension scheme (as defined in Section 235(6) of the Companies Act 2006);

- (c) any other liability incurred by or attaching to that officer as an officer of the Company or an Associated Company.

71.2 This Article 71 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.

71.3 Where a Relevant Officer is indemnified against any liability in accordance with this Article, such indemnity may extend to all costs, charges, losses, expenses and liabilities incurred by him in relation thereto.

72. Insurance

72.1 The Directors shall have the power to purchase and maintain insurance, at the expense of the Company, for the benefit of any Relevant Officer in respect of any relevant loss.

72.2 In this Article 72, a “**relevant loss**” means any loss or liability which has been or may be incurred by a Relevant Officer in connection with that 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.

73. Defence Expenditure

73.1 So far as may be permitted by the Companies Acts, the Company may:

- (a) provide a Relevant Officer with funds to meet expenditure incurred or to be incurred by him in:
 - (i) defending any criminal or civil proceedings in connection with any negligence, default, breach of duty or breach of trust by him in relation to the Company or an Associated Company; or
 - (ii) in connection with any application for relief under the provisions mentioned in Section 205(5) of the Companies Act 2006; and
- (b) do anything to enable any such Relevant Officer to avoid incurring such expenditure.

73.2 The terms set out in Section 205(2) of the Companies Act 2006 shall apply to any provision of funds or other things done under Article 73.1.

73.3 So far as may be permitted by the Companies Acts, the Company:

- (a) may provide a Relevant Officer with funds to meet expenditure incurred or to be incurred by him in defending himself in an investigation by a regulatory authority or against action proposed to be taken by a regulatory authority in connection with any alleged negligence, default, breach of duty or breach of trust by him in relation to the Company or any Associated Company; and
- (b) may do anything to enable any such Relevant Officer to avoid incurring such expenditure.