

**THE COMPANIES ACT 2006**

**PRIVATE COMPANY LIMITED BY SHARES**

**RESOLUTION(S) IN WRITING**

of

**NORTHWIND 5S (HOLDINGS) LIMITED**

(the "Company")

Passed on 31 October 2019

By a written resolution agreed to in accordance with Chapter 2 of Part 13 of the Companies Act 2006 by or on behalf of the required number of the members of the Company who, at the date of circulating the resolution, were entitled to vote on the resolution the following resolutions of the Company were duly passed:

**RESOLUTIONS**

**As an ordinary resolution**

9. **THAT**, subject to the passing of resolution 2, the Directors be and are hereby generally and unconditionally authorised in accordance with section 551 of the Companies Act 2006 to exercise all the powers of the Company to allot shares in the Company or to grant rights to subscribe for or to convert any security into shares in the Company provided that:
  - 9.1 the maximum amount of such shares that may be allotted under this authority (within the meaning of such section ) is £1,000,000; and
  - 9.2 this authority shall, unless it is (prior to its expiry) duly revoked or varied or is renewed, expire on 30 October 2024 save that the Company may, before such expiry, make an offer or agreement which will or may require such shares to be allotted after such expiry.
10. **THAT**, the 1 Ordinary Share of £1 in the capital of the Company held by Barry John McDermott be and is hereby subdivided and re-designated as 100 B ordinary shares of £0.01 each.

**As special resolutions**

11. **THAT**, the Directors are empowered pursuant to section 570 of the Companies Act 2006 to allot equity securities (as defined in section 560 of that Act) pursuant to the general authority given to them for the purposes of section 551 of that Act on 31 October 2019 as if section 561(1) of that Act did not apply to any such allotment and the Company may make an offer or agreement which will or may require equity securities to be allotted after the expiry of the power granted by this resolution.
12. **THAT**, the Articles of Association annexed to this resolution are hereby approved and adopted as the Articles of Association of the Company in substitution for and to the exclusion of all existing Articles of Association of the Company.

Signed Barry John McDermott  
Director



Dated 31 October 2019

THURSDAY



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07/11/2019

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COMPANIES HOUSE

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Company No. SC645179

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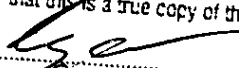
**Articles of Association of Northwind 5S Holdings Limited**

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Incorporated 23 October 2019

Adopted by special resolution passed on 31 October 2019

I certify that this is a true copy of the original, which I have seen.

Signed  For and on behalf of  
Print Charles Dyer Anderson Strathern LLP  
Department Corporate 50 George Square  
Date 6/11/19 Glasgow, G2 1EH

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THE COMPANIES ACT 2006

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PRIVATE COMPANY LIMITED BY SHARES

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ARTICLES OF ASSOCIATION

OF

NORTHWIND 5S (HOLDINGS) LIMITED

Adopted by special resolution passed on 31 October 2019

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1. **PRELIMINARY**

The model articles of association for private companies limited by shares contained in Schedule 1 to The Companies (Model Articles) Regulations 2008 in force on the date when these Articles become binding on the Company ("Model Articles") apply to the Company except in so far as they are excluded or varied by these Articles.

2. **INTERPRETATION**

2.1 In these Articles the following expressions have the following meanings unless inconsistent with the context:

"2006 Act"	the Companies Act 2006 (as amended from time to time)
"A Ordinary Shares"	the A ordinary shares of £0.01 each of the Company having the rights set out in <b>Article 14</b> in respect of Shares of that class
"acting in concert"	the meaning set out in the City Code on Takeovers and Mergers for the time being
"Allocation Notice"	as the context requires, has the meaning given to that term in <b>Article 23.13</b>
"Articles"	these Articles of Association as amended, supplemented, varied or replaced from time to time
"Auditors"	the auditors to the Company for the time being
"B Ordinary Shares"	the B ordinary shares of £0.01 each of the Company having the rights set out at <b>Article 14</b> in respect of Shares of that class
"Bad Leaver"	(a) a person who is a Leaver and is not a Good Leaver or a Very Bad Leaver; or (b) any Very Bad Leaver whom the Remuneration Committee, with Investor Consent, designates as a Bad Leaver
"Bidco"	Northwind 5S Limited (registered number SC642659)

<b>"Board"</b>	the board of directors of the Company from time to time
<b>"Business Day"</b>	any day (other than a Saturday or Sunday) on which banks are open in London for normal banking business
<b>"C Ordinary Shares"</b>	the C ordinary shares of £0.01 each in the share capital of the Company from time to time in issue
<b>"Called Shareholders"</b>	has the meaning given to that term at <b>Article 22.5</b>
<b>"Called Shares"</b>	the meaning given to that term at <b>Article 22.5</b>
<b>"Compulsory Sale Price"</b>	the meaning given to that term at <b>Article 23.5</b>
<b>"Controlling Interest"</b>	an interest (as defined in sections 820 to 825 of the 2006 Act) in Shares conferring in aggregate more than 50 per cent. of the total voting rights normally exercisable at a general meeting of the Company
<b>"connected person"</b>	the meaning given to that expression in section 993 of the Income Taxes Act 2007 and <b>"connected with"</b> shall be construed accordingly
<b>"Deemed Transfer Notice"</b>	the meaning given to that term at <b>Article 23.2</b>
<b>"Deferred Shares"</b>	the deferred shares of £0.0000001 each of the Company having the rights set out in <b>Article 14</b> in respect of Shares of that class
<b>"Drag Along Notice"</b>	the meaning given to that term at <b>Article 22.5</b>
<b>"Drag Along Option"</b>	the meaning given to that term at <b>Article 22.5</b>
<b>"Employee Trust"</b>	any trust established by the Company for the benefit of employees and/or any of the persons referred to in section 1166 of the 2006 Act and which has been approved by an Investor Majority or the Lead Investor
<b>"electronic address"</b>	any address or number used for the purposes of sending or receiving documents or information by electronic means
<b>"Excess Sale Shares"</b>	as the context requires, has the meaning given to that term at <b>Article 23.10.2</b>
<b>"Exit"</b>	a Sale or a Listing
<b>"Facility Agreement"</b>	any facility agreement entered into between, amongst others, the Company and a third party institutional lender, from time to time
<b>"Facility Documents"</b>	the Facility Agreement and all documents to be entered into pursuant to the terms of those agreements as the same may be amended, supplemented, varied or replaced from time to time
<b>"Fair Value"</b>	for the purposes of these Articles means the amount agreed between the Board (with Investor Consent) and the Seller or, in the absence of agreement within 15 Business Days of the date of the Deemed Transfer

	Notice, as may be determined by the Auditors in accordance with <b>Article 24</b>
<b>"Finally Determined"</b>	agreed between the relevant parties in writing or determined by an employment tribunal or court of competent jurisdiction from which there is no right of appeal or where the right of appeal has lapsed or been refused (and the holders agree that a right of appeal will be deemed to have lapsed on the expiry of 20 Business Days following the date upon which the right arises if no formal steps have been taken to exercise such right)
<b>"Financial Year"</b>	shall in respect of the Company have the meaning defined by section 390 of the 2006 Act
<b>"FSMA"</b>	the Financial Services and Markets Act 2000 (as amended from time to time)
<b>"Good Leaver"</b>	<p>(a) a person who is a Leaver as a result of:</p> <ul style="list-style-type: none"> <li>(i) death;</li> <li>(ii) Serious Ill Health;</li> <li>(iii) circumstances that are Finally Determined to be wrongful dismissal; or</li> <li>(iv) ceasing to be an employee or director of the Company in circumstances agreed by the Board (with Investor Consent) to be retirement; and</li> </ul> <p>(b) any Leaver whom the Remuneration Committee, with Investor Consent, determines is a Good Leaver</p>
<b>"Group"</b>	the Company and each of its subsidiaries from time to time and references to <b>"member of the Group"</b> and <b>"Group Company"</b> is to be construed accordingly
<b>"holder"</b>	in respect of any Share, the person or persons for the time being registered by the Company as the holders of that Share but disregarding any Shares held by the Company in treasury and <b>"shareholder"</b> shall be interpreted accordingly
<b>"Institutional Investor"</b>	any financial institution designated by HM Revenue and Customs as a bank pursuant to section 1120 of the Corporation Tax Act 2010, or any member (or person represented, managed or advised by any member) of the British Private Equity and Venture Capital Association or any investor sponsored, managed or advised by a private equity sponsor, manager or adviser
<b>"Investment Agreement"</b>	the investment agreement dated on the Investment Date and made between the Company, the Managers, the Investors and the Lead Investor as the same may

	be amended, supplemented, varied or replaced from time to time
<b>"Investment Date"</b>	the date of completion of the Investment Agreement
<b>"Investor Associate"</b>	members of an Investor Group and any company or fund (including any unit trust or investment trust) or partnership (including a limited partnership) which is advised, or the assets of which are managed, (whether solely or jointly with others) from time to time by any Investor or any member of its Investor Group or the Lead Investor or by any person who advises or manages the assets (or some material part thereof) of that Investor or any member of its Investor Group
<b>"Investor Consent"</b>	the consent in writing of the Investor Majority and/or the Lead Investor
<b>"Investor Covenant"</b>	the deed of covenant relating to the financial performance of the Group entered into on the Investment Date by the Company in favour of the Investors as the same may be amended, supplemented, varied or replaced from time to time
<b>"Investor Director"</b>	the director appointed pursuant to <b>Article 10</b>
<b>"Investor Group"</b>	in relation to each Investor: <ul style="list-style-type: none"> <li>(a) the Investor or any subsidiary or holding company of the Investor or subsidiary of a holding company of the Investor (each a <b>"Relevant Person"</b>); or</li> <li>(b) any partnership (or the partners in any such partnership) of which any Relevant Person is general partner, manager, consultant or adviser; or</li> <li>(c) any unit trust or other fund of which any Relevant Person is trustee, manager, consultant or adviser; or</li> <li>(d) any unit trust, partnership or other fund, the managers of which are advised by any Relevant Person; or</li> <li>(e) any nominee or trustee of any Relevant Person; or</li> <li>(f) any person or firm, authority or organisation (whether or not incorporated) which is the successor in title to, or in whom is vested, or by whom responsibility is assumed for the whole or a substantial part of the functions, assets and liabilities of a Relevant Person including any person who becomes a manager or adviser of an Investor in place of or in addition to such Investor; or</li> <li>(g) any co-investment scheme, being a scheme under which certain officers, employees or</li> </ul>

	partners of a Relevant Person or its adviser or manager are entitled or required (as individuals or through a body corporate or any other vehicle) to acquire shares which the Relevant Person would otherwise acquire or has acquired
<b>"Investor Majority"</b>	the holders of not less than 50 per cent. by nominal value of the A Ordinary Shares for the time being (whether through nominees or otherwise)
<b>"Investor Sellers"</b>	the meaning given to that term in <b>Article 22.5</b>
<b>"Investor Sellers' Shares"</b>	the meaning given to that term in <b>Article 22.5</b>
<b>"Investors"</b>	the "Investors" as defined in the Investment Agreement (including any additional or replacement "Investor" who is joined as an "Investor" in a deed of adherence executed in accordance with the Investment Agreement)
<b>"Issue Price"</b>	in respect of a Share, the aggregate of the amount paid up (or credited as paid up) in respect of the nominal value and any share premium
<b>"Joint Election"</b>	a joint election under section 431 of the Income Tax (Earnings and Pensions) Act 2003 in a form approved by the Investors, such approval being evidenced by the delivery of Investor Consent
<b>"Lead Investor"</b>	Inflexion Private Equity Partners LLP (registered number OC316601) of 47 Queen Anne Street, London, W1G 9JG or such other person as may be nominated as such by an Investor Majority from time to time
<b>"Leaver"</b>	a shareholder who: <ul style="list-style-type: none"> <li>(a) is an individual; and</li> <li>(b) is or was previously a director or employee of, or a consultant to, a member of the Group; and</li> <li>(c) ceases to hold such office or employment or consultancy and as a consequence is no longer a director or employee or consultant of any member of the Group</li> </ul>
<b>"Listing"</b>	the admission by the Financial Conduct Authority in its capacity as the UK Listing Authority of any Share to the Official List of London Stock Exchange plc or the admission by London Stock Exchange plc of any Share to trading on AIM, a market of the London Stock Exchange plc or the admission by any recognised investment exchange of any Share, and, in each case, such admission becoming effective
<b>"Loan Note Instruments"</b>	the Series A1 Loan Note Instrument, the Series A2 Loan Note Instrument and the Series B Loan Note Instrument

<b>"Loan Notes"</b>	the Series A1 Loan Notes, the Series A2 Loan Notes and the Series B Loan Notes
<b>"Managers"</b>	the "Managers" as defined in the Investment Agreement (including any additional or replacement "Manager" who is joined as a "Manager" in a deed of adherence executed in accordance with the Investment Agreement)
<b>"Member Applicant"</b>	as the context requires, has the meaning given to that term in <b>Article 23.13</b>
<b>"Midco"</b>	Northwind 5S(1) Limited (registered number SC645200)
<b>"Offer Notice"</b>	as the context requires, has the meaning given to that term at <b>Article 23.8</b>
<b>"Proportionate Entitlement"</b>	as the context requires, has the meaning given to that term in <b>Article 23.9.2</b>
<b>"recognised investment exchange"</b>	the meaning given to the expression in section 285(1) FSMA
<b>"Refinancing"</b>	the raising by the Company or any Group Company (including for these purposes any company that becomes a holding company of the Company or any Group Company) of equity finance (whether by way of the issue of shares, options over any rights in any share capital of the Company or any Group Company of whatsoever nature (other than options to be granted to employers or directors of any Group Company)) or debt finance (whether by bank facility or the issue of loan stock or otherwise but excluding hire purchase and operating lease commitments) in each case following the date of adoption of this Constitution for any purpose other than for working capital required in the ordinary course of business
<b>"Relevant Conditions"</b>	the meaning given to the expression in <b>Article 17.6</b>
<b>"Remuneration Committee"</b>	means the remuneration committee of the Company constituted in accordance with the terms of the Investment Agreement
<b>"Sale"</b>	the transfer (other than a transfer permitted under <b>Articles 20.1</b> and/or <b>Article 20.2</b> ) of any interest in Shares to any person (whether by one transaction or by a series of transactions) resulting in that person alone or together with persons acting in concert with such person having the right to exercise a Controlling Interest
<b>"Sale Shares"</b>	as the context requires, has the meaning given to that term at <b>Article 23.2</b>
<b>"Seller"</b>	a holder who wishes, or is required, to transfer any Share or any beneficial interest therein to a person to whom <b>Article 20</b> does not apply

<b>"Series A1 Loan Note Instrument"</b>	the instrument constituting the Series A1 Loan Notes entered into by Bidco on or around the Investment Date
<b>"Series A1 Loan Notes"</b>	the variable rate secured loan notes 2025 constituted by the Series A1 Loan Note Instrument
<b>"Series A2 Loan Note Instrument"</b>	the instrument constituting the Series A2 Loan Notes entered into by Midco on or around the Investment Date
<b>"Series A2 Loan Notes"</b>	the 8% secured loan notes 2025 constituted by the Series A2 Loan Note Instrument
<b>"Series B Loan Note Instrument"</b>	the instrument constituting the Series B Loan Notes entered into by Midco on or around the Investment Date
<b>"Series B Loan Notes"</b>	the 8% secured loan notes 2025 constituted by the Series B Loan Note Instrument
<b>"Serious Ill Health"</b>	for the purpose of these Articles means an illness or disability certified by a general medical practitioner (nominated or approved by the Investor Majority or the Lead Investor) as rendering the departing person permanently incapable of carrying out his role as an employee and/or director save where such incapacity has arisen as a result of the abuse of drugs or alcohol
<b>"Service Agreement"</b>	as defined in the Investment Agreement
<b>"Shares"</b>	shares in the capital of the Company
<b>"Statutes"</b>	the Companies Act as defined in section 2 of the 2006 Act and every other statute, order, regulation, instrument or other subordinate legislation for the time being in force relating to companies and affecting the Company
<b>"Tag Along Offer"</b>	the meaning given to that term at <b>Article 22.3</b>
<b>"Transfer Event"</b>	the meaning given to that term at <b>Article 23.1</b>
<b>"Very Bad Leaver"</b>	<p>(a) a person who is a Leaver as a result of:</p> <ul style="list-style-type: none"> <li>(i) committing an act of fraud (i) during or in connection with his employment or engagement with the Group; or (ii) which is likely to have a detrimental effect on the business and/or reputation of the Group;</li> <li>(ii) dishonesty (i) during or in connection with his employment or engagement with the Group; or (ii) which is likely to have a detrimental effect on the business and/or reputation of the Group;</li> </ul>

(iii) conviction of a criminal offence (other than a road traffic offence which has not resulted in a custodial sentence) which, in the reasonable opinion of the Investor Majority (acting in good faith), is likely to have a detrimental effect on the business and/or reputation of the Group; or

(iv) dismissal from his employment by any Group Company in circumstances justifying summary dismissal

(b) any individual (whether or not previously designated as a Good Leaver or a Bad Leaver) who breaches any restrictive covenant that applies to him (whether pursuant to the Investment Agreement, a Service Agreement or otherwise)

**"Warehouse"**

any or all of the Company, an Employee Trust or employees or prospective employees of any Group Company in such numbers and proportions of Shares as the Remuneration Committee may determine with Investor Consent

- 2.2 Unless the context otherwise requires, words and expressions contained in these Articles bear the same meaning as in the Statutes (but excluding any statutory modification not in force when these Articles become binding on the Company).
- 2.3 References to any statute or statutory provision include, unless the context otherwise requires, a reference to that statute or statutory provision as modified, replaced, re-enacted or consolidated and in force from time to time and any subordinate legislation made under the relevant statute or statutory provision.
- 2.4 Reference to a **"subsidiary"** or **"holding company"** will have the meanings defined by section 1159 CA 2006 and for the purposes of section 1159(1) a company (the first company) shall be treated as a member of another company if:
- 2.4.1 any of its subsidiaries is a member of that other company; or
- 2.4.2 any shares in that other company are held by a person acting on behalf of the first company or any of its subsidiaries; or
- 2.4.3 any shares in that other company are registered in the name of a person (or its nominee) by way of security or in connection with the granting of security over those shares by the first company.
- 2.5 Where the word **"address"** appears in these Articles it is deemed to include postal address and, where applicable, electronic address.
- 2.6 Words signifying the singular number only include the plural number and vice versa.

## **PROCEEDINGS OF DIRECTORS**

### **3. UNANIMOUS DECISIONS OF DIRECTORS**

A decision of the directors may take the form of a resolution in writing, where each eligible director has signed one or more copies of it, or to which each eligible director has otherwise indicated agreement in writing. Model Article 8(2) shall not apply to the Company.

### **4. CALLING A DIRECTOR'S MEETING**

Any director may call a directors' meeting by giving not less than 10 Business Days' notice of the meeting (or such lesser notice as the Investor Directors may agree) to the directors or by authorising the company secretary (if any) to give such notice. Model Article 9(1) shall not apply to the Company.

### **5. REMOVAL OF DIRECTORS**

The office of any director shall be vacated if:

- 5.1 (in the case of an executive director only) he shall, for whatever reason, cease to be employed by the Company or any other member of the Group and he does not remain an employee of any other Group Company; or
  - 5.2 (other than in the case of the Investor Director) all the other directors or an Investor Majority or the Lead Investor request his resignation in writing,
- and the provisions of Model Article 18 shall be extended accordingly.

### **6. PARTICIPATION IN DIRECTORS' MEETINGS**

- 6.1 Subject to these Articles, directors participate in a directors' meeting, or part of a directors' meeting, when:
  - 6.1.1 the meeting has been called and takes place in accordance with these Articles; and
  - 6.1.2 they can each simultaneously communicate with and to the others participating in the meeting any information or opinions they have on any particular item of the business of the meeting.
- 6.2 In determining whether directors are participating in a directors' meeting, it is irrelevant where any director is or, subject to **Article 6.1.2**, how they communicate with each other.
- 6.3 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.
- 6.4 Model Article 10 shall not apply to the Company.
- 6.5 Model Article 9(2)(c) shall be amended by the insertion of the word "simultaneously" after the words "how it is proposed that they should" and before the words "communicate with each other during the meeting".

### **7. QUORUM FOR DIRECTORS' MEETINGS**

- 7.1 The quorum for directors' meetings shall throughout each meeting be two directors one of whom must, subject to **Article 7.2**, be an Investor Director (if appointed).

- 7.2 In relation to any meeting of the directors to consider whether to authorise a conflict of interest of the Investor Director:
- 7.2.1 it shall not be necessary for the Investor Director to be present in person or by proxy in order to constitute a quorum;
  - 7.2.2 the meeting shall not deal with any other business other than that of the consideration of the conflict of interest of the Investor Director; and
  - 7.2.3 the quorum for such meeting shall be one and Model Article 11(2) is varied accordingly.
- 7.3 Without prejudice to **Article 7.2**, if, and as a consequence of section 175(6) of the 2006 Act, a director cannot vote or be counted in the quorum at a meeting of the directors the following apply:
- 7.3.1 if the eligible directors participating in the meeting do not constitute a quorum, then the quorum for the purposes of the meeting shall be one which must be, other than a meeting pursuant to **Article 7.2**, the Investor Director (if appointed) and Model Article 11(2) is varied accordingly; and
  - 7.3.2 if, notwithstanding **Article 7.3.1**, the eligible directors participating in the meeting still do not constitute a quorum, then the meeting must be adjourned to enable the holders of A Ordinary Shares to authorise any situation in which a director has a conflict of interest.

## **8. DIRECTORS' INTERESTS**

- 8.1 Subject to these Articles and the 2006 Act, and provided that he has disclosed to the directors the nature and extent of any interest of his, a director (including an Investor Director) notwithstanding his office, but, in the case of directors other than the Investor Director, subject always to obtaining Investor Consent:
- 8.1.1 may be a party to or otherwise interested in any transaction or arrangement with the Company or in which the Company is in any way interested;
  - 8.1.2 may hold any other office or employment with the Company (other than the office of Auditor);
  - 8.1.3 may be a director or other officer of, or employed by, or be a party to any transaction or arrangement with or otherwise interested in any body corporate in which the Company is in any way interested;
  - 8.1.4 may, or any firm or company of which he is a member or director may, act in a professional capacity for the Company or any body corporate in which the Company is in any way interested (other than as Auditor); and
  - 8.1.5 shall not be accountable to the Company for any benefit which he receives or profits made as a result of anything permitted by **Articles 8.1.1 to 8.1.4** and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit.
- 8.2 Except for a vote under section 175(4) of the 2006 Act authorising any conflict of interest which the director or any other interested director may have or where the terms of authorisation of such conflict of interest provide that the director may not vote in situations prescribed by the Board when granting such authorisation, a director will be entitled to participate in the decision making process for voting and quorum purposes on any of the matters referred to in **Articles 8.1.1 to 8.1.4** (inclusive) and in any of the circumstances set out in Model Articles 14(3) and 14(4).

8.3 For the purposes of **Article 8.1**:

- 8.3.1 a general notice to the Board 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;
- 8.3.2 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; and
- 8.3.3 an interest of a person who is for any purpose of the Statutes (excluding any statutory modification not in force at the date of adoption of these Articles) connected with a director shall be treated as an interest of the director and in relation to an alternate director an interest of his appointor shall be treated as an interest of the alternate director.

8.4 Model Articles 14(1), 14(2) and 14(5) shall not apply to the Company.

9. **AUTHORISATION OF DIRECTORS' CONFLICTS OF INTEREST**

- 9.1 Any approval of a conflict of interest (other than a conflict of interest of the Investor Director or the Chairman) pursuant to **Article 8** will be subject, in addition to board authorisation pursuant to section 175 of the 2006 Act, to obtaining Investor Consent who may specify that certain conditions be attached to such authorisation. Any such board authorisation pursuant to section 175 of the 2006 Act which is given without obtaining Investor Consent or without such conditions attaching to the authorisation as specified by the Investor Majority or the Lead Investor will be ineffective.
- 9.2 Any conflict of interest of the Investor Director or the Chairman may be authorised either by way of authorisation of the Board as set out at section 175 of the 2006 Act or by way of resolution of the holders of the A Ordinary Shares. Any refusal of the Board to authorise such conflict of interest will not in any way affect the validity of a resolution of the holders to authorise such conflict of interest.
- 9.3 An Investor Director will not be in breach of his duty under sections 172, 173 and 175 of the 2006 Act or the authorisation given by this **Article 9** by reason only that he receives confidential information from a third party relating to a conflict of interest which has been authorised by this **Article 9** and either fails to disclose it to the directors or fails to use it in relation to the Company's affairs.

10. **INVESTOR DIRECTOR AND CHAIRMAN**

- 10.1 An Investor Majority may from time to time appoint any person to be a director with the title of investor director (each an "**Investor Director**" which expression shall, where the context so permits, include a duly appointed alternate of such a director) and from time to time remove the Investor Director from office.
- 10.2 There shall not be more than two directors bearing the title of Investor Director in office at any time.
- 10.3 Any appointment or removal of the Investor Director shall be in writing served on the Company signed by an Investor Majority and/or the Lead Investor and shall take effect at the time it is served on the Company or produced to a meeting of the Board, whichever is earlier. Any such appointment or removal by a corporation may be signed on its behalf by its duly authorised representative.
- 10.4 Notice of meetings of the Board shall be served on any Investor Director who is absent from the United Kingdom at the addresses for service of notice on each Investor under the Investment Agreement.

- 10.5 Upon written request by an Investor Majority and/or the Lead Investor the Company shall procure that the Investor Director is forthwith appointed as a director of any other member of the Group, to any committee of the Board or the board of any member of the Group.
- 10.6 Where any decision is to be made by any member of the Group in relation to the exercise, enforcement or waiver of its rights under the Acquisition Agreement (as defined in the Investment Agreement) or against any holder of B Ordinary Shares or C Ordinary Shares, or any director or person connected with any such holder or director, any such decision shall be within the exclusive power of the Investor Director (to the exclusion of the other directors but after consultation with a majority thereof) who shall have (without limitation) exclusive authority in relation to the conduct of any proceedings of whatever nature arising in connection with any such rights and no other director shall have power to settle or compromise any such claim.
- 10.7 An Investor Majority may from time to time, in addition to the Investor Director, appoint any person to be a director and the chairman of the Board (the "**Chairman**") and remove from the office of Chairman and director a person so appointed. **Article 10.3** shall apply to any such appointment or removal mutatis mutandis. Model Article 12 shall be modified accordingly. The fee payable to the Chairman shall be at such rate agreed between the Board and the Chairman and, in the absence of agreement, shall be determined by the Investor Director.
- 10.8 If the provisions of **Article 14.5.2** apply, any Investor Director shall be entitled to exercise such number of votes at any meeting of the Board or of any committee of which he is a member which is equal to one vote more than half of the total number of votes exercisable at such a meeting or, in the event that this would result in his apparently being entitled to exercise a fractional number of votes (for example 2.5 with a Board of 5) the number of votes he is entitled to exercise shall be rounded up to the nearest whole number.
11. **CASTING VOTE**
- 11.1 Reference in Model Article 13(1) to "chairman or other director chairing the meeting" shall be construed as a reference to the "Investor Director" for so long as one is appointed.
- 11.2 Reference in Model Article 13(2) to "chairman or other director" shall be construed as a reference to the "Investor Director" for so long as one is appointed.
12. **ALTERNATE DIRECTORS**
- 12.1 **Appointment and removal of alternates**
- 12.1.1 Any director (the "**appointor**") may appoint as an alternate director any other director, or, with Investor Consent, any other person, to:
- 12.1.1.1 exercise that director's powers; and
- 12.1.1.2 carry out that director's responsibilities,
- in relation to participation in directors' meetings and the taking of decisions by the directors in the absence of the alternate director's appointor.
- 12.1.2 Any appointment or removal of an alternate director must be effected by notice in writing to the Company signed by the appointor, or in any other manner approved by the directors.
- 12.1.3 The notice must:
- 12.1.3.1 identify the proposed alternate director; and
- 12.1.3.2 in the case of a notice of appointment, contain a statement signed by the proposed alternate director that the proposed alternate

director is willing to act as the alternate director of the director giving the notice.

**12.2 Rights and responsibilities of alternate directors**

12.2.1 An alternate director has the same rights, in relation to participation in directors' meetings and the taking of decisions by the directors and in relation to directors' written resolutions, as the alternate director's appointor.

12.2.2 An alternate director may act as an alternate director for more than one appointor.

12.2.3 Except if these Articles specify otherwise, alternate directors:

12.2.3.1 are deemed for all purposes to be directors;

12.2.3.2 are liable for their own acts and omissions;

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

12.2.3.4 are not deemed to be agents of or for their appointors,

and, each alternate director shall be entitled to receive notice of all meetings of directors and of all meetings of committees of directors of which his appointor is a member.

12.2.4 A person who is an alternate director but not a director:

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

12.2.4.2 may participate in a unanimous decision of the directors (but only if his appointor is an eligible director in relation to that decision, but does not participate).

No alternate director may be counted as more than one director for such purposes.

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

12.2.6 An alternate director is not entitled to receive any remuneration from the Company for serving as an alternate director except such part of the alternate director's appointor's remuneration as the appointor may direct by notice in writing made to the Company.

**12.3 Termination of alternate directorship**

12.3.1 An alternate director's appointment as alternate terminates:

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

12.3.1.2 on the occurrence in relation to the alternate director of any event which, if it occurred in relation to the alternate director's appointor, would result in the termination of the appointor's appointment as a director;

- 12.3.1.3 on the death of the alternate director's appointor; or
- 12.3.1.4 when the alternate director's appointor's appointment as a director terminates.

### 13. **ALTERNATE DIRECTORS' EXPENSES**

Model Article 20 shall be amended by the insertion of the words "(including alternate directors)" before the words "properly incur".

## **SHARE RIGHTS**

### 14. **SHARE RIGHTS**

Save as otherwise provided in these Articles, the A Ordinary Shares, the B Ordinary Shares and the C Ordinary Shares shall be treated *pari passu* and as if they constituted one class of Share. The rights attached to the A Ordinary Shares, the B Ordinary Shares and the C Ordinary Shares are as follows:

#### 14.1 **Dividends**

- 14.1.1 The Company shall not declare or pay any dividends without Investor Consent.
- 14.1.2 Subject to first complying with **Article 14.1.1**, and subject to the provisions of the Facility Documents and the relevant provisions of the 2006 Act, where the Company declares or pays a dividend, the A Ordinary Shares, the B Ordinary Shares and the C Ordinary Shares shall rank *pari passu* in respect of receipt of such dividend (but, for the avoidance of doubt, such entitlement shall be calculated as if a conversion under **Article 14.3.1** had taken place such that, if any of the Series A1 Loan Notes have not been repaid prior to the Repayment Date (as defined in **Article 14.3.1**), the entitlement of the holders of the B Ordinary Shares to receive any such dividend will be adjusted accordingly to take into account the effect of **Article 14.3.1**).
- 14.1.3 The Deferred Shares will have no right to participate in or receive a dividend.

#### 14.2 **Capital**

- 14.2.1 Subject to **Article 14.3**, on a return of capital on liquidation or capital reduction or otherwise, the surplus assets of the Company remaining after the payment of its liabilities shall be applied in the following order of priority:
  - 14.2.1.1 firstly, in paying to each holder of A Ordinary Shares and B Ordinary Shares any dividends which have been declared in accordance with **Article 14.1** but are unpaid;
  - 14.2.1.2 secondly, in paying to each holder of Deferred Shares, £0.01 in aggregate for all of such holder's Deferred Shares; and
  - 14.2.1.3 thirdly, subject to the payments prescribed by **Article 14.2.1.1** and **14.2.1.2**, the value of the assets of the Company, will be distributed to each holder of A Ordinary Shares, B Ordinary Shares and C Ordinary Shares in proportion to the numbers of A Ordinary Shares, B Ordinary Shares and C Ordinary Shares held by them respectively (*pari passu* as if they constituted one class of Share).

#### 14.3 **Exit**

- 14.3.1 Immediately prior to an Exit, if less than £10,000,000 of the Series A1 Loan Notes were repaid on or before the date falling 12 months after the Investment Date (the "**Repayment Date**"), such number of B Ordinary Shares and C Ordinary Shares shall convert into Deferred Shares, such that immediately

following such conversion, the number of A Ordinary Shares then in issue shall increase by an amount equal to one per cent. of the issued share capital at the time of Exit for every £1,000,000 of Series A1 Loan Notes that are not repaid (for example, if £3,400,000 of the Series A1 Loan Notes are repaid on or before the Repayment Date, such number of B Ordinary Shares and C Ordinary Shares will convert into Deferred Shares such that the amount of A Ordinary Shares then in issue will increase by an amount equal to 6.6 per cent. of the issued share capital at the time of Exit).

**14.3.2 For the avoidance of doubt:**

**14.3.2.1 Article 14.3.1** will not act as a cap on the amount of Series A1 Loan Notes that may be repaid on or before the Repayment Date; and

**14.3.2.2** the conversion referred to in **Article 14.3.1** will be applied pro rata across the B Ordinary Shares and the C Ordinary Shares (pari passu as if they constituted one class of Share).

**14.3.3** Following the application of **Articles 14.3.1** on a return of capital on an Exit, the surplus assets of the Company remaining after the payment of its liabilities shall be applied in the following order of priority:

**14.3.3.1** firstly, in paying to each holder of A Ordinary Shares and B Ordinary Shares any dividends which have been declared in accordance with **Article 14.1** but are unpaid;

**14.3.3.2** secondly, in paying to each holder of Deferred Shares, £0.01 in aggregate for all of such holder's Deferred Shares; and

**14.3.3.3** thirdly, subject to the payments prescribed by **Article 14.3.3.1** and **14.3.3.2** (including, for the avoidance of doubt, any conversion of B Ordinary Shares and C Ordinary Shares pursuant to **Article 14.3.1**), the value of the assets of the Company, will be distributed to each holder of A Ordinary Shares, B Ordinary Shares and C Ordinary Shares in proportion to the numbers of A Ordinary Shares, B Ordinary Shares and C Ordinary Shares held by them respectively (pari passu as if they constituted one class of Share).

**14.4 Voting**

**14.4.1** Subject to any rights or restrictions for the time being attached to any class or classes of Shares, and to **Articles 14.5.1** to **14.5.7**, each holder of A Ordinary Shares and/or B Ordinary Shares and/or C Ordinary Shares shall be entitled to receive notice of, and to attend and speak, at any general meeting and at any separate class meeting of the Company for Shares of the class they hold and:

**14.4.1.1** on a written resolution, each holder, shall have one vote in respect of each Share they hold; and

**14.4.1.2** each holder who (being an individual) is present in person or by proxy or (being a corporation) is present by duly authorised representative or by proxy shall, on a show of hands, have one vote each, and, on a poll, shall have one vote in respect of each Share they hold.

**14.4.2** Each holder shall be entitled to appoint more than one proxy to exercise all or any of his rights to attend and to speak and vote at a general meeting or at a separate class meeting of the Company provided that each proxy is appointed to exercise the rights attached to a different Share or Shares held by such holder.

- 14.4.3 If more than one proxy is appointed in respect of a different Share or Shares by a holder in accordance with **Article 14.4.2** but the document appointing the proxies does not specify to which Share or Shares the appointment relates, then the person first named as proxy in such document shall be the only proxy for such holder entitled to attend and vote at the relevant general meeting or separate class meeting.
- 14.4.4 The Deferred Shares have no voting rights.
- 14.5 **Swamping**
- 14.5.1 The provisions of **Article 14.5.2** shall apply if:
- 14.5.1.1 any dividend which has been validly declared by the Company on the A Ordinary Shares in accordance with these Articles and the Facility Documents, and which is not paid within 10 Business Days of the due date (for whatever reason); or
  - 14.5.1.2 the relevant Group Company has failed or been unable to redeem any of the Series A1 Loan Notes or the Series A2 Loan Notes on the due date for redemption and/or pay interest within 10 Business Days of the due date for payment in accordance with the relevant Loan Note Instrument (for whatever reason including any restriction imposed by any intercreditor or similar arrangement); or
  - 14.5.1.3 the Company is in breach of any of the financial covenants under the Facility Documents or is otherwise in breach of any of the Facility Documents including any "Event of Default" (as defined in the Facility Documents); or
  - 14.5.1.4 there is a breach of the provisions of these Articles or the Investment Agreement by the Company or the Managers (or any of them); or
  - 14.5.1.5 there is a breach of the Investor Covenant.
- 14.5.2 If any of the circumstances stated at **Article 14.5.1** have occurred and a written notice has been served upon the Company by the Investor Majority or the Lead Investor:
- 14.5.2.1 the holders of B Ordinary Shares and C Ordinary Shares (or any proxy or proxies of such holders) shall cease to be entitled to receive notice of, or to attend and vote at (whether on a show of hands or on a poll), any general meeting of the Company or to be entitled to receive any further Shares issued by way of rights issue (or otherwise); and
  - 14.5.2.2 new Shares may be issued, ranking ahead of or pari passu with the B Ordinary Shares and the C Ordinary Shares, without the consent of the holders of the B Ordinary Shares and/or the C Ordinary Shares and the provisions of **Article 18** shall not apply.
- 14.5.3 The provisions of **Article 14.5.2** shall continue until the Investor Majority or the Lead Investor confirms to the Company that they should cease to apply.
- 14.5.4 For the avoidance of doubt, the provisions in **Article 14.5.2** shall, where a written notice has been served upon the Company in accordance with **Article 14.5.2**, enable the holders of any A Ordinary Shares in issue from time to time:
- 14.5.4.1 to pass written resolutions of the Company pursuant to section 288 of the 2006 Act; and

14.5.4.2 to consent to the holding of a general meeting of the Company on short notice pursuant to section 307(4) of the 2006 Act,

in either case, on the basis that all such holders would constitute the only holders who would be entitled to attend and vote at a general meeting of the Company.

14.5.5 The provisions of **Article 14.5.6** shall apply:

14.5.5.1 if, at any time without Investor Consent, any holder (other than an Investor) or any former holder has transferred Shares in breach of the provisions of these Articles;

14.5.5.2 if, at any time without Investor Consent, any holder (other than an Investor) is in breach of the provisions of these Articles and/or the Investment Agreement or any former holder (if still bound by the Investment Agreement) is in breach of the provisions of the Investment Agreement;

14.5.5.3 if any holder of B Ordinary Shares and/or C Ordinary Shares becomes a Leaver; or

14.5.5.4 any other Transfer Event occurs in respect of any B Ordinary Shares and/or C Ordinary Shares pursuant to **Article 23**.

14.5.6 If any of the circumstances stated at **Article 14.5.5** have occurred:

14.5.6.1 the Shares which such holder holds or to which he is entitled; and

14.5.6.2 any Shares formerly held by such holder which have been transferred either in breach of the provisions of these Articles or in accordance with **Article 20** (Permitted Transfers),

shall cease to entitle the holder thereof (or any proxy) to receive notice of or to attend and vote (whether on a show of hands or on a poll) at any general meeting or at any separate class meeting of the Company or to be entitled to receive any further Shares issued by way of rights issue (or otherwise) from the date of any breach referred to at **Articles 14.5.5.1** and **14.5.5.2**, the date a Leaver becomes a Leaver in accordance with **Article 23.4**.

14.5.7 The provisions of **Article 14.5.6** shall continue to apply:

14.5.7.1 in the case of **Articles 14.5.5.1** or **14.5.5.2** applying, for so long as such breach subsists;

14.5.7.2 in the case of **Article 14.5.5.3** or **14.5.5.4** applying, until such time as the relevant B Ordinary Shares and/or C Ordinary Shares have been transferred pursuant to the provisions of **Articles 21** and/or **23** (as the case may be); and

14.5.7.3 notwithstanding any other provisions in these Articles, if any holder of B Ordinary Shares and/or C Ordinary Shares retains any B Ordinary Shares and/or C Ordinary Shares after the operation in full of the provisions of **Article 23** whilst such holder continues to hold such Shares.

## 15. FACILITY DOCUMENTS

The payment of any dividends or redemption of any Shares shall be subject to any provisions restricting the same in the Facility Documents.

**16. SALE OF THE SHARE CAPITAL OF THE COMPANY**

- 16.1 In the event of a Sale then, notwithstanding anything to the contrary in the terms and conditions governing such Sale the selling holders (immediately prior to such Sale) shall procure that the consideration (whenever received) shall be paid into a designated trustee account which shall be held in trust for the selling holders and shall be distributed amongst such selling holders as if the same were a return of capital pursuant to **Article 14.3**.
- 16.2 Immediately prior to and conditionally upon a Listing all holders shall enter into such reorganisation of the share capital of the Company as they may agree to ensure that the amounts referred to in **Article 14.3** are allocated between the holders of the Shares the subject of such Listing in the same proportions as the provisions of **Article 14.3** would provide in distributing the proceeds of a Sale to all holders selling Shares in connection with such Sale.

**17. VARIATION OF RIGHTS**

- 17.1 Subject to **Articles 14.5.2** and **17.2**, the class rights attached to classes of Share may from time to time (whether or not the Company is being wound up) be varied or abrogated with the consent in writing of the holders of at least three-quarters in nominal value of the issued Shares of that class or with the sanction of a special resolution passed at a separate class meeting of the holders of that class or, in relation to the variation or abrogation of the A Ordinary Shares, with Investor Consent.
- 17.2 In the case of A Ordinary Shares and/or B Ordinary Shares and/or C Ordinary Shares if the Relevant Conditions are satisfied, the class rights attaching to A Ordinary Shares and/or B Ordinary Shares and/or C Ordinary Shares may be varied or abrogated with the consent in writing of the holders of over one-half in nominal value of the issued Shares of that class (excluding any Shares held by the Company as treasury shares) or with the sanction of an ordinary resolution passed at a separate class meeting of the holders of that class.
- 17.3 For each such separate class meeting referred to in **Articles 17.1** and **17.2**, all the provisions of these Articles relating to general meetings of the Company (and to the proceedings at such general meetings) shall apply mutatis mutandis, but so that the necessary quorum shall be one holder of the relevant class present in person or by proxy or (being a corporation) by a duly authorised representative and holding or representing not less than one-third in nominal value of the issued Shares of the relevant class (excluding any Shares held by the Company as treasury shares), that every holder of Shares of the class shall be entitled on a poll to one vote for every such Share held by him and that any holder of Shares of the class present in person or by proxy or (being a corporation) by a duly authorised representative may demand a poll. For the purpose of this Article one holder present in person or by proxy or (being a corporation) by a duly authorised representative may constitute a meeting.
- 17.4 The rights attached to A Ordinary Shares shall, with the intent that this **Article 17.4** shall create class rights attaching to such class of Share for the purposes of **Article 17.1**, be deemed to be varied by any of the actions referred to below each of which will require Investor Consent. The actions are:
- 17.4.1 any variation (including any increase) in the issued share capital of the Company or any Group Company or the creation or the granting of any options or other rights to subscribe for, or convert into, Shares or shares of any Group Company or the variation of the rights attaching to the Shares or shares of any Group Company;
  - 17.4.2 the reduction of the Company's share capital, share premium account, capital redemption reserve or any other reserve or the purchase by the Company of any of its own Shares;
  - 17.4.3 the holding of any Shares by the Company in treasury and the transfer by the Company of any such Shares out of treasury (save for those transfers of Shares out of treasury);

- 17.4.4 the amendment of any provisions of the Articles or the articles of association of any Group Company;
- 17.4.5 the redemption of any Loan Notes of any Group Company other than on a redemption in accordance with the terms of the Loan Notes;
- 17.4.6 the capitalisation of any undistributed profits (whether or not the same are available for distribution and including profits standing to the credit of the reserve) or any sums standing to the credit of the share premium account or capital redemption reserve fund of the Company;
- 17.4.7 the taking of any steps to wind up the Company or any other Group Company;
- 17.4.8 any disposal of the whole or substantially the whole of the business of the Company or any Group Company or any of the shares in any Group Company;
- 17.4.9 the declaration, making or payment of any dividend or other distribution to holders other than as expressly permitted under the Articles;
- 17.4.10 any change in the accounting reference date of the Company;
- 17.4.11 the appointment or removal of the Auditors (other than the reappointment of the existing Auditors);
- 17.4.12 the appointment or removal of any director or chairman of the Company;
- 17.4.13 the acquisition of any interest in any share in the capital of any company by any Group Company;
- 17.4.14 the establishment of or variation to any employee share option scheme;
- 17.4.15 the calling of a meeting of the Company to effect or approve any matter which would by virtue of this Article be a variation of the class rights of the A Ordinary Shares;
- 17.4.16 the creation by any Group Company of any mortgage, charge, pledge, lien, encumbrance or other security interest (excluding an interest arising by operation of law in the ordinary course of business or as required by the Facility Documents); or
- 17.4.17 any Listing.
- 17.5 None of the following events shall constitute a variation or abrogation of the class rights attaching to any class of Shares other than the class rights of the holders of A Ordinary Shares:
  - 17.5.1 the allotment of any Shares which will rank pari passu in all respects with any existing class of Shares or, pursuant to **Article 14.5.2.2**, any Shares ranking ahead of any existing class of Shares;
  - 17.5.2 an offer to the holders of any class of Shares of the right to receive new Shares of that class, credited as fully paid, instead of the whole or any part of a cash dividend specified by the Board; or
  - 17.5.3 any amendment to these Articles where authorised by special resolution of the Company.
- 17.6 For the purposes of this **Article 17**, the Relevant Conditions are as follows:
  - 17.6.1 any of the matters set out in **Article 14.5.1** have occurred or subsist, in accordance with their terms; and

- 17.6.2 the proposed variation, amendment or replacement of the class rights attaching to A Ordinary Shares and/or B Ordinary Shares and/or C Ordinary Shares (taking into account any other proposed variation, amendment or replacement of the class rights attached to the A Ordinary Shares and/or the B Ordinary Shares and/or the C Ordinary Shares which is to be made at the same time) is not discriminatory as between A Ordinary Shares, B Ordinary Shares and C Ordinary Shares.

## 18. ALLOTMENT OF SHARES

- 18.1 The directors shall not allot any Shares in the absence of Investor Consent unless notice in writing is given to each holder specifying:
- 18.1.1 the number and classes of Shares which are proposed to be issued;
  - 18.1.2 the consideration payable on such issue;
  - 18.1.3 whether it is intended to issue a debt instrument in connection with the issue of such Shares to those subscribing for those Shares and the amount constituted by such debt (the "**Debt Amount**"); and
  - 18.1.4 any other material terms or conditions.
- 18.2 The notice specified in **Article 18.1** shall invite each holder to state, in writing within 10 Business Days from the date of such notice (which date shall be specified therein), whether he/it is willing to subscribe for any, and if so, how many Shares and shall also state the requirement (if any) for a holder who is willing to subscribe for any such Shares to also subscribe for the same proportion of the Debt Amount as equals the proportion which those Shares allocated to a holder pursuant to **Article 18.4** shall represent as a proportion of all the Shares so allocated pursuant to **Article 18.4** in respect of a notice specified in **Article 18.1** (the "**Relevant Debt Amount Proportion**").
- 18.3 Subject to **Article 18.2** the Shares proposed to be issued pursuant to **Article 18.1** shall be issued to, a holder accepting the offer, in the same proportion (as nearly as may be) to the proportion which Shares held by such holder bear to the total number of Shares held by all such holders accepting such offer ("**Proportionate Element**") provided that such holder shall not be allocated more Shares than he shall have stated himself willing to take. It shall be open to each such holder to specify if he/it is willing to subscribe for Shares in excess of his Proportionate Element ("**Additional Shares**") and, if the holder does so specify, he shall state the number of Additional Shares.
- 18.4 Within three Business Days of the expiry of the invitation made pursuant to the notice given under **Article 18.1** (or sooner if all holders have responded to the invitation and all the Shares proposed to be issued have been accepted in the manner provided for in **Article 18.3**), the Board shall allocate the Shares in the following manner:
- 18.4.1 if the total number of Shares applied for is equal to or less than the available number of Shares to be issued the Company shall allocate the number applied for in accordance with the applications; or
  - 18.4.2 if the total number of Shares applied for is more than the available number of Shares to be issued, each holder shall be allocated his Proportionate Element (or such lesser number of Shares to be issued for which he may have applied) applications for Additional Shares shall be allocated in accordance with such applications or, in the event of competition, (as nearly as may be) to each holder applying for Additional Shares in his/its Proportionate Element,
- and in either case the Company shall forthwith give notice of each such allocation (an "**Issue Notice**") to each of the persons to whom Shares are to be issued (a "**Member Subscriber**") and shall specify in the Issue Notice the time (being not later than 10 Business Days after the date of the Issue Notice) at which the allotment of the Shares shall be made.

- 18.5 The Issue Notice shall also state the Relevant Debt Amount Proportion which the Member Subscriber is also to subscribe for (if any).
- 18.6 Upon such allocations being made as set out in **Article 18.4**, the Board shall be bound, on payment of the subscription price, to issue the Shares comprised in the Issue Notice to the Member Subscriber named therein at the time therein specified free from any lien, charge or encumbrance.
- 18.7 Notwithstanding any other provisions of this **Article 18**:
- 18.7.1 no Shares shall be allotted to any party not bound by the Investment Agreement unless that party has first entered into a Joint Election if required to do so by the Investor Majority or the Lead Investor and a deed of adherence if so required by the Investment Agreement; and
- 18.7.2 no Shares shall be allotted to a Member Subscriber unless (if relevant) he has also paid in full in respect of the Debt Amount his Relevant Debt Amount Proportion.
- 18.8 The provisions of **Articles 18.2 to 18.4** shall have no application if the provisions of **Article 14.5.2** apply and shall have no application to any holder to whom the provisions of **Articles 14.5.5 and 14.5.6** apply.
- 18.9 Notwithstanding anything herein to the contrary, the provisions in this **Article 18** shall not apply to any issue of:
- 18.9.1 up to 35,000 C Ordinary Shares in such amounts as approved by the Remuneration Committee with Investor Consent;
- 18.9.2 any Shares in connection with an acquisition, approved by the Board (with Investor Consent), by a Group Company of another business (whether by way of share or asset sale) and, for the avoidance of doubt, such issue of Shares may form part of the consideration owed by the relevant Group Company in connection with such acquisition (provided that the proposed new holder is not an existing holder at the time of such allotment of Shares);
- 18.9.3 subject to the catch up rights set out in the Investment Agreement, any Shares where such issue is, in the reasonable position of the Investors, required to cure or prevent a breach of any of the financial covenants contained in the Facility Documents; or
- 18.9.4 any Shares, or warrants in respect of Shares, to a third party debt funder in connection with a Refinancing, where the terms of such Refinancing have been approved by the Board (with Investor Consent).
- 18.10 If any Share is allotted to a holder holding Shares of a different class, such Shares shall as on and from the time of registration of the allotment of that Share in the register of members of the Company be immediately redesignated as a Share of the same class as those already held by that holder prior to such allotment.
- 18.11 In accordance with section 567(1) and (2) of the 2006 Act, sections 561(1) and 562(1) to (5) (inclusive) of the 2006 Act shall not apply to the Company.
- 18.12 References in **Articles 18** to the allotment of shares do not include the transfer of any Shares by the Company out of treasury by way of sale or transfer.

## **TRANSFER OF SHARES**

### **19. GENERAL**

- 19.1 No transfer of any Share shall be made or registered unless such transfer complies with the provisions of these Articles and the transferee has first entered into a Joint Election if

required to do so by the Investor Majority or the Lead Investor and a deed of adherence if so required by the Investment Agreement. Subject thereto, the Board shall sanction any transfer so made unless (i) the registration thereof would permit the registration of a transfer of Shares on which the Company has a lien (ii) the transfer is to a minor or (iii) the Board is otherwise entitled to refuse to register such transfer pursuant to these Articles.

19.2 For the purposes of these Articles the following shall be deemed (but without limitation) to be a transfer of Shares:

19.2.1 any direction (by way of renunciation or otherwise) by a holder entitled to an allotment or transfer of Shares that a Share be allotted, issued or transferred to some person other than himself; and

19.2.2 any sale or any other disposition of any legal or equitable interest in a Share (including any voting right attached to it), (i) whether or not by the relevant holder, (ii) whether or not for consideration, and (iii) whether or not effected by a written instrument.

## 20. **PERMITTED TRANSFERS**

Notwithstanding the provisions of any other Article, the transfers set out in this **Article 20** shall be permitted without restriction and the provisions of **Articles 21** (Voluntary Transfers) and **22** (Change of Control) shall have no application in respect of any such transfer or transfers.

### 20.1 **Permitted transfers by Investors**

20.1.1 Any Investor who is a body corporate ("**Original Holder**") shall be entitled to transfer all or any of its Shares to any other body corporate which is for the time being its subsidiary or holding company or another subsidiary of its holding company (each such body corporate being a "**Related Company**") but if a Related Company whilst it is a holder of such Shares shall cease to be a Related Company of the Original Holder it shall, within 15 Business Days of so ceasing, transfer the Shares held by it to the Original Holder or any Related Company of the Original Holder.

20.1.2 Any Investor may transfer all or any of its Shares to an Investor Associate or to any other member of its Investor Group.

20.1.3 Any Investor may transfer Shares to any partner of a limited partnership (or their nominees) acting in such capacity (provided such transfer is made in accordance with the fund or partnership agreement governing such entity or partnership) or to the holders of units in a unit trust (or their nominees) on a distribution in kind or otherwise under the relevant partnership agreement or trust deed.

20.1.4 Any Shares which are held by an Investor on behalf of any collective investment scheme (within the meaning of section 235 of FSMA), may be transferred to participants (within the meaning of that section), in the scheme in question.

20.1.5 Any Investor may transfer any Shares to the beneficial owner of the Shares, including, without limitation, to any person who becomes a general partner, nominee or trustee for a limited partnership, unit trust or investment trust in place of, or in addition to, such Investor.

20.1.6 Any Investor may transfer any Shares to an Institutional Investor in circumstances where such Institutional Investor proposes or proposed to acquire the whole or a substantial part of the relevant Investor's or Investor Associate's portfolio of investments.

20.1.7 The Company may sell or transfer any Shares held by it as treasury shares to such person or persons identified by the Investors with Investor Consent.

**20.2 Permitted Transfers by all Shareholders**

- 20.2.1 Subject to **Article 17.4.2** any holder may at any time transfer any Shares, in accordance with the provisions of the Statutes, to the Company.
- 20.2.2 Any holder may at any time transfer all or any of his Shares to any other person with Investor Consent.
- 20.2.3 Any Shares may be transferred pursuant to **Article 22.1** (Tag along) and/or **Articles 22.5 and 22.6** (Drag along).

**21. VOLUNTARY TRANSFERS**

Except as permitted under **Article 20** (Permitted Transfers), **22** (Change of Control) or **23** (Compulsory Transfers) no transfer of any Shares shall be permitted (nor any sale or transfer of any beneficial title to Shares or any other interest in Shares) to any person without Investor Consent and the Board shall refuse to register any proposed transfer of Shares made in breach of this **Article 21**.

**22. CHANGE OF CONTROL**

**Tag along**

- 22.1 Subject to **Article 22.2**, if the effect of any transfer of Shares by a Seller would, if completed, result in the transferee together with persons acting in concert or connected with that transferee holding more than 50 per cent. of the A Ordinary Shares then in issue, the Seller shall procure the making by such transferee of a Tag Along Offer to all of the other holders. Every holder or recipient of such offer, on receipt of a Tag Along Offer, shall be bound within 20 Business Days of the date of such offer (or within such longer period as the offer may specify) either to accept or reject such offer in writing (and in default of so doing shall be deemed to have rejected the offer). Until such Tag Along Offer has been made and completed the Board shall not sanction the making and registration of the relevant transfer or transfers.
- 22.2 The provisions of **Articles 22.1 and 22.5** shall not apply to any transfer of Shares:
  - 22.2.1 pursuant to **Article 20** (other than **Article 20.2.3**); and/or
  - 22.2.2 to any person who was an original party to the Investment Agreement.
- 22.3 "**Tag Along Offer**" means an unconditional offer, open for acceptance for not less than 20 Business Days, to purchase (i) Shares held by the recipients of a Tag Along Offer and (ii) any Shares for which such recipients may subscribe, free from all liens, charges and encumbrances, in each case in such proportion as the proportion of Shares held by the holders of A Ordinary Shares which are proposed to be disposed of by the holders of A Ordinary Shares pursuant to **Article 22.1** (for example, if the Seller proposes to transfer 70 per cent. of its Shares, the Tag Along Offer will relate to 70 per cent. of the relevant Tag Along Offer's recipient's Shares) and at a price per Share equal to the highest price per Share, subject to adjustment to ensure that the aggregate proceeds of sale are distributed in accordance with **Article 16**, (exclusive of stamp duty, stamp duty reserve tax and commission) paid or to be paid by any transferee referred to in **Article 22.1** (or any person with whom such transferee is connected with or with whom such transferee is acting in concert) for Shares (inclusive of the Shares giving rise to the obligation to make the Tag Along Offer) within the period of one year ending on the proposed date of completion of such transfer of Shares.
- 22.4 In the event of disagreement, the calculation of the relevant Tag Along Offer price shall be referred to the Auditors and **Articles 32.1 and 32.2** shall apply.

## **Drag along**

- 22.5 If holders of the A Ordinary Shares (in **Articles 22.5** and 22.6, the "**Investor Sellers**") wish to transfer more than 50 per cent. of their Shares ("**Investor Sellers' Shares**") to any person (the "**Buyer**"), pursuant to the terms of a bona fide arm's length transaction, then the Investor Sellers shall also have the option (the "**Drag Along Option**"), exercisable by the Investor Sellers giving written notice to that effect (a "**Drag Along Notice**"), to require all other holders and any persons who would become holders upon the exercise of any options, warrants or other rights to subscribe for Shares which exist at the date the Drag Along Notice is given (the "**Called Shareholders**"), to transfer with full title guarantee the same proportion of their Shares (including any such Shares issued or to be issued pursuant to any options, warrants or rights to subscribe existing at the date the Drag Along Option is exercised) (together the "**Called Shares**") to the Buyer, or as the Buyer directs. The Drag Along Option must provide for terms such that the sale and purchase of the Called Shares and the Investor Sellers' Shares will be completed at the same time. A Drag Along Notice shall be given by the Investor Sellers to each Called Shareholder and shall specify:
- 22.5.1 that the Called Shareholders are, or will, in accordance with this **Article 22.5** and **Articles 22.6** and **22.7** and, be required to transfer with full title guarantee all their Called Shares free from all liens, charges and encumbrances;
  - 22.5.2 the price at which the Called Shares are to be transferred (which shall be an equal price per Share as the price payable for each of the Investor Sellers' Shares but subject to the aggregate proceeds of sale being distributed in accordance with **Article 16**). Such price may be satisfied in cash, securities or otherwise in the same combination as between the Called Shares and the Investor Sellers' Shares and the manner of satisfaction shall be stated in the Drag Along Notice;
  - 22.5.3 the documents required to be executed by the Called Shareholder, the time period within which those documents should be delivered to the Company; and
  - 22.5.4 the proposed date of completion of the sale of the Called Shares the subject of the Drag Along Notice.
- 22.6 Upon any person, following the issue of a Drag Along Notice, becoming a holder of Called Shares pursuant to the exercise of any option, warrant or other right to subscribe for or acquire Called Shares ("**a New Member**"), a Drag Along Notice, on the same terms as the previous Drag Along Notice, shall be deemed to have been served upon the New Member who shall thereupon be bound to sell and transfer all such Called Shares acquired by him to the Buyer or as the Buyer may direct and the provisions of this **Article 22.6** shall apply mutatis mutandis to the New Member save that completion of the sale of such Called Shares shall take place forthwith upon the Drag Along Notice being deemed served on the New Member or, if later, upon the date of completion under the previous Drag Along Notice.
- 22.7 If the Called Shareholders (or any of them which shall include any New Member) shall make default in transferring their Called Shares within any time period specified in the Drag Along Notice (including any Called Shares issued pursuant to any options, warrants or rights to subscribe existing at the date of the Drag Along Notice once exercised) in accordance with the provisions of any Drag Along Notice and pursuant to **Article 22.6**:
- 22.7.1 the holder making such default shall be bound, on payment of the purchase money, to transfer the Called Shares comprised in the Drag Along Notice to the Buyer named therein at the time and place therein specified free from any lien, charge or encumbrance;
  - 22.7.2 if the holder makes such default in so doing, the Company, or some other person duly nominated by a resolution of the Board for that purpose, shall forthwith be deemed to be the duly appointed agent or attorney on behalf of the holder making such default with full power to give, execute, complete and deliver in the name and on behalf of the holder making such default:
    - 22.7.2.1 a transfer of the relevant Called Shares to the Buyer; and

- 22.7.2.2 all such consents, written resolutions and proxies as the appointed agent or attorney shall consider to be necessary or desirable for the purposes of any general meeting of the Company relating to or associated with or required to enable to sale of the Called Shares to proceed;
- 22.7.3 the Company may receive and give a good discharge for the purchase money on behalf of the holder making such default and (subject to the transfer being duly stamped) enter the name of the Buyer into the register of members as the holder or holders by transfer of the Called Shares so purchased by him or them; and
- 22.7.4 the Company shall forthwith pay the purchase money into a separate bank account in the Company's name and shall hold such money on trust (but without interest) for the holder making such default until he shall deliver up his certificate or certificates for the relevant Called Shares (or an indemnity, in a form reasonably satisfactory to the Board, in respect of any lost certificate) to the Company when he shall thereupon be paid the purchase money.
- 22.8 A Drag Along Notice shall be served in accordance with **Article 33**.
- 22.9 A Drag Along Notice may be revoked at any time prior to the completion of the sale of the Called Shares of a Called Shareholder by the service of a written notice by the Investor Sellers on the Called Shareholder.
- 23. **COMPULSORY TRANSFERS**
- 23.1 In this **Article 23**, a "**Transfer Event**" means, in relation to any holder of Shares:
  - 23.1.1 a holder who is an individual becoming bankrupt;
  - 23.1.2 a holder making any arrangement or composition with his creditors generally;
  - 23.1.3 a holder becoming a Leaver;
  - 23.1.4 a holder attempting to deal with or dispose of any Share or any interest in it otherwise than in accordance with these Articles; and
  - 23.1.5 a holder failing to make a transfer of Shares required by **Article 20.1.1**
- 23.2 An Investor Majority or the Lead Investor may, within 12 months from the date of a Transfer Event falling within any of **Articles 23.1.1 to 23.1.4** or six months from the date of a Transfer Event falling within **Article 23.1.5**, serve notice on the Company and the relevant holder notifying them that the mandatory transfer provisions of this **Article 23** shall apply ("**Compulsory Transfer Notice**"). Upon the date of service of such notice (as determined in accordance with **Article 33**), the relevant holder and any other holder who has acquired Shares from him shall be deemed to have immediately given notice to the Company (a "**Deemed Transfer Notice**") in respect of such number of Shares held by the relevant holder as specified in the Compulsory Transfer Notice and which in the case of a transferee of Shares under **Article 20.2.2** were the Shares received directly or indirectly from the holder who is the immediate subject of the Transfer Event (the "**Sale Shares**"). A Deemed Transfer Notice shall supersede and cancel any then current Transfer Notice insofar as it relates to the same Shares except for Shares which have already been validly transferred pursuant to that Transfer Notice. The Sale Shares shall be sold together with all rights attaching thereto as at the date of the Compulsory Transfer Notice.
- 23.3 A Deemed Transfer Notice shall be deemed to have been given on the date of receipt by the Company of the relevant Compulsory Transfer Notice.

- 23.4 For the purpose of **Article 23.1**, the date upon which a relevant individual becomes a Leaver shall be:
- 23.4.1 where a contract of employment or directorship is terminated by the employer by giving notice to the employee of the termination of the employment or directorship, the date of that notice (whether or not a payment is made by the employer in lieu of all or part of the notice period required to be given by the employer in respect of such termination);
  - 23.4.2 where a contract of employment or directorship is terminated by the employee by giving notice to the employer of the termination of the employment or directorship, the date of that notice;
  - 23.4.3 save as provided in **Article 23.4.1** where an employer or employee wrongfully repudiates the contract of employment and the other accepts that the contract of employment has been terminated, the date of such acceptance;
  - 23.4.4 where a contract of employment is terminated under the doctrine of frustration, the date of the frustrating event; and
  - 23.4.5 where a contract of employment or directorship is terminated for any reason other than in the circumstances set out in **Articles 23.4.1 to 23.4.4** (inclusive) above, the date on which the action or event giving rise to the termination occurs.
- 23.5 The price at which the Sale Shares shall be transferred pursuant to the Deemed Transfer Notice (the "**Compulsory Sale Price**") shall be:
- 23.5.1 in the case of a Good Leaver:
    - 23.5.1.1 Fair Value in respect of the B Ordinary Shares held by the relevant Leaver; and
    - 23.5.1.2 in respect of the C Ordinary Shares held by the relevant Leaver:
      - (a) Fair Value in respect of the vested proportion of the Leaver's C Ordinary Shares as indicated in column (2) of the table below; and
      - (b) the lower of Fair Value and Issue Price for the unvested proportion of the Leaver's C Ordinary Shares (being the total number of C Ordinary Shares held by the Leaver, less such number of C Ordinary Shares that has vested in accordance with the provisions of **Article 23.5.1.1**;
  - 23.5.2 in the case of a Bad Leaver:
    - 23.5.2.1 Fair Value in respect of the B Ordinary Shares held by the relevant Leaver; and
    - 23.5.2.2 in respect of the C Ordinary Shares held by the relevant Leaver:
      - (a) the lower of Fair Value and Issue Price in respect of the vested proportion of the Leaver's Sale Shares as indicated in column (2) of the table below; and
      - (b) £1.00 in aggregate for the unvested proportion of the Leaver's Sale Shares (being the total number of Sale Shares held by the Leaver, less such number of Sale Shares that has vested in accordance with the provisions of **Article 23.5.2.1**);

- 23.5.3 In the case of a Very Bad Leaver, £1.00 in aggregate for all of the Leaver's Sale Shares (including, for the avoidance of doubt, all B Ordinary Shares and C Ordinary Shares held by the relevant Leaver).

<b>Vesting Table</b>	
<b>(1)</b> <b>Leaving Date</b>	<b>(2)</b> <b>Vesting Proportion</b>
On or after the first anniversary of the Investment Date but before the fourth anniversary of the Investment Date	0% - 80% on a straight line basis (calculated daily)

- 23.6 No Deemed Transfer Notice once given in accordance with these Articles may be withdrawn unless the Investor Majority or the Lead Investor approves such withdrawal.
- 23.7 The Company shall be constituted as the agent of the Seller with effect from the date of the Deemed Transfer Notice for the sale of the Sale Shares upon the following terms:
- 23.7.1 the price for each Sale Share is the Compulsory Sale Price; and
- 23.7.2 the Sale Shares are to be sold free from all liens, charges and encumbrances together with all rights attaching to them.
- 23.8 Within five Business Days of the date of the Deemed Transfer Notice, the Shares deemed to be comprised in such Deemed Transfer Notice shall be offered by the Company to the holders (other than the Seller) at the Compulsory Sale Price in accordance with the following order of priorities (the "Offer Notice"):
- 23.8.1 in the first instance to all persons in the category set out in the corresponding line in column (2) in the table below; and
- 23.8.2 to the extent not accepted by persons in column (2), to all persons in the category set out in the corresponding line in column (3) in the table below:

<b>(1)</b> <b>Class of Sale Shares</b>	<b>(2)</b> <b>First Offer to</b>	<b>(3)</b> <b>Second Offer to</b>
B Ordinary Shares	Warehouse	Holders of A Ordinary Shares and B Ordinary Shares pro rata
C Ordinary Shares	Warehouse	Holders of A Ordinary Shares and B Ordinary Shares pro rata

- 23.9 After having offered the Shares in the priorities set out in **Article 23.8**, the Sale Shares shall:
- 23.9.1 in respect of any offer of Sale Shares to the Warehouse, be treated as offered in such numbers and proportions as the Remuneration Committee with Investor Consent shall direct); and
- 23.9.2 in all other cases, be treated as offered on terms that, in the event of competition, the Sale Shares offered shall be sold to a holder accepting the offer in the same proportion (as nearly as may be) to the proportion which Shares

held by such holder bear to the total number of Shares held by all such holders accepting such offer (the "**Proportionate Entitlement**").

- 23.10 Each holder may state in writing within 20 Business Days from the date of an Offer Notice (which date shall be specified therein) whether he is willing to purchase:
- 23.10.1 some or all of his Proportionate Entitlement; and
  - 23.10.2 the number of Sale Shares in excess of his Proportionate Entitlement ("**Excess Sale Shares**") he is willing to purchase (if any).
- 23.11 Any acceptance of Sale Shares comprised in an Offer Notice by the Company (as the Warehouse) is conditional upon the Company having satisfied on or before the date of completion:
- 23.11.1 the requirements of the Statutes to purchase the Sale Shares in question; and
  - 23.11.2 any requirement for consent under **Article 17**.
- 23.12 If any Sale Shares accepted by the Company cannot be bought back at completion by the Company because it is unable to comply with **Articles 23.11.1** and/or **23.11.2**, then this **Article 23** shall take effect as if no acceptance was given by the Company.
- 23.13 Within three Business Days of the expiry of the Offer Notice period set out in **Article 23.10** (or sooner if all holders have responded to the invitation and all the Sale Shares shall have been accepted in the manner provided in **Article 23.10**), the Board shall allocate the Sale Shares in the order of priorities set out in **Article 23.8** and subject thereto in the following manner:
- 23.13.1 if the total number of Sale Shares applied for is equal to or less than the available number of Sale Shares the Company shall allocate the number applied for in accordance with the applications; or
  - 23.13.2 if the total number of Sale Shares applied for is more than the available number of Sale Shares:
    - 23.13.2.1 each holder shall be allocated his Proportionate Entitlement (or such lesser number of Sale Shares for which he may have applied) in the order of priorities set out in **Articles 23.8.1** and **23.8.2**; and
    - 23.13.2.2 applications for Excess Sale Shares shall be allocated in accordance with such applications or, in the event of competition, (as nearly as may be) to each holder applying for Excess Shares in the proportion which Shares held by such holder bears to the total number of Shares held by all such holders applying for Excess Sale Shares provided that such holder shall not be allocated more Excess Sale Shares than he shall have stated himself willing to take,
- and in either case the Company shall forthwith give notice of each such allocation (an "**Allocation Notice**") to the Seller and each of the persons to whom Sale Shares have been allocated (a "**Member Applicant**") and shall specify in the Allocation Notice the place and time (being not later than 10 Business Days after the date of the Allocation Notice) at which the sale of the Sale Shares shall be completed.
- 23.14 Upon such allocations being made as set out in **Articles 23.8** to **23.13** (inclusive):
- 23.14.1 the Seller shall be bound, on payment of the Compulsory Sale Price, to transfer the Sale Shares comprised in the Allocation Notice to the Member Applicants named therein at the time and place therein specified free from any lien, charge or encumbrance;

- 23.14.2 if the Seller makes default in so doing, the Company, or some other person duly nominated by a resolution of the Board (with Investor Consent) for that purpose, shall forthwith be deemed to be the duly appointed agent or attorney on behalf of the Seller with full power to give, execute, complete and deliver in the name and on behalf of the Seller:
- 23.14.2.1 a transfer of the relevant Sale Shares to the Member Applicant; and
  - 23.14.2.2 all such consents, written resolutions and proxies as the appointed agent or attorney shall consider to be necessary or desirable for the purposes of any general meeting of the Company relating to or associated with or required to enable the sale of the Sale Shares to proceed;
- 23.14.3 the Company may receive and give a good discharge for the purchase money on behalf of the Seller and (subject to the transfer being duly stamped) enter the name of the Member Applicant in the register of members as the holder or holders by transfer of the Sale Shares so purchased by him or them; and
- 23.14.4 the Company shall forthwith pay the purchase money into a separate bank account in the Company's name and shall hold such money on trust (but without interest) for the Seller until he shall deliver up his certificate or certificates for the relevant Shares (or an indemnity, in a form reasonably satisfactory to the Board, in respect of any lost certificate) to the Company when he shall thereupon be paid the purchase money.
- 23.15 In the event of all the Sale Shares not being sold under the preceding paragraphs of this **Article 23**, the Seller may not sell or transfer any remaining Sale Shares otherwise than in accordance with the provisions of **Articles 20, 21 or 22** and pending any such sale or transfer the provisions of **Article 14.5.2** shall continue to apply.
- 24. VALUATION OF SHARES**
- 24.1 In the event that the Auditors are required to determine the price at which Shares are to be transferred pursuant to these Articles, the Company shall engage and instruct the Auditors (which instructions shall be made as soon as practicable following the time it becomes apparent that a valuation pursuant to this **Article 24** is required), to give their written opinion as to the price which represents a fair value for such Shares on the following basis as between a willing seller and a willing buyer on the date of the relevant Transfer Event.
- 24.2 In making such determination, the auditors shall not take any account of whether the relevant Shares comprise a majority or a minority interest in the Company nor the fact that transferability of such Shares is restricted by these Articles.
- 24.3 In the event that the Auditors decline to accept an instruction to provide a valuation pursuant to this **Article 24**, then the price will be determined by a firm of independent chartered accountants, such accountants to be instructed by the Company with Investor Consent.
- 24.4 **Articles 32.1 and 32.2** shall apply to any determination under this Article by the Auditors or such accountants appointed pursuant to **Article 24.3** and references to Auditors in those **Articles 32.1 and 32.2** shall include such accountants.
- 25. COMPLIANCE**
- 25.1 For the purpose of ensuring (i) that a transfer of Shares is duly authorised under these Articles or (ii) that no circumstances have arisen whereby a Deemed Transfer Notice is required to be or ought to have been given under these Articles or (iii) whether an offer is required to be or ought to have been made under **Article 22.1**, the Board may from time to time require any shareholder or past shareholder or the personal representatives, trustee

in bankruptcy, receiver, administrative receiver, liquidator, administrator or similar officer of any shareholder or any person named as transferee in any transfer lodged for registration or such other person as the Board may reasonably believe to have information relevant to such purpose, to furnish to the Company such information and evidence as the Board may reasonably think fit regarding any matter which they deem relevant to such purpose; including (but not limited to) the names, addresses and interests of all persons respectively having interests in the Shares from time to time registered in the holder's name.

- 25.2 Failing such information or evidence being furnished to enable the Board to determine to its reasonable satisfaction that no such Deemed Transfer Notice is required to be or ought to have been given, or that no offer is required to be or ought to have been made under **Article 22.1**, or that as a result of such information and evidence the Board is reasonably satisfied that such Deemed Transfer Notice is required to be or ought to have been given, or that an offer is required to be or ought to have been made under **Article 22**:

25.2.1 where the purpose of the enquiry by the Board was to establish whether a Deemed Transfer Notice is required to be or ought to have been given, then a Deemed Transfer Notice shall be deemed to have been given by the holder of the relevant Shares in respect of such Shares; or

25.2.2 where the purpose of the enquiry by the Board was to establish whether an offer is required to be or ought to have been made under **Article 22.1**, then the Shares held by or on behalf of the person or persons connected with each other or acting in concert with each other (who has or have (as the case may be) obtained a Controlling Interest as is referred to in **Article 22.1**), shall cease to entitle the holders thereof (or any proxy) :

25.2.2.1 to receive notice of any meeting; or

25.2.2.2 to any voting rights (whether on a show of hands or on a poll and whether exercisable at a general meeting of the Company or at a separate meeting of the class in question) otherwise attaching to such Shares; or

25.2.2.3 to any further Shares issued in right of such Shares or in pursuance of an offer made to the relevant holders,

25.2.2.4 to the extent that such person or persons shall only be able to control the percentage of the voting rights, attaching to Shares, which they controlled prior to their obligation arising to procure the making of such offer.

## 26. **PURCHASE OF OWN SHARES**

The Company is authorised to purchase its own shares out of capital up to the annual limit in accordance with section 692 of the 2006 Act.

## 27. **TRANSMITTEES BOUND BY PRIOR NOTICES**

Model Article 29 shall be amended by the insertion of the words ", or the name of any person nominated under Model Article 27(2)", after the words "the transmittee's name".

## **GENERAL MEETINGS**

### 28. **NOTICE OF GENERAL MEETINGS**

28.1 Every notice convening a general meeting shall:

28.1.1 comply with section 325(1) of the 2006 Act as to giving information to shareholders relating to their right to appoint proxies; and

28.1.2 be given in accordance with section 308 of the 2006 Act, that is in hard copy form, electronic form or by means of a website.

28.2 A notice convening a general meeting (other than an adjourned meeting) must be called by at least 14 days' notice but a general meeting can be called by shorter notice if it is so agreed by a majority in number of the members having a right to attend and vote at the meeting being a majority who together hold not less than 90 per cent. by nominal value of the Shares giving that right. The notice must state the time, date and place of the meeting and the general nature of the business to be dealt with at the meeting.

## **29. PROCEEDINGS AT GENERAL MEETINGS**

29.1 No resolution shall be voted on and no other business shall be transacted at any general meeting of the Company unless a quorum is present when such vote is taken or other business is transacted and no resolution or transaction shall be effective unless a quorum is so present. Two persons, being holders (at least one of whom must be a holder of A Ordinary Shares) present in person, by proxy or by duly authorised representative (if a corporation), shall be the quorum at any general meeting.

29.2 If a quorum is not present within half an hour from the time appointed for a general meeting or if, during any general meeting, a quorum ceases to be present, the general meeting shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such other place as the directors (with Investor Consent) may determine; and if at the adjourned general meeting a quorum is not present within half an hour from the time appointed for the same the shareholders present shall form a quorum. Model Article 41(1) to (5) inclusive shall not apply to the Company.

## **30. WRITTEN RESOLUTIONS**

30.1 The provisions of **Article 14.5.4** shall apply in respect of the passing of written resolutions.

30.2 A written resolution, proposed in accordance with section 288(3) of the 2006 Act, will lapse if it is not passed before the end of the period of 28 days beginning with the circulation date.

30.3 For the purposes of this **Article 30** "circulation date" is the date on which copies of the written resolution are sent or submitted to members or, if copies are sent or submitted on different days, to the first of those days.

## **ADMINISTRATIVE ARRANGEMENTS**

### **31. BORROWING POWERS**

Subject to the terms of the Investment Agreement, the Board may exercise all the powers of the Company to borrow money up to the amounts specified in the Facility Documents and the Loan Note Instruments and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof, and, subject to the provisions of the 2006 Act, to issue debentures, debenture stock, and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party.

### **32. AUDITORS**

#### **Auditors' determination**

32.1 If any matter under these Articles is referred to the Auditors for determination then the Auditors shall act as experts and not as arbitrators or arbiters and their decision shall be final and binding on the Company and all the holders (in the absence of fraud or manifest error).

32.2 Subject to **Article 32.3** the Auditors' costs in making any such determination referred to in **Article 32.1** shall be borne by the Company unless the Auditors shall otherwise determine.

respect of any negligence, default, breach of duty or breach of trust by him in relation to the Company (or such associated company), including anything done or omitted to be done or alleged to have been done or omitted to be done by him as a director, former director, alternate director, Auditor, secretary or other officer of the Company or of any associated company.

34.3 Subject to, and so far as may be permitted by, the 2006 Act, the Company shall be entitled to fund the expenditure of every director, alternate director or other officer of the Company incurred or to be incurred:

34.3.1 in defending any criminal or civil proceedings; or

34.3.2 in connection with any application under sections 661(3) or 661(4) or under section 1157 of the 2006 Act.

34.4 Model Articles 52 and 53 shall not apply to the Company.

35. **REGISTERED OFFICE**

The Company's registered office is to be situated in Scotland.

## **APPENDIX 1**

### **ANNEXURE - Model Articles**

**Incorporate the Model Articles for Private Companies accessible from the constitutional documents page [HERE](#).**