

Company No. 3187394

**The Companies Act 2006
Private Company Limited by Shares**

ARTICLES OF ASSOCIATION

of

CONNELLS LIMITED

(adopted by Special Resolution on 18 October 2019)

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THE COMPANIES ACT 2006

PRIVATE COMPANY
LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

CONNELLS LIMITED

(adopted by Special Resolution on 18 October 2019)

1 Definitions and Interpretation

1.1 In these Articles, unless the context otherwise requires:

A Share means an A ordinary share of £0.0001 in the capital of the Company

A Shareholder means a holder for the time being of A Shares

A Shareholder Majority means the holder(s) for the time being of over 50% in nominal value of the A Shares for the time being in issue

acting in concert has the meaning ascribed to it by the City Code on Takeovers and Mergers as in force and construed on the date of adoption of these Articles

Accounting Period means the Company's accounting reference period in accordance with the meaning of that term in CA 2006

Accounts means the audited consolidated financial statements of the Company in respect of the financial year of the Company to which they relate

Adjusted Initial Holding means the Initial Holding:

- (a) plus such number of Non-Investor Shares acquired by the relevant Non-Investor Shareholder in addition to the Initial Holding; and
- (b) minus such number of Non-Investor Shares as the relevant Non-Investor Shareholder has disposed of pursuant to any Adjustment Event,

prior to the date of calculation of the Adjusted Initial Holding

Adjustment Event means:

- (a) a Sale; or
- (b) a Listing; or

- (c) the service of a Drag Along Notice; or
- (d) the service of a Tag Along Notice; or
- (e) the service of an Asset Sale Call Notice; or
- (f) the service of an Asset Sale Put Notice

pursuant to which a Non-Investor Shareholder has disposed of Non-Investor Shares

AIM means the AIM market of London Stock Exchange

Asset Sale means the disposal by any one or more members of the Group of assets (whether together with associated liabilities or otherwise and as part of an undertaking or otherwise) which represent 90% or more (by book value) of the consolidated gross tangible assets of the Group at that time

Asset Sale Call Notice means a notice from the A Shareholder to a Non-Investor Shareholder, served in accordance with the provisions of Article 19

Asset Sale Price means the price per Non-Investor Share payable to a Non-Investor Shareholder on an Asset Sale as calculated in accordance with paragraph 10 of Appendix 1

Asset Sale Put Notice means a notice from a Non-Investor Shareholder to the A Shareholder, served in accordance with the provisions of Article 20

Associate means any company with which the Company is associated (as defined in Article 35.2(a))

Auditors means the auditors for the time being of the Company

Bad Leaver means a Relevant Member who ceases to be either an employee or director of the Company or of any other member of the Group for any reason and does not continue in either such capacity (other than as a Good Leaver)

Bad Leaver Sale Price means the price per Share payable on a transfer of Shares pursuant to Article 14.1(b) where the relevant Member is a Bad Leaver, as determined in accordance with paragraph 6 of Appendix 1

Board means the board of directors of the Company for the time being

Board invitees means:

- (a) any person or persons (being employees or officers of any member of the Group);
- (b) an Employee Trust; and/or
- (c) the Company (subject always to compliance by the Company with the CA 2006)

or any combination thereof in any such case selected by an A Shareholder Majority

Business Day means any day on which banks are open for business in London (excluding Saturdays, Sundays and public holidays)

Calculation Period means, in relation to the calculation of:

- (a) a Put Price, within 25 Business Days of the Company receiving a copy of any Put Notice served;
- (b) a Call Price, within 25 Business Days of the Company receiving a copy of any Call Notice served;
- (c) Non-Investor Share Proceeds on a Sale, within 25 Business Days of the completion of a Sale;
- (d) Non-Investor Share Proceeds on a Listing or Winding Up, not later than the completion of the Listing or Winding Up (as appropriate);
- (e) a Sale Price, within 25 Business Days of the Company receiving a Deemed Transfer Notice;
- (f) a Drag Along Price, within 25 Business Days of the Company receiving a copy of any Drag Along Notice served;
- (g) a Tag Along Price, within 25 Business Days of the Company becoming aware of a Tag Along Offer; or
- (h) an Asset Sale Price, within 25 Business Days of the Company becoming aware of the Asset Sale

CA 2006 means the Companies Act 2006

Call Notice means a notice from an A Shareholder Majority to a Non-Investor Shareholder, served during a Call Period in accordance with the provisions of Article 16

Call Price means the price per Non-Investor Share payable following the exercise of a Call Right calculated in accordance with paragraph 3 of Appendix 1

Call Right means the right of the A Shareholder to require Non-Investor Shareholders to sell Non-Investor Shares to the A Shareholder, in accordance with the provisions of Article 16

Chairman means the chairman of the Board for the time being appointed or designated as such by an A Shareholder Majority

Change of Control means the acquisition whether by purchase, transfer, renunciation or otherwise (but excluding a transfer of Shares made in accordance with Article 10 (Lien)) by any Third Party Buyer of any interest in any Shares if, upon completion of that acquisition, the Third Party Buyer, together with persons acting in concert or connected with him (excluding any person who was an original party to the Investment Agreement or any Permitted Transferee of such person), would hold more than 50% of the voting rights at a general meeting of the Company attached to all the Shares for the time being in issue

Company Communication Provisions means sections 1144 to 1148 of and Schedules 4 and 5 to the CA 2006

Competitor means any business which is (or intends to be) in competition with the business carried on by the Company or any other Group Company

connected with has the meaning ascribed to it in sections 1122 and 1123 of the Corporation Tax Act 2010 save that there shall be deemed to be control for that purpose whenever either section 450, 451 or 1124 of that act would so require

Contingent Liability means an identified potential liability of a Group Company at the date of the Final Accounts:

- (a) the actual liability for which is dependent on an uncertain future event, matter, fact or circumstance; or
- (b) the value of which cannot be measured reliably;

provision for such a liability, in whole or part, may or may not have been made in the Final Accounts

D Share means a D ordinary share of £0.0001 in the capital of the Company

D Shareholder means a holder for the time being of D Shares

D Shareholder Good Leaver means a D Shareholder who ceases to be either a director or employee of the Company or any other member of the Group as a result of:

- (a) death; or
- (b) disability or incapacity through ill health of the D Shareholder, such that he is not able to continue to provide services to the Group commensurate with his position and job description with the Group, as certified by a registered medical practitioner; or
- (c) resignation in order to become the primary carer for the spouse, civil partner, Long Term Partner or a child (including step and adopted children) of that D Shareholder, *in circumstances where the relevant spouse, civil partner, Long Term Partner or child who is seriously ill or disabled and has been certified by a registered medical practitioner as in need of full time care;*
- (d) Redundancy;
- (e) circumstances in respect of which:
 - (i) an A Shareholder Majority and the relevant D Shareholder agree in writing within 30 Business Days of the Date of Cessation; or
 - (ii) the Courts of England & Wales, or an employment tribunal has finally determined

that the relevant D Shareholder was wrongfully or unfairly dismissed (other than where the finding of unfair dismissal is based primarily on procedural (as opposed to substantive) matters); or

- (f) any circumstances immediately following which the D Shareholder enters into arrangements whereby the D Shareholder will provide consultancy services and/or other advice relating to the business carried on by the Group to a Group Company pursuant to a written agreement between the D Shareholder (or any personal services company controlled by the D Shareholder) and a Group Company; or
- (g) any circumstances where an A Shareholder Majority determines in writing within 30 days of the Date of Cessation of the D Shareholder that the D Shareholder should be treated as a Good Leaver

and does not continue as either a director or employee of any member of the Group

Date of Cessation has the meaning ascribed to it in Article 14.16

Deed of Adherence has the meaning ascribed to it in the Investment Agreement

Deemed Transfer Notice has the meaning ascribed to it in Article 14.3

Deemed Transfer Shares means, in relation to a Relevant Member, all Non-Investor Shares:

- (a) held by the Relevant Member immediately before the occurrence of the Transfer Event;
- (b) held immediately before the occurrence of the Transfer Event by any persons who acquired the Non-Investor Shares from the Relevant Member by Permitted Transfer where such person is (or was at the time of the Permitted Transfer) connected with the Relevant Member; and
- (c) acquired by the Relevant Member under any Share Option Scheme, or any other option scheme or other arrangement or in any other manner prior to the occurrence of the Transfer Event

Deferral Notice means a notice from a Non-Investor Shareholder to the A Shareholder served during a Put Period which confirms that the relevant Non-Investor Shareholder (together with any and all of their Permitted Transferees) does not wish to serve a Put Notice on the A Shareholder

Drag Along Price means a price per Dragged Share that is calculated in accordance with paragraph 8 of Appendix 1

Dragged Shares has the meaning ascribed to it in Article 17.1

Dragged Shareholders has the meaning ascribed to it in Article 17.2

E Share means an E ordinary share of £0.0001 in the capital of the Company

E Shareholder means a holder for the time being of E Shares

E Shareholder Good Leaver means an E Shareholder who ceases to be either a director or employee of the Company or any other member of the Group as a result of:

- (a) death; or
- (b) disability or incapacity through ill health of the E Shareholder, such that he is not able to continue to provide services to the Group commensurate with his position and job description with the Group, as certified by a registered medical practitioner; or
- (c) resignation in order to become the primary carer for the spouse, civil partner, Long Term Partner or a child (including step and adopted children) of that E Shareholder, in circumstances where the relevant spouse, civil partner, Long Term Partner or child who is seriously ill or disabled and has been certified by a registered medical practitioner as in need of full time care;
- (d) Redundancy; or
- (e) circumstances in respect of which:

- (i) an A Shareholder Majority and the E Shareholder agree in writing within 30 Business Days of the Date of Cessation; or
- (ii) the Courts of England & Wales, or an employment tribunal has finally determined

that the E Shareholder was wrongfully or unfairly dismissed (other than where the finding of unfair dismissal is based primarily on procedural (as opposed to substantive) matters); or

- (f) where the cessation takes place before the E Shareholder has exercised his First Put Notice in respect of the E Shares, any event that would result in him becoming a Permitted Leaver, if such event took place after he has exercised his First Put Notice;

and does not continue as either a director or employee of any member of the Group

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

Employee Trust means a trust approved by an A Shareholder Majority and whose beneficiaries include employees of the Group

Equity Shares means the A Shares, the D Shares, the E Shares and the F Shares for the time being in issue

F Share means an F ordinary share of £0.0001 in the capital of the Company

F Shareholder means a holder for the time being of F Shares

F Shareholder Good Leaver means an F Shareholder who ceases to be either a director or employee of the Company or any other member of the Group as a result of:

- (a) death; or
- (b) disability or incapacity through ill health of the F Shareholder, such that he is not able to continue to provide services to the Group commensurate with his position and job description with the Group, as certified by a registered medical practitioner; or
- (c) any circumstances where an A Shareholder Majority determines in writing within 30 days of the Date of Cessation of the F Shareholder that the F Shareholder should be treated as a Good Leaver; or
- (d) resignation in order to become the primary carer for the spouse, civil partner, Long Term Partner or a child (including step and adopted children) of that F Shareholder, in circumstances where the relevant spouse, civil partner, Long Term Partner or child who is seriously ill or disabled and has been certified by a registered medical practitioner as in need of full time care;
- (e) Redundancy; or
- (f) circumstances in respect of which:
 - (i) an A Shareholder Majority and the F Shareholder agree in writing within 30 Business Days of the Date of Cessation; or

(ii) the Courts of England & Wales, or an employment tribunal has finally determined

that the F Shareholder was wrongfully or unfairly dismissed (other than where the finding of unfair dismissal is based primarily on procedural (as opposed to substantive) matters)

and does not continue as either a director or employee of any member of the Group

Final Accounting Period means the last Accounting Period ended immediately prior to the year in which a Final Put Notice has been issued (or a Final Call Notice, as the case may be)

Final Accounts means the Accounts for the Final Accounting Period

Final Accounts Date means the last day of the Final Accounting Period

First Call Notice means, in respect of any Non-Investor Shareholder, the first Call Notice served by an A Shareholder Majority on that Non-Investor Shareholder pursuant to the provisions of Article 16

First Put Notice means, in respect of any Non-Investor Shareholder, the first Put Notice served by that Non-Investor Shareholder pursuant to the provisions of Article 15

First Put Period means: (a) for the D Shares, the 60 days immediately following (but not including) the date on which the Board approves and signs the Accounts for the financial year ending on 31 December 2017; or (b) for the E Shares and F Shares, the 60 days immediately following (but not including) the date on which the Board approves and signs the Accounts for the financial year ending on 31 December 2021

Fixed Assets means the fixed assets of the Group which shall include but not be limited to any and all property, plant, equipment and other tangible or intangible items, including goodwill, that:

- (a) are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes by a Group Company; and
- (b) are expected to be used during more than one financial year by a Group Company

Good Leaver means a D Shareholder Good Leaver, an E Shareholder Good Leaver or an F Shareholder Good Leaver

Good Leaver Sale Price means the price per Non-Investor Share payable on a transfer of Non-Investor Shares pursuant to Article 14.1(b) where the relevant Non-Investor Shareholder is a Good Leaver, as determined in accordance with paragraph 5 of Appendix 1

Group means the Company and all its subsidiaries and subsidiary undertakings for the time being and member of the Group and Group Company shall be construed accordingly

IFRS 16 Leases the reporting standard known as "IFRS 16 Leases" published by the Board of the International Financial Reporting Standards Foundation

Initial Holding means the number of Non-Investor Shares of a particular class issued or transferred to the Non-Investor Shareholder pursuant to which the Non-Investor Shareholder became a Non-Investor Shareholder of that class of Shares

Investment Agreement means the investment and subscription agreement relating to the Company which regulates the relationships as between the Members entered into on or about the date of adoption of these Articles, as any such agreement is amended, waived, restated, modified or supplemented from time to time

Investment Date means the date of allotment of the first Non-Investor Share to be allotted

Investor Director has the meaning ascribed to it in Article 27.1

Investor Shares has the meaning ascribed to it in Article 17.1

Issue Price means the amount paid up or credited as paid up on the Shares concerned (including any premium)

Joint Venture means any contractual arrangement whereby any member of the Group has agreed with one or more other parties to undertake an economic activity that is subject to joint control

Listing means either:

- (a) the admission by the UK Listing Authority to listing, together with admission by London Stock Exchange to trading, on the Official List of any of the issued equity share capital of the Company, and such admission becoming effective;
- (b) the admission by London Stock Exchange of any of the issued equity share capital of the Company to trading on AIM, and such admission becoming effective; or
- (c) any equivalent admission to any other Recognised Investment Exchange becoming unconditionally effective in relation to any of the issued equity share capital of the Company

Listing Shares means the issued equity share capital of the Company (excluding any equity share capital to be subscribed and issued on such Listing other than new shares to be paid up by way of capitalisation of reserves or arising from any sub-division, consolidation or conversion of Shares)

Listing Value means, in the event of a Listing, the market value of the Listing Shares determined by reference to the price per Share at which such Shares are to be offered for sale, placed or otherwise marketed pursuant to the arrangements relating to the Listing, all as determined by the financial advisers to the Company or, if none, the broker appointed by the Board to advise in connection with the Listing

London Stock Exchange means London Stock Exchange plc

Long Term Partner in respect of any Non-Investor Shareholder who is an individual means any partner of the Non-Investor Shareholder that an A Shareholder Majority has confirmed in writing shall be regarded as a Long Term Partner of that Non-Investor Shareholder

Management Accounts means the unaudited monthly consolidated management accounts of the Group comprising the consolidated balance sheet, the consolidated profit and loss account and cash flow statement which have been:

- (a) approved by the Board; and

- (b) prepared on the same basis, and using the same accounting principles and policies as the Accounts

Maximum Amount means:

(a) for the E Shares, £15,000,000; and

(b) for the F Shares, £10,000,000

Member means any registered holder of a Share for the time being

member of the same group means, in relation to a particular Member that is a body corporate, any subsidiary or holding company of that Member, or a subsidiary of such a holding company

Model Articles means the model articles for private companies limited by Shares prescribed by Schedule 1 to the Companies (Model Articles) Regulations 2008 (SI 2008/3229) (including any amendments thereto) as in force on the date on which these articles become part of the constitution of the Company

Multiple Non-Investor Share Sale Event means:

(a) more than one Non-Investor Shareholder transferring Non-Investor Shares in connection with a:

- (i) Sale;
- (ii) Listing;
- (iii) Drag Along Option; or
- (iv) Tag Along Offer; or

(b) a Winding Up of the Company

Non-Investor Majority means the holder(s) for the time being of over 50% in nominal value of the Non-Investor Shares for the time being in issue

Non-Investor Share means a D Share, an E Share or an F Share

Non-Investor Share Proceeds means the price per Non-Investor Share payable to a Non-Investor Shareholder on a Sale or Winding Up, as calculated in accordance with paragraph 4 of Appendix 1

Non-Investor Shareholder means a holder for the time being of D Shares, E Shares or F Shares

Permitted Leaver means an E Shareholder who, at any time after exercising his First Put Notice (or exercise of First Call Notice, as the case may be) in respect of his E Shares, ceases to be a director or employee of the Company or any other member of the Group as a result of:

- (a) circumstances immediately following which the E Shareholder enters into arrangements whereby the E Shareholder will provide consultancy services and/or

other advice relating to the business carried on by the Group to a Group Company subject always to the written consent of an A Shareholder Majority; or

- (b) retirement, subject always to the written consent of an A Shareholder Majority; or
- (c) any circumstances where an A Shareholder Majority determines in writing within 30 days of the Date of Cessation of the E Shareholder that the E Shareholder should be treated as a Good Leaver

and does not continue as either a director or employee of any member of the Group and any of the above events shall be regarded as a **Permitted Leaver Event** for the purpose of these Articles

Permitted Transfer means a transfer of a Share permitted without pre-emption under Article 12

Permitted Transferee means a person to whom a Permitted Transfer has been, or may be, made

Proceeds shall, in relation to a Sale or Winding Up, have the meaning ascribed to it in Article 7.2

Put Notice means a notice from a Non-Investor Shareholder to the A Shareholder, served during a Put Period in accordance with the provisions of Article 15

Put Price means the price per Non-Investor Share payable following the exercise of a Put Right calculated in accordance with paragraph 2 of Appendix 1

Put Right means the right of a Non-Investor Shareholder to require the A Shareholder to purchase Non-Investor Shares held by him and his Permitted Transferees, in accordance with the provisions of Article 15

Put Periods means:

(a) for a D Shareholder each of the following periods:

- (i) 60 days immediately following (but not including) the date on which the Board approves and signs the Accounts for the financial year ending on 31 December 2017;
- (ii) 60 days immediately following (but not including) the date on which the Board approves and signs the Accounts for the financial year ending on 31 December 2018;
- (iii) 60 days immediately following (but not including) the date on which the Board approves and signs the Accounts for the financial year ending on 31 December 2019;
- (iv) 60 days immediately following (but not including) the date on which the Board approves and signs the Accounts for the financial year ending on 31 December 2020;
- (v) 60 days immediately following (but not including) the date on which the Board approves and signs the Accounts for the financial year ending on 31 December 2021;
- (vi) 60 days immediately following (but not including) the date on which the Board approves and signs the Accounts for the financial year ending on 31 December 2022;

- (vii) 60 days immediately following (but not including) the date on which the Board approves and signs the Accounts for the financial year ending on 31 December 2023; and
- (viii) 60 days immediately following (but not including) the date on which the Board approves and signs the Accounts for the financial year ending on 31 December 2024

or such other 60 day periods immediately following the date on which the Board approves and signs the Accounts for any corresponding financial years that arise as a result of the Company altering its accounting reference date as the Board may specify by notice in writing to the D Shareholders

(b) for an E Shareholder or F Shareholder each of the following periods:

- (i) 60 days immediately following (but not including) the date on which the Board approves and signs the Accounts for the financial year ending on 31 December 2021;
- (ii) 60 days immediately following (but not including) the date on which the Board approves and signs the Accounts for the financial year ending on 31 December 2022;
- (iii) 60 days immediately following (but not including) the date on which the Board approves and signs the Accounts for the financial year ending on 31 December 2023;
- (iv) 60 days immediately following (but not including) the date on which the Board approves and signs the Accounts for the financial year ending on 31 December 2024;
- (v) 60 days immediately following (but not including) the date on which the Board approves and signs the Accounts for the financial year ending on 31 December 2025;
- (vi) 60 days immediately following (but not including) the date on which the Board approves and signs the Accounts for the financial year ending on 31 December 2026; and
- (vii) 60 days immediately following (but not including) the date on which the Board approves and signs the Accounts for the financial year ending on 31 December 2027;

or such other 60 day periods immediately following the date on which the Board approves and signs the Accounts for any corresponding financial years that arise as a result of the Company altering its accounting reference date as the Board may specify by notice in writing to the E Shareholders and the F Shareholders

Realisation means a Sale, a Listing or a Winding Up

Recognised Investment Exchange shall have the meaning ascribed to it in section 285(1)(a) of the Financial Services and Markets Act 2000

Redundancy means dismissal from employment by reason of redundancy as defined in section 139(1) of the Employment Rights Act 1996

Relevant Member has the meaning ascribed to it in Article 14.3

Sale means the making of one or more agreements (whether conditional or not but which agreement(s) become(s) unconditional) for the disposal, transfer, purchase, subscription or renunciation of any part of the share capital of the Company giving rise to a Change of Control and for the purposes of this definition disposal shall mean a sale, transfer,

assignment or other disposition whereby a person ceases to be the absolute beneficial owner of the Share in question or of voting rights attached thereto or an agreement to enter into such disposal or the grant of a right to compel entry into such an agreement

Sale Price has the meaning ascribed to it in Article 14.6

Share Option Scheme means any share option scheme of the Company or any other Member of the Group that an A Shareholder Majority identifies in writing as being a permitted share option scheme for the purposes of these Articles

Shares means shares of any class in the capital of the Company

Specific Accounting Principles means those specific accounting principles set out in Appendix 2

Tag Along Price means a price per Uncommitted Share that is calculated in accordance with paragraph 9 of Appendix 1

Tax or Taxation means:

- (a) any form of tax, and any levy, duty, rate, contribution, charge, impost, deduction, or withholding in the nature of tax whether governmental, statutory, state, provincial, local governmental or municipal whenever created or imposed and whether of the United Kingdom or elsewhere or any other taxes, levies, duties, rates, contributions, charges, imposts, deductions, or withholdings similar to, corresponding with, replacing or replaced by any of the foregoing; and
- (b) all charges, surcharges, interest, penalties, fines and other similar liabilities and costs, incidental or relating to, or relating to any obligation in respect of, any Tax falling within paragraph (a) of this definition,

Third Party Buyer means any person not a party to the Investment Agreement for the time being or a person connected with any such party

Total Call Price means the aggregate amount to be paid for the Non-Investor Shares to be sold pursuant to a Call Right

Total Put Price means the aggregate amount to be paid for the Non-Investor Shares to be sold pursuant to a Put Right

Transfer Event shall have the meaning ascribed to it in Article 14.1

UK Listing Authority means the Financial Conduct Authority or its successor as the competent authority for listing in the United Kingdom under Part VI of the Financial Services and Markets Act 2000

Uncertain Liability means an actual or contingent liability of any member of the Group which arises as a result of an event, matter, fact or circumstance which occurred in an Accounting Period ended on or prior to the Final Accounts Date, but which was not known about (by the Board) or provided for in any Accounts (including the Final Accounts) or Accounting Periods ended on or prior to the Final Accounting Period

Valuers shall have the meaning ascribed to it in paragraph 2.1 of Appendix 3

Winding Up means the passing of any resolution for the winding up of the Company, or any other return of capital (on liquidation, capital reduction or otherwise).

- 1.2 A reference in these Articles to a numbered **regulation** is to the article so numbered in the Model Articles
- 1.3 In these Articles, words importing a gender include every gender and references to persons shall include bodies corporate, unincorporated associations and partnerships.
- 1.4 Words and expressions defined in or for the purposes of the CA 2006 or the Model Articles shall, unless the context otherwise requires, have the same meaning in these Articles.
- 1.5 The headings in these Articles shall not affect their construction or interpretation.
- 1.6 If, at any time, there is more than one A Shareholder, any reference to A Shareholder in these Articles shall be deemed to apply to all of the holders of A Shares equally so that, except where the context requires otherwise:
 - (a) subject to (c) and (d) below, any action to be taken by the A Shareholder pursuant to these Articles may be taken by A Shareholders holding a majority in number of A Shares;
 - (b) any notice to be given to an A Shareholder under these Articles shall be given to all A Shareholders
 - (c) any rights of an A Shareholder under these Articles shall apply to each of the A Shareholders, pro rata to their holdings of A Shares;
 - (d) any requirement for any A Shareholder to deal with his A Shares or acquire further Shares pursuant to these Articles shall apply to each of the A Shareholders equally, pro rata to their holdings of A Shares at that time; and
 - (e) any liability of an A Shareholder under these Articles shall be borne by the A Shareholders equally, pro rata to their holdings of A Shares at that time.
- 1.7 Whenever under these Articles it is desired or necessary for any two or more persons to give any notice, consent or approval in writing, the same may be done by them executing two or more documents either in identical form or adapted only for execution.
- 1.8 The Courts of England and Wales shall have exclusive jurisdiction to settle any dispute arising from or connected with these Articles or otherwise arising between the Company and any of its members (or any former member or any person claiming title or interest under or by virtue of any member or former member) (each a **Disputant**) relating in any way to the past or present or alleged membership of the Company or otherwise under the Articles of Association for the time being of the Company or under the CA 2006 (a **Dispute**), including a dispute regarding the existence, validity or termination of membership of the Company or the consequences of its nullity.
- 1.9 The Company and each Disputant agree that the Courts of England and Wales are the most appropriate and convenient courts to settle any Dispute and, accordingly, that they will not argue to the contrary.
- 1.10 Notwithstanding Article 1.8 and Article 1.9, nothing in these Articles prevents the Company from taking proceedings relating to a Dispute (**Proceedings**) in any other courts with

jurisdiction. To the extent allowed by law, the Company may take concurrent Proceedings in any number of jurisdictions.

1.11 Unless the context otherwise requires, reference in these Articles to any English term for any action, remedy, method of judicial proceeding, legal document, legal status, Court, legislation, official or any legal concept or thing shall, in respect of any jurisdiction other than England and Wales, be deemed to include what most nearly approximates in that jurisdiction to the relevant English term.

1.12 References to a person ceasing to be a director or employee of the "Company or any other member of the Group", or any similar wording, shall mean the time at which the person no longer holds employment or directorship with any Group Company at all.

2 Application of the Model Articles etc

2.1 *These Articles and the regulations of the Model Articles (subject to any modifications set out in these Articles and, in particular, in Article 42) shall constitute all the articles of association of the Company.*

2.2 Regulations 8, 14(1) to 14(5) (inclusive), 19(3)(b), 21, 26(1), 26(5), 41(1), 44(2) to 44(4) (inclusive), 52 and 53 do not apply to the Company.

3 Share Capital

3.1 In these Articles, unless the context requires otherwise, references to Shares of a particular class shall include Shares created and/or issued after the Investment Date and ranking pari passu in all respects (or in all respects except only as to the date from which those Shares rank for dividend) with the Shares of the relevant class then in issue.

3.2 Save as specified to the contrary in these Articles, the A Shares, the D Shares, the E Shares and the F Shares shall rank pari passu in all respects but shall constitute separate classes of Shares.

4 Dividends

4.1 The Board shall be entitled to pay dividends in accordance with Regulation 30 to the holders of any class of Shares without paying a dividend to the holders of any other class of Shares.

4.2 Subject to Article 4.3, the Company may by ordinary resolution declare dividends to the holders of any class of Share without declaring dividends to the holders of any other class of Share provided always that no dividend shall exceed the amount recommended by the Board. Regulation 30 shall be modified accordingly.

4.3 The holders of the A Shares shall not be entitled to the payment of any dividend other than if approved by an A Shareholder Majority.

4.4 The holders of the D Shares shall not be entitled to the payment of any dividend other than if approved by both an A Shareholder Majority and a Non-Investor Majority.

4.5 The holders of the E Shares shall not be entitled to the payment of any dividend other than if approved by both an A Shareholder Majority and a Non-Investor Majority.

4.6 The holders of the F Shares shall not be entitled to the payment of any dividend other than if approved by both an A Shareholder Majority and a Non-Investor Majority.

5 Return of capital

On a return of capital whether on liquidation or capital reduction or otherwise (other than a purchase of Shares made in accordance with these Articles) the surplus assets of the Company remaining after the payment of its liabilities shall be applied as if they were Proceeds under Article 7.

6 Voting

Save as provided in Article 33.12 and subject to Article 14.4, each holder of an A Share, a D Share, an E Share or an F Share (as the case may be) shall:

- (a) be entitled to receive notice of, and shall be entitled to attend and vote at, general meetings of the Company as follows:
 - (i) on a show of hands every holder of an A Share, a D Share, an E Share or an F Share (as the case may be) who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or by proxy shall have one vote; and
 - (ii) on a poll every holder of an A Share, a D Share, an E Share or an F Share (as the case may be) who, being an individual, is present in person or by proxy or, being a corporation, is present by a duly authorised representative or by proxy, shall have one vote for each A Share, D Share, E Share and/or F Share held by him.
- (b) on a written resolution, have one vote for each A Share, D Share, E Share and/or F Share held by him.

7 Provisions on Realisation

7.1 On a Realisation, the provisions of this Article 7 shall apply to determine the allocation of the proceeds of such Realisation.

7.2 On a Sale or Winding Up, the proceeds from the Sale or Winding Up (as the case may be) attributable to the Shares (Proceeds) shall be dealt with as follows:

- (a) on a Sale, the Proceeds shall be allocated and paid out as follows:
 - (i) first in paying to each Non-Investor Shareholder an amount equal to the Non-Investor Share Proceeds calculated in accordance with paragraph 4 of Appendix 1 for each Non-Investor Share sold by that Non-Investor Shareholder as part of the Sale together with any accrued/declared but unpaid dividends thereon calculated down to the date of such payment; and
 - (ii) lastly in dividing the surplus Proceeds (if any) between the Members selling A Shares as part of the Sale (in each case pro rata as between such holders to their respective holdings sold as part of the Sale).
- (b) on a Winding Up, the Proceeds shall be allocated and paid out as follows:
 - (i) first in paying to each Non-Investor Shareholder an amount equal to the Non-Investor Share Proceeds calculated in accordance with paragraph 4 of Appendix 1 for each Non-Investor Share held together with any

accrued/declared but unpaid dividends thereon calculated down to the date of such payment; and

- (ii) lastly in dividing the surplus Proceeds (if any) between the Members holding A Shares (in each case pro rata as between such holders to their respective holdings).

7.3 Immediately prior to and conditionally upon a Listing the Members shall enter into such reorganisation of the share capital of the Company as they may agree or, in default, as an A Shareholder Majority may reasonably specify, to ensure that the Listing Value is allocated between the Members in the same proportions as the preceding provisions of this Article 7 would provide on a Sale or Winding Up at that Listing Value.

7.4 In the event of a Sale occurring where the whole or any part of the Proceeds are to be received by the Members in a form other than cash, the Members shall enter into such arrangements in relation to such Proceeds as they may agree or, in default of such agreement, as an A Shareholder Majority may reasonably specify, to ensure that such non-cash consideration is allocated amongst the holders of Equity Shares so as to achieve the same commercial effect as would be the case pursuant to Article 7.2 if such consideration had actually been received in cash (and as between such holders of Equity Shares, such non-cash consideration shall be apportioned between the different classes of Equity Shares in the same proportions as those proportions in which they are entitled to receive the overall Proceeds in accordance with Article 7.1, unless the Members holding Equity Shares should reach any agreement to the contrary).

7.5 In the event that the application of any provision of this Article 7 cannot be agreed between the Members, any such matters in dispute shall be referred by the Board to the Valuers whose costs shall be borne by the Members in such proportions as the Valuers may determine having regard to the conduct of the Members and the merits of their arguments in relation to the matter(s) in dispute (or in the absence of such determination, shall be borne by the Members pro rata to their respective holdings of Equity Shares) and whose decision shall be final and binding on all Members (save in the case of manifest error).

7.6 For the purposes of this Article 7, where any agreement is required to be reached as between the Members, then the agreement of the holders of over 50% (by reference to nominal value) of any one class of Shares for the time being in issue shall be binding on all of the holders of Shares in such class.

7.7 The amount of Non-Investor Share Proceeds payable to Non-Investor Shareholders on a Sale or Winding Up shall be determined in accordance with the provisions of paragraph 4 Appendix 1.

8 Variation of class rights

Whenever the capital of the Company is divided into different classes of Shares, the special rights attached to any class may only be varied or abrogated, either whilst the Company is a going concern or during or in contemplation of a winding up, with the consent in writing of the holders of three quarters of the issued Shares of that class or with the sanction of a special resolution passed at a separate meeting of the holders of the issued Shares of that class, but not otherwise. To every such separate meeting, all the provisions of these Articles relating to general meetings of the Company shall apply (with such amendments as may be necessary to give such provisions efficacy and in particular so that only the holders of Shares of the relevant class shall have the right to pass a resolution in relation to such a class meeting).

9 Issue of Shares

- 9.1 Subject to the CA 2006, the directors may offer, allot, grant rights or warrants to subscribe for, grant options over, or otherwise deal with or dispose of unissued Shares in the Company to such persons and generally on such terms in such manner and at such times as they may determine.
- 9.2 By virtue of section 567(1) of the CA 2006, the provisions of sections 561 and 562 of the CA 2006 shall not apply to an allotment made by the Company of equity securities (as defined in section 560(1) of the CA 2006).
- 9.3 Where the Board proposes to make a rights issue it may under the terms of such rights issue permit the Company to allot Shares or equity securities in response to an acceptance received before the period for responding shall have expired and regardless of whether any other Member shall yet have responded to the offer. The Board may allot Shares accordingly.
- 9.4 Nothing in Article 9.3 shall confer on any person any right or expectation to receive any pre-emptive or other offer of new Shares or equity securities.

10 Lien

All Shares to be sold in the enforcement of the Company's lien or rights of forfeiture shall be offered in accordance with Article 14 (Compulsory Transfers) as if a Deemed Transfer Notice had been deemed given in respect of such Shares.

11 Transfer of Shares

- 11.1 The Board shall not register the transfer of any Share or any interest in any Share unless the transfer:

- (a) is permitted by Article 12 (Permitted Transfers); or
- (b) is made in accordance with, Article 14 (Compulsory transfers), Article 15 (Non-Investor Shareholder Put Option), Article 16 (A Shareholder Majority Call Option), Article 17 (Drag Along Option) or Article 18 (Tag Along Offer); and

in addition, in any such case, the transfer is not prohibited under Article 22 (Prohibited transfers).

11.2

- (a) For the purpose of ensuring that a transfer of Shares is in accordance with these Articles or that no circumstances have arisen whereby a Member may be deemed to have given a Deemed Transfer Notice the Board may from time to time require any Member or any person named as transferee in any transfer lodged for registration to furnish to the Board such information and evidence as the Board reasonably deems relevant for such purpose.
- (b) Failing such information or evidence being furnished to its reasonable satisfaction within a reasonable time after request under Article 11.2(a), the Board may (with the approval of an A Shareholder Majority) in its absolute discretion refuse to register the transfer in question or (with the approval of an A Shareholder Majority where no transfer is in question) require by notice in writing to the Member(s) concerned that a Deemed Transfer Notice be given in respect of the Shares concerned.

- (c) If the Board refuses to register a transfer of a Share it shall, as soon as practicable and in any event within two months after the date on which the transfer was lodged with the Company, send to the transferee notice of, and the reasons for, the refusal.
- (d) If such information or evidence requested under Article 11.2(a) discloses to the reasonable satisfaction of the Board (with the approval of an A Shareholder Majority) that circumstances have arisen whereby a Member may be deemed to have given a Deemed Transfer Notice the Board may (with the approval of an A Shareholder Majority) by notice in writing to the Member(s) concerned determine that a Deemed Transfer Notice be given in respect of the Shares concerned.

11.3 An obligation to transfer a Share under these Articles shall be deemed to be an obligation to transfer the entire legal and beneficial interest in such Share free from any lien, charge or other encumbrance.

11.4 The Board may at any time give notice requiring any transmittee to elect either to be registered himself in respect of the Share or to transfer the Share and, if the notice is not complied with within sixty days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Share until the requirements of the notice shall have been complied with. Nothing in these Articles releases the estate of a deceased holder from any liability in respect of a Share solely or jointly held by that holder.

12 Permitted Transfers

12.1 Transfers within groups of companies

- (a) Any Member that is a body corporate may at any time transfer any A Shares held by it to a member of the same group.
- (b) Where A Shares have been transferred under Article 12.1(a) (whether directly or by a series of such transfers) from a Member (the **A Share Transferor**) to a member of the same group as the A Share Transferor (the **A Share Transferee**) and subsequent to such transfer the A Share Transferee shall cease to be a member of the same group as the A Share Transferor then the A Share Transferee shall forthwith transfer all the A Shares held by it to the A Share Transferor, for such consideration as they agree and if they do not do so within 90 days of the date upon which the A Share Transferee ceased to be a member of the same group the Board may with the consent of an A Shareholder Majority determine that a Deemed Transfer Notice has been given in respect of such A Shares.

12.2 Transfers with consent

- (a) A Member holding A Shares may transfer such A Shares to any person at any time with the prior written consent of an A Shareholder Majority.
- (b) A Non-Investor Shareholder may transfer any Non-Investor Shares held by him to any person at any time with the prior written consent of an A Shareholder Majority.

12.3 Transfers by an employee trust

Where any Shares are held by trustees of an Employee Trust on any change of trustees, the Shares may be transferred to the new trustees of that Employee Trust.

12.4 Transfers of unencumbered interest

A transfer of any Share pursuant to this Article 12 shall only be treated as a Permitted Transfer for the purposes of these Articles if it is a transfer of the entire legal and beneficial interest in such Share free from any lien, charge or other encumbrance.

12.5 No encumbrance of Non-Investor Shares

To avoid doubt and except as permitted under this Article 12 (Permitted Transfers), required under Article 14 (Compulsory transfers) or as contemplated in Article 15 (Non-Investor Shareholder Put Option), Article 16 (A Shareholder Call Option), Article 17 (Drag Along Option), Article 18 (Tag Along Offer), Article 19 (Asset Sale Call Option) or Article 20 (Asset Sale Put Option) no person may transfer, charge or otherwise encumber any Non-Investor Share or any interest therein.

13 Conversion of Shares

If any Share of any class is transferred pursuant to the provisions of these Articles to a Member holding Shares of a different class, such Shares shall on and from the time of registration of the transfer of those Shares in the register of members of the Company be converted into and re-designated as, Shares of the same class as those already held by that Member.

14 Compulsory transfers

14.1 Save as specified to the contrary, in this Article 14, a Transfer Event occurs, in relation to any Non-Investor Shareholder:

Bankruptcy etc of individual

(a) if that Member being an individual:

- (i) shall have a bankruptcy order made against him or shall be declared bankrupt by any court of competent jurisdiction; or
- (ii) shall make an offer to make any arrangement or composition with his creditors generally,

and, within six months of becoming aware of such event, an A Shareholder Majority shall notify the Company that such is to be treated as a Transfer Event in relation to that Member for the purposes of this Article 14;

Ceasing to be either a director or employee of the Group

(b) if either:

- (i) a Member, other than a Permitted Leaver, who is at any time a director or employee of a member of the Group shall cease to hold such office or employment (so that the Member is neither a director nor an employee of a member of the Group); or
- (ii) the member of the Group of which such a Member is a director or employee shall cease for any reason to be a member of the Group,

and the Member does not remain or thereupon immediately become a director or employee of another company which is still a member of the Group, and within the following six months an A Shareholder Majority shall notify the Company that such

event is to be treated as a Transfer Event in relation to that Member for the purposes of this Article 14;

Unauthorised attempted transfer

- (c) if a Member shall attempt to deal with or dispose of any Share or any interest in it otherwise than in accordance with these Articles by entering into any written agreement which purports to deal with or dispose of any Share (whether or not for value) and within six months of becoming aware of such event an A Shareholder Majority shall notify the Company that such event is to be treated as a Transfer Event in relation to that Member for the purposes of this Article 14;

Engaging with a Competitor

- (d) if, following a Permitted Leaver Event which occurs after the First Put Notice applicable to the E Shares, an E Shareholder:
- (i) is employed by or holds office with a Competitor; or
 - (ii) enters into arrangements with a Competitor whereby the E Shareholder will provide consultancy services and/or other advice relating to the business carried on by a Competitor pursuant to a written agreement between the E Shareholder (or any personal services company controlled by the E Shareholder) and the Competitor

within six months of becoming aware of such circumstance an A Shareholder Majority shall notify the Company that such event is to be treated as a Transfer Event in relation to that Member for the purposes of this Article 14.

14.2 If an event which is or may be determined to be a Transfer Event in accordance with Article 14.1 takes place:

- (a) the relevant Member in respect of which the event has taken place will, as soon as possible, and in any event within 7 days of the event taking place, notify the Company of the occurrence of such event; and
- (b) the Company will, as soon as possible, and in any event within 14 days of becoming aware of the occurrence of such event, notify an A Shareholder Majority of it becoming aware of the occurrence of such event.

14.3

- (a) Upon an A Shareholder Majority making of a notification to the Company under Article 14.1 that any event being or being treated as a Transfer Event under Article 14.1, the Member in respect of whom such event is a Transfer Event (**Relevant Member**) and any other holder of any Deemed Transfer Shares (together the **Deemed Seller(s)**) shall be deemed to have immediately given a notice in writing on the Company in respect of all the Deemed Transfer Shares then held by such Member(s), that they wish to transfer the Deemed Transfer Shares (**Deemed Transfer Notice**).
- (b) For the purpose of this Article 14.3, any Shares received by way of rights or on a capitalisation at any time by any person to whom Deemed Transfer Shares may have been transferred (directly or by means of a series of two or more permitted transfers) shall also be treated as Deemed Transfer Shares.

14.4 Notwithstanding any other provision of these Articles, no Member shall be entitled to receive notice of, nor attend or have any voting rights at, general meetings of the Company or to receive or to have any voting rights in respect of, any written resolutions of the Company in respect of Deemed Transfer Shares (and of any Shares received thereafter by way of rights or on a capitalisation in respect of those Deemed Transfer Shares) on and from the date of the relevant Deemed Transfer Notice (or if later the date upon which he receives the Shares) until the entry in the register of members of the Company of another person as the holder of those Deemed Transfer Shares.

14.5 Each Deemed Transfer Notice shall:

- (a) constitute the Company as the agent of the Deemed Seller(s) for the sale of the Deemed Transfer Shares on the terms of this Article 14; and
- (b) be irrevocable.

14.6 The Deemed Transfer Shares shall be offered for purchase in accordance with this Article 14 at a price per Deemed Transfer Share (**Sale Price**) to be determined:

- (a) in relation to a Transfer Event that occurs pursuant to Articles 14.1(a), 14.1(c) or 14.1(d) in accordance with paragraph 7 of Appendix 1; or
- (b) subject to Article 14.7, in relation to a Transfer Event that occurs pursuant to Article 14.1(b), in accordance with paragraphs 5 or 6 of Appendix 1 (as appropriate in the circumstances)

by the later of:

- (i) the end of the 15th Business Day after the date of service of the Deemed Transfer Notice; or
- (ii) the expiry of the period of 10 Business Days following the calculation of the Sale Price in accordance with paragraphs 5, 6 or 7 of Appendix 1 (as appropriate in the circumstances).

14.7 If a Deemed Transfer Notice is served as a consequence of a Transfer Event falling within Article 14.1(b) and the Date of Cessation of the relevant Member occurred later than the 6 months following the expiry of the most recent Put Period, but prior to the beginning of a new Put Period, the Deemed Transfer Shares shall be offered for purchase in accordance with this Article 14 at a Sale Price to be determined in accordance with paragraph 5.2 of Appendix 1, by no later than the expiry of the period of 10 Business Days following the calculation of the Sale Price in accordance with the provisions of Appendix 1.

14.8 Deemed Transfer Shares shall be treated as offered by the giving of an Offer Notice by the Board to:

- (a) in the first instance to Members holding A Shares; and
- (b) to the extent not accepted by Members holding A Shares within 10 Business Days of receiving the Offer Notices, to Board Invitees for a period of 10 Business Days

however, no Shares shall be treated as offered to the Deemed Seller(s) or any other Member who is then bound to give, has given or is deemed to have given a Deemed Transfer Notice in respect of the Shares registered in his name.

- 14.9 An Offer Notice shall:
- (a) specify the Sale Price;
 - (b) the number of Deemed Transfer Shares subject to the Deemed Transfer Notice;
 - (c) invite the relevant offerees to respond in writing, before expiry of the Offer Notice, to purchase the numbers of Deemed Transfer Shares specified by them in their application; and
 - (d) shall expire 10 Business Days after its service.
- 14.10 After the expiry date of an Offer Notice, the Board shall, in the priorities and in respect of each class of persons set out in Article 14.8, allocate the Deemed Transfer Shares in accordance with the valid applications received save that:
- (a) if there are applications from any class of offerees for more than the number of Deemed Transfer Shares available for that class of offerees, they shall be allocated to those applicants in proportion (as nearly as possible but without allocating to any Member more Deemed Transfer Shares than the maximum number applied for by him) to the number of Shares of the class which entitles them to receive such offer then held by them respectively;
 - (b) if it is not possible to allocate any of the Deemed Transfer Shares without involving fractions, they shall be allocated amongst the applicants of each class in such manner as the Board shall think fit; and
 - (c) any allocation of Deemed Transfer Shares between two or more Board Invitees shall be entirely at the discretion of an A Shareholder Majority.
- 14.11 The Board shall, within 5 Business Days of the expiry date of an Offer Notice, give notice in writing (an **Allocation Notice**) to the Deemed Seller(s) and to each person to whom Deemed Transfer Shares have been allocated (each a **Buyer**) specifying the name and address of each Buyer, the number and class of Deemed Transfer Shares agreed to be purchased by him, the aggregate price payable by him for them and the date for completion (being no earlier than 5 Business Days nor later than 20 Business Days after the date of service of the Allocation Notice).
- 14.12 Completion of a sale and purchase of Deemed Transfer Shares pursuant to an Allocation Notice shall take place at the registered office of the Company at the time specified in the Allocation Notice when the Deemed Seller(s) shall, upon payment to him by a Buyer of the Sale Price in respect of the Deemed Transfer Shares allocated to that Buyer, transfer those Deemed Transfer Shares and deliver the relative share certificate(s) to that Buyer.
- 14.13 To avoid doubt, Article 12.5 shall continue to apply to any Deemed Transfer Shares not specified in an Allocation Notice or not duly held pursuant thereto and:
- (a) the Deemed Seller(s) may not transfer such Shares and the Board shall not register any transfer to a transferee who is not at that date a Member unless such transferee is first approved in writing by an A Shareholder Majority; and
 - (b) the Deemed Seller(s) shall not be entitled, save with the written consent of an A Shareholder Majority and the Board, to sell only some of the Deemed Transfer Shares under this Article 14.13.

14.14 If a Deemed Seller falls for any reason (including death) to transfer any Deemed Transfer Shares when required pursuant to these Articles, the Board may authorize any director of the Company (who shall be deemed to be irrevocably appointed as the attorney of the Deemed Seller for the purpose) to execute each necessary transfer of such Deemed Transfer Shares and deliver it on the Deemed Seller's behalf. The Company may receive the purchase money for such Deemed Transfer Shares from the Buyer and shall upon receipt (subject, if necessary, to the transfer being duly stamped) register the Buyer as the holder of such Deemed Transfer Shares. The Company shall hold such purchase money in a separate bank account on trust for the Deemed Seller(s) but shall not be bound to earn or pay interest on any money so held. The Company's receipt for such purchase money shall be a good discharge to the Buyer who shall not be bound to see to the application of it, and after the name of the Buyer has been entered in the register of Members in purported exercise of the power conferred by this Article 14, the validity of the proceedings shall not be questioned by any person.

14.15 A dispute as to whether paragraph 5 of Appendix 1 or paragraph 6 of Appendix 1 applies to any Deemed Transfer Shares shall not affect the validity of a Deemed Transfer Notice any person who acquires Deemed Transfer Shares (Buyer) pursuant to a Deemed Transfer Notice while such a dispute is continuing shall pay to the Deemed Seller(s) the Bad Leaver Sale Price and shall pay a sum equal to the difference between their Bad Leaver Sale Price and Good Leaver Sale Price to the Company. The Company shall hold that amount in a separate interest-bearing bank deposit account as trustee to pay it, and interest earned thereon, upon final determination of the dispute:

- (a) to the Deemed Seller(s) in respect of any Deemed Transfer Shares determined to be sold for their Good Leaver Sale Price; and
- (b) to the Buyer(s) in respect of any Deemed Transfer Shares determined to be sold at their Bad Leaver Sale Price,

provided always that if the Deemed Seller(s) and Buyer(s) otherwise agree in writing and notify such agreement to the Company it shall instead hold and deal with the monies paid into such account and interest as such agreement and notice may specify whether or not the dispute has been resolved.

14.16 For these Articles **Date of Cessation** shall be the date on which a Member ceases to be either an employee (whether full time or part time) or director of a Group Company (such that the Member is no longer either an employee or a director of any Group Company) which shall be:

- (a) where the Group Company terminates or purports to terminate a contract of employment or engagement by giving notice to the employee or director of the termination of the employment or engagement, whether or not the same constitutes a wrongful or unfair dismissal, be the later of the date of that notice and the date (if any) for the termination expressly stated in such 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 Group Company in respect of such termination);
- (b) where the employee or director terminates or purports to terminate a contract of employment or engagement by giving notice to the Group Company of the termination of the employment or engagement (whether or not he is lawfully able so to do), be the later of the date of that notice and the date (if any) for the termination expressly stated in such notice;

- (c) where the Group Company (on the one hand) or employee or director (on the other hand) wrongfully repudiates the contract of employment or engagement and the other respectively accepts that the contract of employment or engagement has been terminated, be the date of such acceptance by the Group Company, or employee or director (as the case may be);
 - (d) where a contract of employment or engagement is terminated under the doctrine of frustration, be the date of the frustrating event; or
 - (e) where a contract of employment or engagement is terminated in any other circumstance other than set out in Articles 14.16(a) to 14.16(d), be the date on which the person actually ceases to be employed or engaged by the Group Company.
- 14.17 Once a Deemed Transfer Notice shall under these Articles be given in respect of any Share then no permitted transfer under Article 12 (Permitted Transfers) may be made in respect of such Share unless and until an Offer Notice shall have been served in respect of such Share and the period of allocation permitted under Article 14.11 shall have expired without such allocation.
- 14.18 The amount of the Sale Price payable in connection with a transfer of Deemed Transfer Shares in accordance with this Article 14 shall be determined in accordance with paragraphs 5, 6, or 7 of Appendix 1 (as appropriate in the circumstances).
- 15 Non-Investor Shareholder Put Option**
- 15.1 Subject to Articles 14 (Compulsory transfer), 17 (Drag Along Option), 18 (Tag Along Option), 19 (Asset Sale Call Option) and 20 (Asset Sale Put Option) each Non-Investor Shareholder shall have an irrevocable right to require the A Shareholder to purchase Non-Investor Shares from that Non-Investor Shareholder at the Put Price in accordance with the terms of this Article 15.
- 15.2 Subject to Articles 14 (Compulsory transfer), 17 (Drag Along Option), 18 (Tag Along Option), 19 (Asset Sale Call Option) and 20 (Asset Sale Put Option), if a Non-Investor Shareholder wishes to exercise their Put Right he shall have an irrevocable right to serve a Put Notice on the A Shareholder during each of the Put Periods until such time as the Non-Investor Shareholder no longer holds any Non-Investor Shares.
- 15.3 Subject to Article 15.10, the Put Right may only be exercised in respect of:
- (a) in the case of a D Shareholder, between 20% and 25% of the D Shareholder's Adjusted Initial Holding in any Put Period; or
 - (b) in the case of an E Shareholder or F Shareholder, 25% of the E Shareholder or F Shareholder's Adjusted Initial Holding in any Put Period.
- 15.4 Any Put Notice served by a Non-Investor Shareholder must specify the number and class of Non-Investor Shares that the Non-Investor Shareholder elects to sell pursuant to the service of the Put Notice, which, subject to Article 15.10 must be:
- (a) in the case of a D Shareholder, between 20% and 25% of the D Shareholder's Adjusted Initial Holding (save for if the D Shareholder is holding D Shares representing less than 20% of the D Shareholder's Adjusted Initial Holding, in which case the D Shareholder must elect to sell all remaining D Shares held by the D Shareholder); or

- (b) in the case of an E Shareholder or F Shareholder this figure must always be 25% of the E Shareholder's or F Shareholder's Adjusted Initial Holding.
- 15.5 A Non-Investor Shareholder shall be under no obligation to serve a Put Notice or a Deferral Notice in the First Put Period, but may do so if they wish. The A Shareholder is not permitted to serve a Call Notice in respect of the First Put Period.
- 15.6 If a Non-Investor Shareholder does not wish to serve a Put Notice during a Put Period, the Non-Investor Shareholder may, on no more than two occasions (in addition to choosing not to exercise a Put Notice in the First Put Period in accordance with Article 15.5), serve a Deferral Notice on the A Shareholder during that same Put Period, confirming that the Non-Investor Shareholder does not wish to serve a Put Notice during that Put Period. The effect of the service of the Deferral Notice shall be to prevent the A Shareholder from being permitted to serve a Call Notice in respect of the Put Period during which the Deferral Notice was served.
- 15.7 Following the service of a Put Notice by a Non-Investor Shareholder on the A Shareholder, the Non-Investor Shareholder and the A Shareholder shall complete the sale and purchase of the number of Non-Investor Shares in consideration for the payment of the Put Price by the A Shareholder to the Non-Investor Shareholder by the later of:
- (a) 10 Business Days of the date of service of the Put Notice; or
- (b) the expiry of a period of 5 Business Days following the determination of the Put Price in accordance with the provisions of paragraph 2 of Appendix 1.
- 15.8 Any Put Notice or Deferral Notice to be served in accordance with this Article 15 should be served on the A Shareholder. A copy of any Put Notice or Deferral Notice shall, for information only, also be given to the Company at its registered office (but so that any failure or delay in giving such copy shall in no way prejudice the operation of this Article 15).
- 15.9 Subject to the remaining provisions of this Article 15, the amount of the Put Price payable on the sale of any Non-Investor Shares pursuant to a Put Notice shall be determined in accordance with the provisions of paragraph 2 of Appendix 1.
- 15.10 Where a Put Notice is served by an E Shareholder or an F Shareholder such that the Total Put Price under that Put Notice, when added to the Total Put Price and Total Call Price paid pursuant to any prior Put Notices and Call Notices is equal to or would, but for any adjustment pursuant to paragraph 2.3 of Appendix 1, exceed the Maximum Amount for the respective E Shareholder or F Shareholder, if the Non-Investor Member would hold further E Shares or F Shares following the exercise of the Put Notice, the Put Notice shall be deemed to be increased such that it is given over any remaining E Shares or F Shares (as the case may be) held by the Non-Investor Member with no additional Total Put Price in respect of such additional Shares.
- 15.11 Where a Put Notice is issued by an E Shareholder or F Shareholder such that, following the corresponding sale and purchase of the Non-Investor Shares, the relevant Non-Investor Shareholder holds no further E Shares or F Shares in the Company (such Put Notice to be regarded as the "Final Put Notice" for the purpose of this Article 15) a calculation shall be carried out to establish the total amount due to the Non-Investor Shareholder pursuant to the Final Put Notice (the "Final Sum") in accordance with the principles in Appendix 1, save that, in calculating the Final Sum, the EBITDA for the Final Accounting Period shall be reduced by the amount of any Contingent Liabilities properly provided for, noted or otherwise disclosed in those Final Accounts.

- 15.12 Following the determination of the Final Sum under Article 15.11, an amount equal to 50% of the Final Sum "Upfront Final Payment" shall be paid to the relevant Non-Investor Shareholder in accordance with Article 15.7. Any further entitlements under the Final Put Notice shall be determined in accordance with Articles 15.13 and 15.14.
- 15.13 If no Contingent Liabilities are properly provided for, noted or otherwise disclosed in the Final Accounts then the Board shall determine whether any Uncertain Liabilities have come to light within 12 months after the Final Accounts Date, and if:
- (a) the aggregate amount of any Uncertain Liabilities is below £5 million, an amount equal to the Final Sum less the Upfront Final Payment shall be released to the relevant Non-Investor Shareholder in full and final settlement of the Final Sum within 30 days of signing of the Accounts for the Accounting Period immediately following the Final Accounting Period; or
 - (b) the aggregate amount of any Uncertain Liabilities exceeds £5 million, the Final Sum shall re-evaluated pursuant to Appendix 1, with the figure for EBITDA being reduced by all the amount of such Uncertain Liabilities as have been identified, and an amount equal to the revised Final Sum less the Upfront Final Payment shall be released to the relevant Non-Investor Shareholder in full and final settlement of the Final Sum within 30 days of signing of the Accounts for the Accounting Period immediately following the Final Accounting Period.
- 15.14 If Contingent Liabilities are properly provided for, noted or otherwise disclosed in the Final Accounts then:
- (a) if all Contingent Liabilities have crystallised at the date of the Accounts for the Accounting Period immediately following the Final Accounts are completed, then if:
 - (i) the aggregate amount of any Uncertain Liabilities and crystallised Contingent Liabilities is below £5 million, the Final Sum shall be re-evaluated pursuant to Appendix 1 such that there is no deduction from EBITDA for any potential Contingent Liabilities and/or Uncertain Liabilities and an amount equal to the Final Sum less the Upfront Final Payment shall be released to the relevant Non-Investor Shareholder in full and final settlement of the Final Sum within 30 days of completion of the Accounts for the Accounting Period immediately following the Final Accounting Period; or
 - (ii) the aggregate amount of any Uncertain Liabilities and crystallised Contingent Liabilities exceeds £5 million, the Final Sum shall re-evaluated pursuant to Appendix 1, with the figure for EBITDA being reduced by the amount of all such Uncertain Liabilities and/or crystallised Contingent liabilities as have been identified, and an amount equal to the revised Final Sum less the Upfront Final Payment shall be released to the relevant Non-Investor Shareholder in full and final settlement of the Final Sum within 30 days of completion of the Accounts for the Accounting Period immediately following the Final Accounting Period.
 - (b) If Contingent Liabilities have not crystallised at the date of the Accounts for the Accounting Period immediately following the Final Accounting Period are completed, the remainder of the Final Sum shall not become due for payment and shall be further deferred until the date upon which the Accounts for the second Accounting Period following the end of the Final Accounting Period are completed, at which point, if:

- (i) the aggregate amount of any Uncertain Liabilities and crystallised Contingent Liabilities is below £5 million, the Final Sum shall be re-evaluated pursuant to Appendix 1 such that there is no deduction from EBITDA for any potential Contingent Liabilities and/or Uncertain Liabilities and an amount equal to the revised Final Sum less the Upfront Final Payment shall be released to the relevant Non-Investor Shareholder in full and final settlement of the Final Sum within 30 days of completion of the Accounts for the second Accounting Period following the end of the Final Accounting Period; or
- (ii) the aggregate amount of any Uncertain Liabilities and crystallised Contingent Liabilities exceeds £5 million, the Final Sum shall re-evaluated pursuant to Appendix 1, with the figure for EBITDA being reduced by the amount of all such Uncertain Liabilities and crystallised Contingent Liabilities as have been identified, and an amount equal to the revised Final Sum less the Upfront Final Payment shall be released to the relevant Non-Investor Shareholder in full and final settlement of the Final Sum within 30 days of completion of the Accounts for the second Accounting Period following the end of the Final Accounting Period.

15.15 For the avoidance of doubt no Put Notice may be served in respect of any Non-Investor Shares which are at any time subject to a Deemed Transfer Notice or a Drag Along Notice.

15.16 The Board shall, no later than 5 Business Days before the beginning of each Put Period, give written notice to each Non-Investor Shareholder and the A Shareholder of the beginning of the Put Period.

16 A Shareholder Majority Call Option

16.1 Subject to Articles 14 (Compulsory transfer), 16.2 (below), 17 (Drag Along Option), 18 (Tag Along Option), 19 (Asset Sale Call Option) and 20 (Asset Sale Put Option), the A Shareholder shall have an irrevocable right to require all Non-Investor Shareholders to sell Non-Investor Shares to the A Shareholder at the Call Price in accordance with the terms of this Article 16 (Call Right) .

16.2 Subject to Articles 14 (Compulsory transfer), 17 (Drag Along Option), 18 (Tag Along Option), 19 (Asset Sale Call Option) and 20 (Asset Sale Put Option), the A Shareholder may, in relation to each Non-Investor Shareholder only exercise a Call Right if, following the expiry of a Put Period other than the First Put Period, that Non-Investor Shareholder has not served the A Shareholder with a Put Notice or a Deferral Notice.

16.3 Subject to Article 16.10, a Call Right may only be exercised, in relation to:

- (a) a D Shareholder, in respect of between 20% and 25% of the D Shareholder's Adjusted Initial Holding; or
- (b) an E Shareholder or F Shareholder, in respect of 25% of the E Shareholder or F Shareholder's Adjusted Initial Holding.

16.4 If a Non-Investor Shareholder does not, during a Put Period serve a Put Notice or a Deferral Notice, an A Shareholder Majority may, within the period between 14 days and 60 days following the expiry of the relevant Put Period, serve on the relevant Non-Investor Shareholder (Called Shareholder) a Call Notice.

- 16.5 Any Call Notice served by an A Shareholder Majority on a Called Shareholder must specify the number and class of Non-Investor Shares that the A Shareholder elects to purchase pursuant to the service of the Call Notice (**Called Shares**), which, subject to Article 16.10 must be:
- (a) in the case of a D Shareholder, between 20% and 25% of the D Shareholder's Adjusted Initial Holding save for if the D Shareholder is holding D Shares representing less than 20% of the D Shareholder's Adjusted Initial Holding, in which case the Call Notice must elect to purchase all remaining D Shares held by that D Shareholder)
 - (b) in the case of an E Shareholder or F Shareholder, 25% of the E Shareholder or F Shareholder's Adjusted Initial Holding.
- (Called Proportion).**
- 16.6 Following the service of a Call Notice by an A Shareholder Majority on a Called Shareholder, the Called Shareholder and the A Shareholder shall complete the sale and purchase of the Called Shares in consideration for the payment of the Call Price by the A Shareholder to the Called Shareholder by the later of:
- (a) 10 Business Days of the date of service of the Call Notice; or
 - (b) the expiry of a period of 5 Business Days following the calculation of the Sale Price in accordance with the provisions of paragraph 3 of Appendix 1.
- 16.7 Any Call Notice to be served in accordance with this Article 16 should be served on a Called Shareholder at the registered office address (in the case of a corporate) or last known home address (in the case of a natural person) of the Called Shareholder. A copy of the Call Notice shall, for information only, also be given to the Company at its registered office (but so that any failure or delay in giving such copy shall in no way prejudice the operation of this Article 16).
- 16.8 Each Called Shareholder shall, on service of the Call Notice on the Called Shareholder, be deemed to have irrevocably appointed any director of the Company severally by way of security to be his attorney to execute any stock transfer and covenant for full title guarantee in respect of the Called Shares registered in the name of such Called Shareholder and to do such other things as may be necessary or desirable to accept, transfer and complete the sale of the Called Shares pursuant to this Article 16.
- 16.9 The amount of the Call Price payable on the sale of any Non-Investor Shares pursuant to a Call Notice shall be determined in accordance with the provisions of paragraph 3 of Appendix 1.
- 16.10 Where a Call Notice is served on an E Shareholder or an F Shareholder such that the Total Call Price under that Call Notice, when added to the Total Put Price or Total Call Price paid pursuant to any prior Put Notices and Call Notices, is equal to or would, but for any adjustment pursuant to paragraph 2.3 of Appendix 1, exceed the Maximum Amount, if the Non-Investor Member would hold further E Shares or F Shares following the exercise of the Call Notice, the Call Notice shall be deemed to be increased such that it is given over any remaining E Shares or F Shares (as the case may be) held by the Non-Investor Member with no additional Total Call Price in respect of such additional Shares.

16.11 Where a Call Notice is served on an E Shareholder or F Shareholder such that, following the corresponding sale and purchase of the Non-Investor Shares, the relevant Non-Investor Shareholder holds no further E Shares or F Shares (including an adjusted Call Notice, pursuant to Article 16.5) the provisions of Articles 15.11 to 15.14 shall be deemed to apply to the Final Call Notice *mutatis mutandis* as if repeated here, save that:

- (a) references to a Put Notice shall be deemed to be references to a Call Notice;
- (b) references to a Final Put Notice shall be deemed to be references to a Final Call Notice; and
- (c) references to a Final Put Notice being served by a Non-Investor Shareholder shall be deemed to be references to a Final Call Notice being served on a Non-Investor Shareholder.

16.12 For the avoidance of doubt, no Call Notice may be served in respect of any Non-Investor Shares which are at any time subject to a Deemed Transfer Notice, a Drag Along Notice or an Asset Sale Call Notice.

17 Drag Along Option

17.1 If Members constituting an A Shareholder Majority (together the **Selling Shareholders**) wish to transfer such number of A Shares as is equal to not less than 30% of the number of A Shares in issue for the time being (**Investor Shares**) to a Third Party Buyer, the Selling Shareholders shall have the option (**Drag Along Option**) to require all of the Non-Investor Shareholders to sell at the Drag Along Price such number of their Non-Investor Shares as, when compared to the number of Non-Investor Shares held by that Member at the time of the exercise of the Drag Along Option, is equal in proportion to the number of A Shares being sold by the Selling Shareholders compared to the total number of A Shares in issue at that time (**Dragged Shares**) with full title guarantee to the Third Party Buyer or as the Third Party Buyer shall direct in accordance with this Article 17.

17.2 The Selling Shareholders may exercise the Drag Along Option at any time before the registration of the transfer of the Shares in the Company held by the Selling Shareholders by giving notice to that effect (**Drag Along Notice**) to all other Non-Investor Shareholders (**Dragged Shareholders**), which shall specify the number and class of Dragged Shares to be sold by each Dragged Shareholder (either by reference to a number of Non-Investor Shares or a percentage of the Dragged Shareholder's holding of Non-Investor Shares). A copy of the Drag Along Notice shall, for information only, also be given to the Company at its registered office (but so that any failure or delay in giving such copy shall in no way prejudice the operation of this Article 17).

17.3 Within 5 Business Days of the Drag Along Price being determined in accordance with Appendix 1, the Company shall notify all Dragged Shareholders and all Selling Shareholders of the Drag Along Price.

17.4 A Drag Along Notice shall specify that the Dragged Shareholders are required to transfer the Dragged Shares pursuant to Article 17.1 to the Third Party Buyer, the proposed date of transfer (if known), and the identity of the Third Party Buyer. A Drag Along Notice served by post shall be deemed served upon the envelope containing it being placed in the post and the applicable notice provisions of these Articles shall in the context of a Drag Along Notice be amended accordingly. The notice provisions of these Articles shall otherwise apply to the service of a Drag Along Notice as if it were a notice to be given under these Articles by the Company.

17.5 A Drag Along Notice may be revoked by an A Shareholder Majority at any time prior to completion of the sale of the Dragged Shares and any such revocation notice shall be served in the manner prescribed for a Drag Along Notice in Article 17.2.

17.6 Completion of the sale of the Dragged Shares shall take place on the later of:

- (a) the date of actual completion of the sale of the Investor Shares;
- (b) the expiry of a period of 5 Business Days following the determination of the Drag Sale Price in accordance with the provisions of paragraph 8 of Appendix 1

or on such other date as the Dragged Shareholders and the Selling Shareholders agree.

17.7 Each Dragged Shareholder shall on service of the Drag Along Notice be deemed to have irrevocably appointed each of the Selling Shareholders severally to be his attorney to execute any stock transfer and covenant for full title guarantee in respect of the Dragged Shares registered in the name of such Dragged Shareholders and to do such other things as may be necessary or desirable to accept, transfer and complete the sale of the Dragged Shares pursuant to this Article 17.

17.8 The rights of pre-emption and other restrictions contained in these Articles shall not apply on any sale and transfer of Shares by the Selling Shareholders, the Dragged Shareholders or any other Member to the Third Party Buyer named in a Drag Along Notice.

17.9 Upon any person, following the issue of a Drag Along Notice, becoming a holder of Shares in the capital of the Company pursuant to the exercise of a pre-existing option to acquire Shares in the Company (whether pursuant to a Share Option Scheme or otherwise howsoever), a Drag Along Notice, on the same terms as the previous Drag Along Notice, shall be deemed to have been served upon such Member immediately upon such acquisition and such person shall thereupon be bound to sell and transfer such number of the Shares acquired by him as, when compared to the number of Shares acquired by that Member following the issue of the Drag Along Notice, is equal in proportion to the number of A Shares being sold by the Selling Shareholders compared to the total number of A Shares in issue at that time with full title guarantee to the Third Party Buyer or as the Third Party Buyer may direct and the provisions of this Article 17 shall apply mutatis mutandis to such Member save that completion of the sale of such Shares shall take place forthwith upon the Drag Along Notice being deemed served on such Member or, if later, upon the date of completion under the previous Drag Along Notice.

17.10 The amount of the Drag Along Price payable on the sale of any Non-Investor Shares pursuant to a Drag Along Notice shall be determined in accordance with the provisions of paragraph 8 of Appendix 1.

18 Tag Along Offer

18.1 Subject to Article 17 (Drag Along Option) and save in the case of a Permitted Transfer, but otherwise notwithstanding any other provision in these Articles, no sale or other disposition of A Shares (**Specified Shares**) shall have any effect if it would result in a Change of Control unless before the transfer of the Specified Shares is lodged for registration the Third Party Buyer has made a bona fide offer to Non-Investor Shareholders (who are not acting in concert or otherwise connected with the Third Party Buyer) in accordance with these Articles to purchase at the Tag Along Price such number of their Non-Investor Shares as, when compared to the number of Non-Investor Shares held by that Member at the time of the offer,

is equal in proportion to the number of A Shares being sold to the Third Party Purchaser compared to the total number of A Shares in issue at that time (**Uncommitted Shares**).

- 18.2 An offer made under Article 18.1 (**Tag Along Offer**) shall be in writing and shall be open for acceptance for at least 10 Business Days following the determination of the Tag Along Price in accordance with the provisions of paragraph 9 of Appendix 1, and shall be deemed to be rejected by any Member who has not accepted it in accordance with its terms within the time period prescribed for acceptance and the consideration thereunder shall be settled in full on completion of the purchase and within 20 Business Days of the date of the offer.
- 18.3 A copy of the Tag Along Offer shall, for information only, also be given by the Third Party Buyer (or any Member who has received it), to the Company at its registered office (but so that any failure or delay in giving such copy shall in no way prejudice the operation of this Article 18) as soon as reasonably practicable following the making of the Tag Along Offer.
- 18.4 The rights of pre-emption and other restrictions contained in these Articles shall not apply on any sale or transfer to a Third Party Buyer provided that the provisions of this Article 18 have been complied with.
- 18.5 The Tag Along Price payable on the sale of any Non-Investor Shares pursuant to a Tag Along Offer shall be calculated in accordance with the provisions of paragraph 9 of Appendix 1.

19 Asset Sale Call Option

- 19.1 Subject to Article 14, if an Asset Sale takes place the A Shareholder shall have an irrevocable right to require all Non-Investor Shareholders to sell Non-Investor Shares to the A Shareholder at the Asset Sale Price in accordance with the terms of this Article 19 (**Asset Sale Call Right**).
- 19.2 Subject to Article 14, the A Shareholder may, within the period of 30 Business Days following an Asset Sale being completed, exercise the Asset Sale Call Right, in relation to each Non-Investor Shareholder, in respect of all of the Non-Investor Shares held by the relevant Non-Investor Shareholder (**Asset Sale Called Shares**). The A Shareholder may exercise the Asset Sale Call Right by serving an Asset Sale Call Notice on all Non-Investor Shareholders (**Asset Sale Called Shareholder(s)**).
- 19.3 Following the service of an Asset Sale Call Notice by the A Shareholder on the Asset Sale Called Shareholder(s), the Asset Sale Called Shareholder(s) and the A Shareholder shall complete the sale and purchase of the number of the Asset Sale Called Shares specified in the Asset Sale Call Notice in consideration for the payment of an amount per Asset Sale Called Share that is equal to the Asset Sale Price by the A Shareholder to (each of) the Asset Sale Called Shareholder(s) by the later of:
- (a) 10 Business Days of the date of service of the Asset Sale Call Notice; or
 - (b) the expiry of a period of 5 Business Days following the calculation of the Asset Sale Price in accordance with the provisions of paragraph 10 of Appendix 1.
- 19.4 Any Asset Sale Call Notice to be served in accordance with this Article 19 shall be served on (each of) the Asset Sale Called Shareholder(s) at the registered office address (in the case of a corporate) or last known home address (in the case of a natural person) of (each of) the Asset Sale Called Shareholder(s). A copy of the Asset Sale Call Notice shall, for information only, also be given to the Company at its registered office (but so that any failure or delay in giving such copy shall in no way prejudice the operation of this Article 19).

- 19.5 Each of the Asset Sale Called Shareholder(s), shall on service of the Asset Sale Call Notice be deemed to have irrevocably appointed any director of the Company severally to be his attorney to execute any stock transfer and covenant for full title guarantee in respect of the Asset Sale Called Shares registered in the name of such Asset Sale Called Shareholder and to do such other things as may be necessary or desirable to accept, transfer and complete the sale of the Asset Sale Called Shares pursuant to this Article 19.
- 19.6 The amount of the Asset Sale Price payable on to the sale of any Non-Investor Shares pursuant to an Asset Sale Call Notice shall be determined in accordance with the provisions of paragraph 10 of Appendix 1.
- 19.7 For the avoidance of doubt, no Asset Sale Call Notice may be served in respect of any Non-Investor Shares which are at any time subject to a Deemed Transfer Notice or a Drag Along Notice.
- 20 Asset Sale Put Option**
- 20.1 Subject to Article 14, if an Asset Sale takes place and an Asset Sale Call Notice is not served in accordance with the provisions of Article 19, each Non-Investor Shareholder shall have an irrevocable right to require the A Shareholder to purchase all of the Non-Investor Shares held by the Non-Investor Shareholder at the Asset Sale Price in accordance with the terms of this Article 20 (**Asset Sale Put Right**).
- 20.2 Subject to Article 14, each Non-Investor Shareholder may, within the period of between 14 and 30 Business Days following the expiry of the period of 30 Business Days following an Asset Sale being completed, exercise their Asset Sale Put Right in respect of all of the Non-Investor Shares held by them (**Asset Sale Put Shares**). The Non-Investor Shareholder may exercise the Asset Sale Put Right by serving an Asset Sale Put Notice on the A Shareholder.
- 20.3 Following the service of an Asset Sale Put Notice by a Non-Investor Shareholder on the A Shareholder, the relevant Non-Investor Shareholder and the A Shareholder shall complete the sale and purchase of the number of the Asset Sale Put Shares in consideration for the payment of an amount per Share equal to the Asset Sale Price by the A Shareholder to the relevant Non-Investor Shareholder by the later of:
- (a) 10 Business Days of the date of service of the Asset Sale Put Notice; or
 - (b) the expiry of a period of 5 Business Days following the calculation of the Asset Sale Price in accordance with the provisions of paragraph 10 of Appendix 1.
- 20.4 Any Asset Sale Put Notice to be served in accordance with this Article 20 should be served on the A Shareholder. A copy of the Asset Sale Call Notice shall, for information only, also be given to the Company at its registered office (but so that any failure or delay in giving such copy shall in no way prejudice the operation of this Article 20).
- 20.5 The amount of the Asset Sale Price payable on to the sale of any Non-Investor Shares pursuant to an Asset Sale Put Notice shall be determined in accordance with the provisions of paragraph 10 of Appendix 1.
- 20.6 For the avoidance of doubt, no Asset Sale Put Notice may be served in respect of any Non-Investor Shares which are at any time subject to a Deemed Transfer Notice, Drag Along Notice or Asset Sale Call Notice.

21 Determination of Asset Sale

21.1 In the absence of a written agreement between the A Shareholder and a Non-Investor Majority confirming:

- (a) that an Asset Sale has been completed; and
- (b) the percentage of the consolidated gross tangible assets of the Group immediately prior to the Asset Sale (by book value) that were disposed of pursuant to the Asset Sale

then these matters shall be determined in accordance with paragraph 4 of Appendix 3.

22 Prohibited transfers

Notwithstanding any other provision of these Articles, no transfer of any Share shall be made or registered if it is to:

- (a) any minor, undischarged bankrupt, trustee in bankruptcy or person of unsound mind; or
- (b) any person (other than a Third Party Buyer where the provisions set out in Articles 17 and 18 have been complied with) who has not executed a Deed of Adherence to, and in the manner required by, the Investment Agreement unless such requirement has been waived in writing by an A Shareholder Majority.

23 General Meetings

23.1 Without prejudice to the powers of the board, an Investor Director may, acting alone, call a general meeting of the Company.

23.2 Notice of any general meeting need not be given to any director in that capacity.

24 Proceedings at general meetings and adjournment

24.1 If within ten minutes from the time appointed for a general meeting a quorum is not present or, if during a meeting a quorum ceases to be present, the meeting, if convened upon the request of the Members in accordance with the CA 2006, shall be dissolved; in any other case, it shall stand adjourned.

24.2 If a quorum is not present at any such adjourned meeting within ten minutes from the time appointed for that meeting, the meeting shall be dissolved.

25 Poll votes

25.1 A poll may be demanded at any general meeting by:

- (a) the chairman; or
- (b) any qualifying person (as such term is defined in section 318 of the CA 2006) present and entitled to vote at the meeting.

25.2 A demand for a poll may be withdrawn before the poll is taken, but only with the consent of the chairman. A demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made. If a poll is demanded before the

declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.

- 25.3 Subject to these Articles, polls at general meetings must be taken when, where and in such manner as the chairman of the meeting directs. The chairman of the meeting may appoint scrutineers (who need not be holders) and decide how and when the result of the poll is to be declared.
- 25.4 The result of a poll shall be the decision of the meeting in respect of the resolution on which the poll was demanded.
- 25.5 A poll on the election of the chairman of the meeting or a question of adjournment must be taken immediately. All other polls must be taken within thirty days of their being demanded.
- 25.6 A demand for a poll does not prevent a general meeting from continuing, except as regards the question on which the poll was demanded.
- 25.7 No notice need be given of a poll not taken immediately if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case, at least seven days' notice must be given specifying the time and place at which the poll is to be taken.
- 25.8 The omission or failure by any proxy to vote in accordance with any instructions given to him by his appointor shall not invalidate any vote cast by him or any resolution passed at the general meeting concerned.

26 Number of directors

The number of directors shall not be less than two and there shall be no maximum number.

27 Investor Director

- 27.1 An A Shareholder Majority may at any time and on more than one occasion appoint a person to be a non-executive director and at any time and on more than one occasion remove any such person from office (**Investor Director**). The number of Investor Directors in office at any time shall not be subject to a maximum.
- 27.2 Any appointment or removal of an Investor Director shall be in writing served on the Company signed by an A Shareholder Majority and shall take effect at the time it is served on the Company or (if later) the date expressly stated therein, and (in the case of the appointment of a person not already a director or an alternate) shall be accompanied by his consent to act as a director in the form prescribed by the CA 2006.
- 27.3 Upon written request by an A Shareholder Majority, the Company shall procure that any Investor Director is forthwith appointed as a director of any other member of the Group indicated in such request.

28 Alternate directors

- 28.1 A director (other than an alternate director) may, by notice in writing delivered to the Company, or in any other manner approved by the Board, appoint any person willing to act to be his alternate.
- 28.2 The appointment of an alternate director who is not already a director or alternate director:

- (a) shall (save in the case of an alternate to an Investor Director) require the approval of the Board; and
 - (b) shall not be effective until his consent to act as a director in the form prescribed by the CA 2006 has been received by the Company.
- 28.3 If an alternate director is himself a director and/or participates in any proceeding of the Board or at any committee as an alternate director for more than one director, his voting rights shall be cumulative but he shall only be counted once in deciding whether a quorum is present. An alternate director shall (subject to his giving to the Company an address within the United Kingdom at which notices may be served on him) have the same rights in relation to any decision of the Board as his appointor and in particular shall (without limitation) be entitled to receive notice of all meetings of the Board and all committees of which his appointor is a member and, in the absence from such meetings of his appointor, to attend and vote at such meetings and to exercise all the powers, rights, duties and authorities of his appointor (other than the power to appoint an alternate director).
- 28.4 A person who is an alternate director but not a director:
- (a) 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
 - (b) may participate in a unanimous decision of the Board (but only if that person's appointor is not participating).
- 28.5 A director acting as alternate director shall have a separate vote for each director for whom he acts as alternate in addition to his own, but he shall count as only one for the purpose of determining whether a quorum is present. A person (not himself a director) who acts as alternate director for more than one director shall have a separate vote for each director for whom he acts as alternate, but he shall count as only one for the purpose of determining whether a quorum is present.
- 28.6 An alternate director shall be entitled to contract and be interested in and benefit from contracts or arrangements with the Company and to be repaid expenses and to be indemnified in the same way and to the same extent as a director. However, he shall not be entitled to receive from the Company any fees for his services as alternate, except only such part (if any) of the fee payable to his appointor as such appointor may by notice to the Company direct. Subject to this Article 28, the Company shall pay to an alternate director such expenses as might properly have been paid to him if he had been a director.
- 28.7 Every person acting as an alternate director shall be an officer of the Company, shall alone be responsible to the Company for his own acts and defaults and shall not be deemed to be the agent of the director appointing him.
- 28.8 An alternate director shall cease to be an alternate director:
- (a) if his appointor revokes his appointment by notice in writing delivered to the Company, or in any other manner approved by the Board; or
 - (b) if his appointor ceases for any reason to be a director; or
 - (c) if any event happens in relation to him which causes his office as director to be vacated or (if not himself a director) would do so if he were himself a director.

29 Acts of directors

Subject to the provisions of CA 2006, all acts done by, or in any proceedings of, the Board or by a person acting as a director shall, notwithstanding that it be afterwards discovered that there was a defect in the appointment of any director or that any of them were disqualified from holding office, or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a director and had been entitled to vote.

30 Retirement of directors

30.1 The directors shall not be subject to retirement by rotation.

30.2 The office of a director (other than an Investor Director) who is at any time an employee of the Company or of any member of the same group as the Company shall automatically be vacated if:

- (a) he ceases to be an employee (as described in Article 14.16) of the Company or of a member of the same group as the Company; or
- (b) his employer ceases to be a member of the same group as the Company (whether or not he ceases to be its employee)

in each case without him being appointed as or continuing to be an employee of the Company or of another continuing member of the same group as the Company.

31 Proceedings of directors

31.1 Regulation 7 of the Model Articles applies to the Company as modified by the express provisions of these Articles but so that reference in that Regulation 7 to "a decision taken in accordance with article 8" shall have effect as if replaced by "a decision taken in accordance with Article 32 of these Articles".

31.2 The quorum for the transaction of business of the Board shall be two directors. One of the directors in the quorum shall be an Investor Director unless either:

- (a) an Investor Director or an A Shareholder Majority has previously agreed to the contrary in writing in respect of the meeting and business in question; or
- (b) there is no Investor Director in office at that time; or
- (c) the business of the meeting includes the proposed exercise by the directors of the authority conferred by section 175 CA 2006 (or any subsequent amendment or revocation of such authorisation) and the Investor Director is the director in question or otherwise interested in the matter, in which case the Investor Director shall not be part of the quorum on that business.

31.3 Any director or his alternate may validly participate in a meeting of the Board or a committee of the Board by conference telephone or other form of communication equipment if all persons participating in the meeting are able to hear and speak to each other throughout the meeting. A person so participating shall be deemed to be present in person at the meeting and shall accordingly be counted in a quorum and be entitled to vote. Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no group that is larger than any other group, where the Chairman then is.

31.4 Save with the consent of an Investor Director:

(a) the Board shall not delegate any of its powers to a committee other than as specified in any Investment Agreement; and

(b) meetings of the Board shall not be held outside the United Kingdom.

31.5 The Chairman shall have a second or casting vote at a meeting of the Board.

32 Unanimous decision of the directors and written resolutions

32.1 A decision of the directors is taken in accordance with this Article 32 when sufficient Eligible Directors indicate by any means that they share a common view on a matter.

32.2 Such a decision may take the form of a resolution in writing, where each Eligible Director has signed one or more copies of it, or to which each Eligible Director has otherwise indicated agreement in writing. A proposed directors' written resolution is adopted when each of the Eligible Directors who would have been entitled to vote on the resolution at a directors' meeting have signed at least one copy or duplicate copy of it.

32.3 A decision may not be taken in accordance with Article 32 if the Eligible Directors would not have formed a quorum had the matter been proposed as a resolution at a directors' meeting.

32.4 Unless the context otherwise requires, reference in these Articles to any meeting of the Board (or of any committee) includes any other proceedings or process by which any decision complying with Article 32 is reached.

33 Directors' declarations of interest and conflict situations

33.1 A director who to his knowledge is in any way, whether directly or indirectly, interested in any actual or proposed contract, transaction or arrangement with the Company shall in the circumstances and to the extent that the same is required by the provisions of the CA 2006 declare the nature and extent of his interest in the relevant matter (or in any of the relevant matters) permitted in such circumstances. A director who has declared such an interest may (to the greatest extent permitted by law) vote at any such meeting on any resolution concerning a matter in which he has, directly or indirectly, an interest and (whether he votes or not) may be counted towards any quorum.

33.2 To avoid doubt and without prejudice to the generality of Article 33.1, a director shall not be precluded from voting or (whether he votes or not) from counting in the quorum on any board resolution to convene any general or class meeting or to approve and issue any written resolution of the members of the Company (or of any class) because he may benefit from or otherwise be affected by any authorisation (or the revocation of, or amendment of, any authorisation) in the context of his duty under section 175 CA 2006 which would be effected or permitted by such resolution, if passed.

33.3 For the purposes of section 175 CA and subject, where relevant, to Article 33.4, the directors shall have the power at any time when there is an Investor Director in office (but not otherwise) to authorise, on such terms (including as regards duration and revocation) and subject to such limits or conditions (if any) as they may determine (**Conflict Authorisation**), any matter proposed to them in accordance with these Articles which would, or might, if not so authorised, constitute or give rise to a situation in which a director (**a Relevant Director**) has, or could have, a direct or indirect interest which conflicts, or possibly may conflict, with the interests of the Company (**a Conflict Situation**).

- 33.4 Save where the Investor Director is the director in question or otherwise interested in the matter or there is no Investor Director in office, authorisation by the Board under the power conferred by section 175 CA 2006 (and any subsequent amendment or revocation of any such authorisation) will be effective only if an Investor Director votes in favour of, or consents in writing to the same.
- 33.5 Where directors give a Conflict Authorisation under the power conferred by section 175 CA 2006:
- (a) the terms of such Conflict Authorisation shall be recorded in writing (but the authorisation shall be effective whether or not the terms are so recorded);
 - (b) the directors may revoke or vary such Conflict Authorisation at any time but this will not affect anything done by the Relevant Director prior to such revocation or variation in accordance with the terms of such authorisation; and
 - (c) the Relevant Director shall be obliged to act in accordance with any terms, limits or conditions to which such Conflict Authorisation is made subject.
- 33.6 Any terms to which a Conflict Authorisation is made subject (**Conflict Authorisation Terms**) may include (without limitation to Article 33.1) provision that:
- (a) where the Relevant Director obtains (other than in his capacity as a director of the Company or as its employee or agent or, if the directors so decide, in any other capacity that would otherwise oblige him to disclose it to the Company) information that is confidential to a third party, he will not be obliged to disclose it to the Company or to use it directly or indirectly for the benefit of the Company or in performing his duties as a director of the Company in circumstances where to do so would amount to a breach of a duty of confidence owed to that third party; and/or
 - (b) the Relevant Director may (but shall be under no obligation to) absent himself from the discussion of, and/or the making of decisions relating to, the relevant matter (whether at any meeting of the directors or otherwise) and be excused from reviewing documents and information prepared by or for the directors to the extent that they relate to that matter; and/or
 - (c) the Relevant Director be excluded from the receipt of documents and information, the participation in discussion and/or the making of decisions (whether at directors' meetings or otherwise) related to the relevant matter,
- and the Company will not treat anything done (or omitted to be done) by the Relevant Director in accordance with any such provision (or otherwise in accordance with any Conflict Authorisation Terms given under Article 33.1) as a breach by him of his duties under sections 172 to 174 CA 2006.
- 33.7 Subject to Article 33.8, authorisation is given by the members of the Company for the time being on the terms of these Articles to each director in respect of any Conflict Situation that exists as at the date of adoption of these Articles or that subsequently arises because (in either case) the director is or becomes a shareholder, investor or other participant in, lender to, guarantor, director, officer, manager or employee of, or otherwise in any other way interested or concerned in, any member of the Relevant Group (**Group Conflict Authorisation**). The Conflict Authorisation Terms applicable to the Group Conflict Authorisation (**Group Conflict Authorisation Terms**) are automatically set by this Article 33.7 so that the director concerned:

- (a) is not obliged to disclose to the Company information that is confidential to a third party obtained by him (other than in his capacity as a director of the Company or as its employee or agent or, if the directors so decide, in any other capacity that would otherwise oblige him to disclose it to the Company) in any situation to which the Group Conflict Authorisation applies, nor to use any such information directly or indirectly for the benefit of the Company or in performing his duties as a director of the Company, in circumstances where to do so would amount to a breach of a duty of confidence owed to that third party; and
- (b) may (but shall be under no obligation to):
 - (i) absent himself from the discussions of, and/or the making of decisions;
 - (ii) make arrangements not to receive documents and information,
relating to the Conflict Situation concerned,

and the Company will not treat anything done (or omitted to be done) by the director concerned in accordance with the Group Conflict Authorisation Terms as a breach by him of his duties under sections 172 to 174 CA 2006.

33.8 A Group Conflict Authorisation given or deemed given under Article 33.7 may be revoked, varied or reduced in its scope or effect only by special resolution.

33.9 In this Article 33 **Relevant Group** comprises:

- (a) the Company;
- (b) each (if any) body corporate which is for the time being a subsidiary of the Company;
- (c) each (if any) body corporate of which the Company is for the time being a subsidiary (Parent); and
- (d) each (if any) body corporate (not falling within any preceding paragraph of this definition) which is for the time being a subsidiary of the Parent.

33.10 If and for so long as any A Shareholder who held A Shares at the date of adoption of these Articles (or the custodian or nominee of any such A Shareholder) shall be the holder of any Share, authorisation is given by the members of the Company for the time being on the terms of these Articles to each Investor Director for the time being (including any alternate) in respect of any Conflict Situation that exists as at the date of adoption of these Articles or that subsequently arises because (in either case) the director is or becomes a shareholder, investor or other participant in, lender to, guarantor, director, officer, manager or employee of, or otherwise in any other way interested or concerned in, or has been appointed by any Relevant Investor Entity (**Relevant Investor Conflict Authorisation**). The Conflict Authorisation Terms applicable to the Relevant Investor Conflict Authorisation (**Relevant Investor Conflict Authorisation Terms**) are automatically set by this Article 33.10 so that the director:

- (a) is not obliged to disclose to the Company information that is confidential to a third party obtained by him (other than in his capacity as a director of the Company or as its employee or agent or in any other capacity that would otherwise oblige him to disclose it to the Company) in any situation to which the Relevant Investor Conflict Authorisation applies, nor to use any such information directly or indirectly for the benefit of the Company or in performing his duties as a director of the Company, in

circumstances where to do so would amount to a breach of a duty of confidence owed to that third party; and

- (b) may (but shall be under no obligation to):
 - (i) absent himself from the discussions of, and/or the making of decisions;
 - (ii) make arrangements not to receive documents and information,relating to the Conflict Situation concerned,

and the Company will not treat anything done (or omitted to be done) by the director concerned in accordance with the Relevant Investor Conflict Authorisation Terms as a breach by him of his duties under sections 172 to 174 CA 2006.

33.11

- (a) Any Conflict Authorisation (whether under Article 33.3, Article 33.7 or Article 33.10) shall (subject to any express contrary wording in its terms) be automatically deemed to extend to any actual or possible conflict of interest which may reasonably be expected to arise out of the Conflict Situation so authorised.
- (b) Nothing in this Article 33 shall relieve any director from any duty he may otherwise have to declare and to update any declaration of any interest but no failure, delay or inaccuracy in making or updating such declaration shall prejudice or invalidate any Conflict Authorisation (whether under Article 33.3, Article 33.7 or Article 33.10).

33.12 On any shareholder resolution (whether in general meeting or by written resolution or extra statutory agreement or otherwise):

- (a) to confer, revoke or vary any authorisation for any Investor Director or Chairman of the Board but for which an Investor Director or the Chairman of the Board would be or may in the future become in breach of his duty to the Company under section 175 CA 2006; or
- (b) to amend or delete this Article 33.12

only the A Shares shall confer votes on their holders.

33.13 A director is not required, by reason of being a director, to account to the Company for any profit, remuneration or other benefit which he derives from or in connection with:

- (a) a Conflict Situation which has been authorised by the directors pursuant to Article 33.3, or by the Members whether in these Articles or otherwise (subject to any terms, limits or conditions attaching to such authorisation);
- (b) being interested in any contract, arrangement, transaction or proposal with the Company or in which the Company is otherwise interested;
- (c) holding any other office or place of profit under the Company, except that of auditor, in conjunction with the office of director and acting by himself or through his firm in a professional capacity for the Company (and being entitled to remuneration as the directors may arrange, either in addition to or in lieu of any remuneration provided for by any other article); and

- (d) being a director or other officer of, or employed by, or a party to any contract, arrangement, transaction or proposal with or otherwise interested in, any body corporate promoted by the Company or in which the Company is otherwise interested or as regards which the Company has any powers of appointment.

33.14 The Company will not treat the receipt by the director of any profit, remuneration or other benefit referred to in Article 33.13 as a breach of duty under section 176 of the CA 2006. No such contract, arrangement, transaction or proposal shall be avoided on the grounds of any such interest, profit, remuneration or other benefit.

34 Notices

34.1 Any notice, document or information (including a share certificate) which is sent or supplied by the Company:

- (a) in hard copy form, or in electronic form but to be delivered other than by electronic means, and which is sent by pre-paid post and properly addressed shall be deemed to have been received by the intended recipient at the expiration of twenty-four hours (or, where first class mail is not used, forty-eight hours) after the time it was posted, and in proving such receipt it shall be sufficient to show that such notice, document or information was properly addressed, pre-paid and posted;
- (b) by electronic means shall be deemed to have been received by the intended recipient twenty-four hours after it was transmitted, and in proving such receipt it shall be sufficient to show that such notice, document or information was properly addressed; and
- (c) by means of a website shall be deemed to have been received when the material was first made available on the website or, if later, when the recipient received (or is deemed to have received) notice of the fact that the material was available on the website.

34.2 Any accidental failure on the part of the Company to send, or the non-receipt by any person entitled to, any notice of or other document or information relating to any meeting or other proceeding shall not invalidate the relevant meeting or proceeding. This Article shall have effect in place of the Company Communications Provisions relating to deemed delivery of notices, documents or information.

34.3 For the purposes of calculating the time when any notice, document or information sent or supplied by the Company is deemed to have been received by the intended recipient for the purposes of these articles (regardless of whether the period is expressed in hours or days) full account shall be taken of any day, and any part of a day, that is not a working day. This Article 34.3 shall have effect in place of the Company Communications Provisions regarding the calculation of the time when any such notice, document or information is deemed to have been received by the intended recipient.

34.4 Any notice to be given to, or served on, the A Shareholder under these Articles shall be sent to the registered office of the A Shareholder (if the A Shareholder is a corporate) for the time being or the last address of the A Shareholder provided to the Company by the A Shareholder (if the A Shareholder is not a corporate).

34.5 Any notice to be given to, or served on, a Non-Investor Shareholder under these Articles shall be sent to the registered office of that Non-Investor Shareholder (if the Non-Investor Shareholder is a corporate) for the time being or the last address of that Non-Investor

Shareholder provided to the Company by that Non-Investor Shareholder (if the Non-Investor Shareholder is not a corporate).

35 Indemnity, insurance, gratuities and pensions

35.1 Subject to the CA 2006, the Company:

- (a) shall, without prejudice to any other indemnity to which the person concerned may otherwise be entitled, indemnify every relevant officer out of the assets of the Company against all costs, charges, losses, expenses and liabilities incurred by him:
 - (i) in relation to the actual or purported execution and discharge of the duties of such office; and
 - (ii) in relation to the Company's (or associated company's) activities in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the CA 2006);
- (b) may provide any relevant officer with funds to meet his defence expenditure in respect of any civil or criminal proceedings or regulatory investigation or other regulatory action or in connection with any application for any category of relief permitted by the CA 2006 and may do anything to enable him to avoid incurring any such expenditure;
- (c) may decide to purchase and maintain insurance, at the expense of the Company for the benefit of any relevant officer in respect of any relevant loss.

35.2 In this Article 35:

- (a) companies are **associated** if one is a subsidiary of the other or both are subsidiaries of the same body corporate;
- (b) a relevant officer means any director, secretary, auditor or other officer of the Company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined in section 235(6) of the CA 2006);
- (c) a relevant loss means any loss or liability which has been or may be incurred by a relevant officer in connection with that officer's duties or powers in relation to the Company, any associated company or any pension fund or employees' share scheme of the Company or associated company.

35.3 The directors may exercise all the powers of the Company to purchase and maintain for every director or other officer insurance against any liability for negligence, default, breach of duty or breach of trust or any other liability which may be lawfully insured against.

35.4 The directors may, on behalf of the Company, exercise all the powers of the Company to provide benefits, whether by the payment of gratuities or pensions or by insurance or in any other manner (whether similar to the foregoing or not), for any director or former director or any relation, connection or dependant of any director or former director who holds or has held any executive office or employment with the Company or with any body corporate which is or has been a subsidiary of the Company or with a predecessor in business of the Company or of any such subsidiary and may contribute to any fund and pay premiums for the purchase or provision of any such benefit. No director or former director shall be accountable to the Company or the members for any benefit permitted by this Article 35.4 and the receipt of any

such benefit shall not disqualify any person from being or becoming a director of the Company.

36 Share certificates etc

The Company may in any manner permitted by the applicable provisions of Part 4 of the CA 2006 execute any share certificate, warrant or other document creating or evidencing any security allotted by the Company or any right or option to subscribe granted by the Company.

37 Subsidiary undertakings and reserves

37.1 The Board shall exercise all voting and other rights or powers of control exercisable by the Company in relation to itself and its subsidiary undertaking so as to secure (but as regards its subsidiary undertakings only in so far as by the exercise of such rights or powers of control the Board can secure) that:

- (a) no Shares or other securities are issued or allotted by any such subsidiary and no rights are granted which might require the issue of any such Shares or securities otherwise than to the Company or to one of its wholly-owned subsidiaries; and
- (b) neither the Company nor any of its subsidiaries transfers or disposes of any Shares or securities of any subsidiary of the Company or any interest therein or any rights attached thereto otherwise than to the Company or one of its wholly-owned subsidiaries,

without in either case the previous consent in writing of an A Shareholder Majority.

37.2 The Company shall procure that (save as otherwise specified by either an Investor Director or an A Shareholder Majority) each of its subsidiaries which has profits available for distribution shall from time to time, and to the extent that it may lawfully do so, declare and pay to the Company the dividends necessary to permit lawful and prompt payment by the Company of amounts payable to Members pursuant to these Articles.

38 Data protection

38.1 Each of the Members and directors of the Company (from time to time) consent to the processing of their personal data by the Company, its Members and directors (each a **Recipient**) for the purpose of due diligence exercises, compliance with applicable laws, regulations and procedures and the exchange of information among themselves. A Recipient may process the personal data either electronically or manually. The personal data which may be processed under this Article shall include any information which may have a bearing on the prudence or commercial merits of investing, or disposing of any Shares (or other investment or security) in the Company.

38.2 Other than as required by law, court order or other regulatory authority, that personal data may not be disclosed by a Recipient or any other person except to a member of the same group as that Recipient (**Recipient Group Companies**) and to employees, directors and professional advisers of that Recipient Group Companies and funds managed by any of the Recipient Group Companies. Each of the Members and directors of the Company (from time to time) consent to the transfer of relevant personal data to persons acting on behalf of the Recipient and to the offices of any Recipient both within and outside the European Economic Area for the purposes stated above, where it is necessary or desirable to do so.

39 Change of name

39.1 The Company may change its name by decision of the directors provided that either:

- (a) an Investor Director votes in favour of the resolution or otherwise consents to such change in writing; or
- (b) (if there is no Investor Director in office) the change is approved in advance by an A Shareholder Majority.

40 Partly paid Shares etc

40.1 The Company has a lien (**Company's lien**) over every Share which is partly paid for any part of:

- (a) that Share's nominal value, and
- (b) any premium at which it was issued,

which has not been paid to the Company, and which is payable immediately or at some time in the future, whether or not a call notice has been sent in respect of it.

40.2 The Company's lien over a Share:

- (a) takes priority over any third party's interest in that Share, and
- (b) extends to any dividend or other money payable by the Company in respect of that Share and (if the lien is enforced and the Share is sold by the Company) the proceeds of sale of that Share.

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

40.4 Subject to the provisions of this Article 40, if:

- (a) a lien enforcement notice has been given in respect of a Share, and
- (b) the person to whom the notice was given has failed to comply with it,

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

40.5 A lien enforcement notice:

- (a) may only be given in respect of a Share which is subject to the Company's lien, in respect of which a sum is payable and the due date for payment of that sum has passed;
- (b) must specify the Share concerned;
- (c) must require payment of the sum payable within 14 days of the notice;
- (d) must be addressed either to the holder of the Share or to a person entitled to it by reason of the holder's death, bankruptcy or otherwise; and
- (e) must state the Company's intention to sell the Share if the notice is not complied with.

- 40.6 Where Shares are sold under this Article 40:
- (a) the directors may authorise any person to execute an instrument of transfer of the Shares to the purchaser or a person nominated by the purchaser, and
 - (b) the transferee is not bound to see to the application of the consideration, and the transferee's title is not affected by any irregularity in or invalidity of the process leading to the sale.
- 40.7 The net proceeds of any such sale (after payment of the costs of sale and any other costs of enforcing the lien) must be applied:
- (a) first, in payment of so much of the sum for which the lien exists as was payable at the date of the lien enforcement notice,
 - (b) second, to the person entitled to the Shares at the date of the sale, but only after the certificate for the Shares sold has been surrendered to the Company for cancellation or a suitable indemnity has been given for any lost certificates, and subject to a lien equivalent to the Company's lien over the Shares before the sale for any money payable in respect of the Shares after the date of the lien enforcement notice.
- 40.8 A statutory declaration by a director that the declarant is a director and that a Share has been sold to satisfy the Company's lien on a specified date:
- (a) is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share, and
 - (b) subject to compliance with any other formalities of transfer required by the articles or by law, constitutes a good title to the Share.
- 40.9 Subject to the articles and the terms on which Shares are allotted, the directors may send a notice (a **call notice**) to a member requiring the member to pay the Company a specified sum of money (a **call**) which is payable in respect of Shares which that member holds at the date when the directors decide to send the call notice.
- 40.10 A call notice:
- (a) may not require a member to pay a call which exceeds the total sum unpaid on that member's Shares (whether as to the Share's nominal value or any amount payable to the Company by way of premium);
 - (b) must state when and how any call to which it relates it is to be paid; and
 - (c) may permit or require the call to be paid by instalments.
- 40.11 A member must comply with the requirements of a call notice, but no member is obliged to pay any call before 14 days have passed since the notice was sent.
- 40.12 Before the Company has received any call due under a call notice the directors may:
- (a) revoke it wholly or in part, or
 - (b) specify a later time for payment than is specified in the notice,
- by a further notice in writing to the member in respect of whose Shares the call is made.

- 40.13 *Liability to pay a call is not extinguished or transferred by transferring the Shares in respect of which it is required to be paid.*
- 40.14 *Joint holders of a Share are jointly and severally liable to pay all calls in respect of that Share.*
- 40.15 *Subject to the terms on which Shares are allotted, the directors may, when issuing Shares, provide that call notices sent to the holders of those Shares may require them:*
- (a) to pay calls which are not the same, or*
 - (b) to pay calls at different times.*
- 40.16 *A call notice need not be issued in respect of sums which are specified, in the terms on which a Share is issued, as being payable to the Company in respect of that Share (whether in respect of nominal value or premium):*
- (a) on allotment;*
 - (b) on the occurrence of a particular event; or*
 - (c) on a date fixed by or in accordance with the terms of issue.*
- 40.17 *But if the due date for payment of such a sum has passed and it has not been paid, the holder of the Share concerned is treated in all respects as having failed to comply with a call notice in respect of that sum, and is liable to the same consequences as regards the payment of interest and forfeiture.*
- 40.18 *If a person is liable to pay a call and fails to do so by the call payment date:*
- (a) the directors may issue a notice of intended forfeiture to that person, and*
 - (b) until the call is paid, that person must pay the Company interest on the call from the call payment date at the relevant rate.*
- 40.19 *For the purposes of this Article 40:*
- the call payment date is the time when the call notice states that a call is payable, unless the directors give a notice specifying a later date, in which case the call payment date is that later date;*
- the relevant rate is:*
- (a) the rate fixed by the terms on which the Share in respect of which the call is due was allotted;*
 - (b) such other rate as was fixed in the call notice which required payment of the call, or has otherwise been determined by the directors; or*
 - (c) if no rate is fixed in either of these ways, 5 per cent per annum.*
- 40.20 *The relevant rate must not exceed by more than 5 percentage points the base lending rate most recently set by the Monetary Policy Committee of the Bank of England in connection with its responsibilities under Part 2 of the Bank of England Act 1998(2).*
- 40.21 *The directors may waive any obligation to pay interest on a call wholly or in part.*

41 Forfeiture and surrender

41.1 A notice of intended forfeiture:

- (a) may be sent in respect of any Share in respect of which a call has not been paid as required by a call notice;
- (b) must be sent to the holder of that Share or to a person entitled to it by reason of the holder's death, bankruptcy or otherwise;
- (c) must require payment of the call and any accrued interest by a date which is not less than 14 days after the date of the notice;
- (d) must state how the payment is to be made; and
- (e) must state that if the notice is not complied with, the Shares in respect of which the call is payable will be liable to be forfeited.

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

41.3 Subject to the articles, the forfeiture of a Share extinguishes:

- (a) all interests in that Share, and all claims and demands against the Company in respect of it, and
- (b) all other rights and liabilities incidental to the Share as between the person whose Share it was prior to the forfeiture and the Company.

41.4 Any Share which is forfeited in accordance with the articles:

- (a) is deemed to have been forfeited when the directors decide that it is forfeited;
- (b) is deemed to be the property of the Company; and
- (c) subject to Article 10 may be sold, re-allotted or otherwise disposed of as the directors think fit.

41.5 If a person's Shares have been forfeited:

- (a) the Company must send that person notice that forfeiture has occurred and record it in the register of members;
- (b) that person ceases to be a member in respect of those Shares;
- (c) that person must surrender the certificate for the Shares forfeited to the Company for cancellation;
- (d) that person remains liable to the Company for all sums payable by that person under the articles at the date of forfeiture in respect of those Shares, including any interest (whether accrued before or after the date of forfeiture); and

- (e) the directors may waive payment of such sums wholly or in part or enforce payment without any allowance for the value of the Shares at the time of forfeiture or for any consideration received on their disposal.
- 41.6 At any time before the Company disposes of a forfeited Share, the directors may decide to cancel the forfeiture on payment of all calls and interest due in respect of it and on such other terms as they think fit.
- 41.7 If a forfeited Share is to be disposed of by being transferred, the Company may receive the consideration for the transfer and the directors may authorise any person to execute the instrument of transfer.
- 41.8 A statutory declaration by a director that the declarant is a director and that a Share has been forfeited on a specified date:
- (a) is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share, and
 - (b) subject to compliance with any other formalities of transfer required by the articles or by law, constitutes a good title to the Share.
- 41.9 A person to whom a forfeited Share is transferred is not bound to see to the application of the consideration (if any) nor is that person's title to the Share affected by any irregularity in or invalidity of the process leading to the forfeiture or transfer of the Share.
- 41.10 If the Company sells a forfeited Share, the person who held it prior to its forfeiture is entitled to receive from the Company the proceeds of such sale, net of any commission, and excluding any amount which:
- (a) was, or would have become, payable, and
 - (b) had not, when that Share was forfeited, been paid by that person in respect of that Share,
- but no interest is payable to such a person in respect of such proceeds and the Company is not required to account for any money earned on them.
- 41.11 A member may surrender any Share:
- (a) in respect of which the directors may issue a notice of intended forfeiture;
 - (b) which the directors may forfeit; or
 - (c) which has been forfeited.
- 41.12 The directors may accept the surrender of any such Share.
- 41.13 The effect of surrender on a Share is the same as the effect of forfeiture on that Share.
- 41.14 A Share which has been surrendered may be dealt with in the same way as a Share which has been forfeited.

42 Miscellaneous amendments to Model Articles

- 42.1 The words "make any rule" in regulation 16 shall be deleted and substituted with the words "make, vary, relax or repeal any rule".
- 42.2 In regulation 18(f), the words "as a director" shall be included after the words "the director is resigning".
- 42.3 Regulation 19(3) shall be amended by the deletion of the word "and" at the end of regulation 19(3)(a).
- 42.4 Regulation 20 shall be amended by the insertion of the words "(including alternate directors) and the secretary" before the words "properly incur".
- 42.5 In regulation 24(2)(c), the words "that the Shares are fully paid" shall be substituted with the words "the amounts paid up on them".
- 42.6 In regulation 25(2)(c), the words "payment of a reasonable fee as the directors decide" shall be substituted with the words "payment of reasonable expenses".
- 42.7 Regulation 29 shall be amended by the insertion of the words ", or the name of any person nominated under regulation 27(2)," after the words "the transmittee's name".

Appendix 1

Calculation of price

1 Definitions and Interpretation

1.1 In this Appendix 1:

EBITDA means the Group's earnings before interest, Tax, depreciation and amortisation as set out in the Accounts of the Company in each financial year and adjusted in accordance with the specific accounting principles set out in Appendix 2; and

Net Operating Cash Flow means:

- (a) in relation to the calculation of Put Price, Call Price or Sale Price, all cash flow generated by the Group (other than intra-Group cash flow) from the operating activities of the Group as set out in the Accounts of the Company in each financial year for the period:
- (i) beginning on 1 January 2014 for D Shares and 1 January 2019 for E Shares and/or F Shares; and
 - (ii) ending on the date on which:
 - (A) the most recent Accounts as at the date of service of the relevant Put Notice, Call Notice or Deemed Transfer Notice were approved and signed by the Board;
 - (B) (in the event that the provisions of Article 14.7 apply) the next Accounts following the date on which a Deemed Transfer Notice is served are approved and signed by the Board;

and adjusted in accordance with the specific accounting principles set out in Appendix 2; and

- (b) in relation to the calculation of Non-Investor Share Proceeds, Drag Along Price, Tag Along Price or Asset Sale Price, all cash flow generated by the Group (other than intra-Group cash flow) from the operating activities of the Group as set out in:
- (i) the Accounts of the Company in each financial year for the period:
 - (A) beginning on 1 January 2014 for D Shares and 1 January 2019 for E Shares and/or F Shares; and
 - (B) ending on the date on which the most recent Accounts as at the date of:
 - (1) the Sale, Listing or Winding Up taking place; or
 - (2) service of the relevant Drag Along Notice, Tag Along Notice, Asset Sale Call Notice or Asset Sale Put Notice,(as appropriate in the circumstances) were approved and signed by the Board; and

- (ii) the Management Accounts of the Company for the period:
- (A) beginning on the date after the most recent Accounts were made up to; and
- (B) ending on the last day of the month immediately preceding:
- (1) the Sale, Listing or Winding Up taking place; or
- (2) a Drag Along Notice, Tag Along Notice, Asset Sale Call Notice or Asset Sale Put Notice being served
- (as appropriate in the circumstances) relate,

and adjusted in accordance with the specific accounting principles set out in Appendix 2.

- 1.2 If EBITDA, Net Operating Cash Flow, Proceeds and / or Listing Value are to be determined to ascertain any Put Price, Call Price, Non-Investor Share Proceeds, Sale Price, Drag Along Price, Tag Along Price or Asset Sale Price at any time, such amounts will be determined in accordance with the procedure set out in Appendix 3.

2 Put Price

- 2.1 Subject to paragraphs 2.2 and 2.3, the Put Price payable to a Member per Non-Investor Share subject to the Put Notice following the service of a Put Notice shall be calculated as follows:

$$\text{Put Price} = \frac{P - Q}{N}$$

P = $R \times (A + B - W)$

R = 0.0218 for the D Shares, 0.0327 for the E Shares and 0.0218 for the F Shares

Q = (i) for the D Shares the amount of any and all dividends paid on the D Shares, prior to the date of service of the relevant Put Notice; and (ii) for the E Shares and F Shares the amount of any and all dividends paid on the E Shares and the F Shares (as appropriate), prior to the date of service of the relevant Put Notice

A = $7.5 \times$ EBITDA calculated by reference to the figures in the most recent Accounts approved and signed by the Board immediately prior to the date of service of the relevant Put Notice

B = the Net Operating Cash Flow

W = $Y \times (1 + 0.07)^Z$

Y = £433,500,000 for the D Shares and £468,773,000 for the E Shares and F Shares

Z = the number of full financial years of the Company in the period beginning on 1 January 2014 for the D Shares and 1 January 2019 for the E Shares and F Shares and ending on, in each case, the date of

service of the relevant Put Notice

N = 8,422 for the D Shares, 9,274 for the E Shares and 6,182 for the F Shares

2.2 If the amount of the Put Price calculated in accordance with the provisions of paragraph 2.1 following the service of a Put Notice is zero or a negative number, the Put Price payable to the relevant Member in respect of the Non-Investor Shares subject to the relevant Put Notice shall be £1 in aggregate.

2.3 If the total amount to be paid to an E Shareholder or F Shareholder pursuant to a Put Notice would, when aggregated with any amounts paid to that Non-Investor Shareholder in respect of previous Put Notices and Call Notices in respect of his E Shares or F Shares or other transfers of E Shares and F Shares, as the case may be (**Prior Payments**) exceed the applicable Maximum Amount, the Total Put Price shall be reduced so that the E Shareholder or F Shareholder, as the case may be, shall not receive more than the applicable Maximum Amount in respect of his E Shares or F Shares, as the case may be, when aggregated with any Prior Payments.

3 Call Price

The Call Price payable to a Member per Non-Investor Share subject to the Call Notice following the service of a Call Notice shall be calculated on the same basis as the calculation of the Put Price set out in paragraph 2 above, save that the words "Put Notice" shall be replaced with the words "Call Notice" throughout paragraph 2 (and "Call Notices" replaced with "Put Notices" for the purpose of paragraph 2.3) for the purposes of calculating the Call Price.

4 Sale or Winding Up

4.1 Subject to paragraphs 4.2, 4.3, 4.4 and 4.5, the Non-Investor Share Proceeds payable to a Member (per Non-Investor Share) on a Sale or Winding Up shall be calculated as follows:

$$\text{Non-Investor Share Proceeds} = \frac{P - Q}{N}$$

$$P = R \times (A + B - W)$$

R = 0.0218 for the D Shares, 0.0327 for the E Shares and 0.0218 for the F Shares

Q = (i) for the D Shares the amount of any and all dividends paid on the D Shares, prior to the date of the Sale or Winding Up; and (ii) for the E Shares and F Shares the amount of any and all dividends paid on the E Shares and the F Shares (as appropriate), prior to the date of the Sale or Winding Up

$$A = \text{Proceeds} / X$$

X = (i) on a Sale, the percentage of the total number of A Shares in issue at the date of Sale that were sold by Members as part of the Sale; and

(ii) on a Winding Up, 1

B	=	the Net Operating Cash Flow
W	=	$Y \times (1 + 0.07)^Z$
Y	=	£433,500,000 for the D Shares and £468,773,000 for the E Shares and the F Shares
Z	=	the number of full financial years of the Company in the period beginning on 1 January 2014 for the D Shares and 1 January 2019 for the E Shares and the F Shares and ending on, in each case, the date of Sale or Winding Up
N	=	8,422 for the D Shares, 9,274 for the E Shares and 6,182 for the F Shares

- 4.2 If the amount of the Non-Investor Share Proceeds calculated in accordance with the provisions of paragraph 4.1 in connection with a Sale or Winding Up is zero or a negative number, the Non-Investor Share Proceeds payable to each Member in respect of the Non-Investor Shares shall be £1 in aggregate.
- 4.3 If the total amount of the Non-Investor Share Proceeds due to an E Shareholder or an F Shareholder respectively in connection with a Sale or Winding Up would, when added to any Prior Payments (as defined in paragraph 2.3 above), exceed the Maximum Amount, the Non-Investor Share Proceeds payable to the E Shareholder or F Shareholder respectively shall be reduced so that the Maximum Amount is not exceeded when aggregated with any Prior Payments.
- 4.4 In connection with a Listing, in order to determine the number of Listing Shares to be held by the Non-Investor Shareholders following a capital reorganisation in accordance with Article 7.3, the Non-Investor Share Proceeds shall be calculated in accordance with paragraph 4.1 above save that "A" shall be replaced with the Listing Value (pro rated to a Listing of 100% of the issued shares) but excluding any new funds raised for the Company in the Listing.
- 4.5 When calculating the Listing Value pursuant to paragraph 4.4 of this Appendix 1, if the total value attributable to the E Shares or F Shares respectively would, when aggregated with all Prior Payments (as defined in paragraph 2.3 above) exceed the Maximum Amount, the total value attributable to the E Shares and F Shares respectively shall be reduced so that the Maximum Amount is not exceeded, when aggregated with any Prior Payments.

5 Good Leaver Sale Price

- 5.1 If a Deemed Transfer Notice is served as a consequence of a Transfer Event falling within Article 14.1(b), prior to the service of:
- (a) the First Put Notice by the relevant Member; or
 - (b) the First Call Notice on the relevant Member,

and the relevant Member is a Good Leaver, the Sale Price shall be equal to the Issue Price of the Deemed Transfer Shares.

5.2 Subject to paragraphs 5.4, 5.5 and 5.6 below, if a Deemed Transfer Notice is served as a consequence of a Transfer Event falling within Article 14.1(b), following the service of:

- (a) the First Put Notice by the relevant Member; or
- (b) the First Call Notice on the relevant Member

and the relevant Member is a Good Leaver, the Sale Price per Deemed Transfer Share shall be calculated as follows:

$$\text{Sale Price} = \frac{P - Q}{N}$$

$$R = 0.0218 \text{ for the D Shares and F Shares}$$

$$P = R \times (A + B - W)$$

$$Q = \text{(i) for the D Shares the amount of any and all dividends paid on the D Shares, prior to the date of service of the Deemed Transfer Notice; and (ii) for the E Shares the amount of any and all dividends paid on the E Shares, prior to the date of service of the Deemed Transfer Notice; and (iii) for the F Shares the amount of any and all dividends paid on the F Shares, prior to the date of service of the Deemed Transfer Notice}$$

$$A = 7.5 \times X$$

$$X = \text{(i) if the Date of Cessation occurred within six months of the expiry of a Put Period, EBITDA calculated by reference to the figures in the most recent Accounts approved and signed by the Board as at the date of service of the Deemed Transfer Notice; and}$$

(ii) if the Date of Cessation occurred on or following the expiry of 6 months following the expiry of a Put Period (but prior to the expiry of the following Put Period), EBITDA calculated by reference to the figures in the next Accounts to be approved and signed by the Board following the service of the Deemed Transfer Notice

$$B = \text{the Net Operating Cash Flow}$$

$$W = Y \times (1 + 0.07)^Z$$

$$Y = \text{£433,500,000 for the D Shares and £468,773,000 for the E Shares and F Shares}$$

$$Z = \text{(i) if the Date of Cessation occurred within six months of the expiry of a Put Period, the number of full financial years of the Company in the period beginning on 1 January 2014 for the D Shares and 1 January 2019 for the E Shares and F Shares and, in each case, ending on the date of service of the relevant Deemed Transfer Notice; and}$$

(ii) if the Date of Cessation occurred later than the 6 months following the expiry of a Put Period (but prior to the expiry of the following Put Period), the number of full financial years of the

Company in the period beginning on 1 January 2014 for the D Shares and 1 January 2019 for the E Shares and F Shares and, in each case, ending at the end of the financial year in which the relevant Deemed Transfer Notice was served

N = 8,422 for the D Shares, 9,274 for the E Shares and 6,182 for the F Shares

5.3 Subject to paragraph 5.4 below, if the amount of the Sale Price calculated in accordance with the provisions of paragraph 5.2 is zero or a negative number, the Sale Price payable to the relevant Member in respect of all Deemed Transfer Shares shall be £1 in aggregate.

5.4 If the relevant Member was a D Shareholder and the Transfer Event occurred as a result of Redundancy (either in respect of the relevant Member, or in respect of any other holder of Deemed Transfer Shares), the Sale Price payable to the relevant Member per Deemed Transfer Share shall be the higher of:

- (a) the Issue Price of the Deemed Transfer Shares; and
- (b) the Sale Price calculated in accordance with paragraph 5.2 above.

5.5 If the relevant Member was a Non-Investor Shareholder holding D Shares and the Transfer Event occurred as a result of resignation in order to become the primary carer for the spouse, civil partner, Long Term Partner or a child (including step and adopted children) of that Non-Investor Shareholder, in circumstances where the relevant spouse, civil partner, Long Term Partner or child who is seriously ill or disabled and has been certified by a registered medical practitioner as in need of full time care (either in respect of the relevant Member, or in respect of any other holder of Deemed Transfer Shares), the Sale Price payable shall be the Issue Price of the Deemed Transfer Shares.

5.6 If the amount due to an E Shareholder or an F Shareholder under this paragraph 5, calculated in accordance with the provisions of paragraph 5.2 would, when aggregated with any Prior Payments (as defined in paragraph 2.3 above), exceed the Maximum Amount, the Sale Price payable to the F Shareholder shall be reduced so that the Sale Price, when aggregated with any Prior Payments, does not exceed the Maximum Amount.

6 Bad Leaver Sale Price

If a Deemed Transfer Notice is served as a consequence of a Transfer Event falling within Article 14.1(b), and the relevant Member is a Bad Leaver, the Sale Price per Deemed Transfer Share shall be the lesser of:

- (a) the nominal value of the Deemed Transfer Shares; and
- (b) the Good Leaver Sale Price calculated in accordance with paragraph 5 above that would have applied if the relevant Member were a Good Leaver.

7 Sale Price for Other Deemed Transfer Events

If a Deemed Transfer Notice is served as a consequence of a Transfer Event falling within Articles 14.1(a), 14.1(c) or 14.1(d) the Sale Price per Deemed Transfer Share shall be the nominal value of the Deemed Transfer Shares.

8 Drag Along Price

8.1 Subject to paragraphs 8.2 and 8.3, the Drag Along Price payable pursuant to the acceptance of a Drag Along Notice per Non-Investor Share shall be calculated as follows:

$$\text{Drag Along Price} = \frac{P - Q}{N}$$

$$P = R \times (A + B - W)$$

R = 0.0218 for the D Shares and 0.0327 for the E Shares and 0.0218 for the F Shares

Q = (i) for the D Shares the amount of any and all dividends paid on the D Shares, prior to the date of service of the relevant Drag Along Notice; and (ii) for the E Shares and F Shares the amount of any and all dividends paid on the E Shares and F Shares (as appropriate), prior to the date of service of the relevant Drag Along Notice

A = (i) in connection with a Sale, Proceeds divided by X
(ii) in connection with a sale of Shares that is not a Sale, the total of all proceeds payable by the Third Party Buyer in respect of the Investor Shares and the Dragged Shares divided by X

X = the percentage of the total number of A Shares in issue at the date of the sale of the Investor Shares to the Third Party Buyer that were sold by Selling Shareholders

B = the Net Operating Cash Flow

$$W = Y \times (1 + 0.07)^Z$$

Y = £433,500,000 for the D Shares and £468,773,000 for the E Shares and F Shares

Z = the number of full financial years of the Company in the period beginning on 1 January 2014 for the D Shares and 1 January 2019 for the E Shares and F Shares and ending on, in each case, the date of service of the relevant Drag Along Notice

N = 8,422 for the D Shares and 9,274 for the E Shares and 6,182 for the F Shares

8.2 If the amount of the Drag Along Price calculated in accordance with the provisions of paragraph 8.1 following the service of a Drag Along Notice is zero or a negative number, the

Drag Along Price payable to the relevant Member in respect of the Non-Investor Shares subject to the relevant Drag Along Notice shall be £1 in aggregate.

- 8.3 If the total amount due to an E Shareholder or an F Shareholder pursuant to this paragraph 8, in accordance with the provisions of paragraph 8.1, following the service of a Drag Along Notice would, when aggregated with any Prior Payments (as defined in paragraph 2.3 above), exceed the Maximum Amount, the amount due to the E Shareholder or F Shareholder shall be reduced so that the Maximum Amount, when aggregated with any Prior Payments, shall not be exceeded.

9 Tag Along Price

The Tag Along Price payable per Non-Investor Share pursuant to the acceptance of a Tag Along Offer shall be calculated on the same basis as the calculation of the Drag Along Price set out in paragraph 8 above, save that the words "Drag Along Notice" shall be replaced with the words "Tag Along Offer" throughout paragraph 8 for the purposes of calculating the Tag Along Price.

10 Asset Sale Price

- 10.1 Subject to paragraphs 10.2 and 10.3, the Asset Sale Price payable per Non-Investor Share pursuant to the service of an Asset Sale Call Notice or Asset Sale Put Notice shall be calculated as follows:

$$\text{Asset Sale Price} = \frac{P - Q}{N}$$

$$P = R \times (A + B - W)$$

R = 0.0218 for the D Shares and 0.0327 for the E Shares and 0.0218 for the F Shares

Q = (i) for the D Shares the amount of any and all dividends paid on the D Shares, prior to the date of the Asset Sale; and (ii) for the E Shares and F Shares the amount of any and all dividends paid on the E Shares and F Shares (as appropriate), prior to the date of the Asset Sale

A = the amount of all proceeds payable by a Third Party Buyer to the Company in connection with the Asset Sale divided by X

X = the percentage of the consolidated gross tangible assets of the Group (by book value) disposed of to a Third Party Buyer pursuant to the Asset Sale

B = the Net Operating Cash Flow

$$W = Y \times (1 + 0.07)^Z$$

Y = £433,500,000 for the D Shares and £468,773,000 for the E Shares and F Shares

Z = the number of full financial years of the Company in the period beginning on 1 January 2014 for the D Shares and 1 January 2019 for the E Shares and F Shares and ending on, in each case, the date

of Asset Sale

N = 8,422 for the D Shares, 9,274 for the E Shares and 6,182 for the F Shares

- 10.2 If the amount of the Asset Sale Price calculated in accordance with the provisions of paragraph 10.1 following the service of an Asset Sale Call Notice or Asset Sale Put Notice is zero or a negative number, the Asset Sale Price payable to the relevant Member in respect of the Non-Investor Shares subject to the relevant Asset Sale Call Notice or Asset Sale Put Notice shall be £1 in aggregate.
- 10.3 If the total amount due to an E Shareholder or an F Shareholder pursuant to this paragraph 10, calculated in accordance with the provisions of paragraph 10.1 following the service of an Asset Sale Call Notice or Asset Sale Put Notice would, when aggregated with any Prior Payments (as defined in paragraph 2.3 above), exceed the Maximum Amount, the total amount due to the E Shareholder or F Shareholder shall be reduced so that the Maximum Amount, when added to any Prior Payments, shall not be exceeded.

Appendix 2

Specific Accounting Principles

- 1 **EBITDA** shall comprise Revenue less Operating Expenses but:
before
 - (a) the deduction of Tax and Interest Payable;
 - (b) the addition of Interest Receivable (except on client deposits) and having added back depreciation and amortisation charged in calculating Operating Profit;and after
 - (c) the addition of the Company's Share of Any Profit or Loss Generated by Associates and Joint Ventures and any dividends from equity share investments.

The definition of EBITDA excludes any profits or losses from the disposal of Associates, subsidiaries, subsidiary undertakings, equity share investments, Joint Ventures, Fixed Assets or Right of Use Assets. In addition, EBITDA will exclude the Exclusions but include the Inclusions. When calculating EBITDA, the provisions of IFRS 16 Leases shall be disregarded as if they did not apply to the Company and instead, the previously adopted Accounting Principles shall be applied.
- 2 **Revenue** shall comprise all monies generated by the services provided by the businesses within the Group on an ongoing basis, for example, commissions from house sales, fees from valuations, income from lettings, etc. (this list not to be regarded as exhaustive), together with any other income from which the Group benefits, for example, grants, investment property income and rents receivable under operating leases (this list is not to be regarded as exhaustive).
- 3 **Operating Expenses** shall include any costs incurred by the Group on an ongoing basis to support the supply of services by the Group and in generating any other income from which the Group benefits, for example, staff salaries and benefits, rent, sundry expenses (electricity, travel, entertainment, IT, etc.), lease costs, etc. (this list not to be regarded as exhaustive). Operating expenses shall exclude any capital investment which is capitalised and subsequently amortised or depreciated in the Accounts under the accounting policies prevailing at the time.
- 4 **Company's Share of Any Profit or Loss Generated by Associates and Joint Ventures** shall comprise any profit or loss generated by associates and joint ventures recognised in the Accounts under the accounting policies prevailing at the time the profit or loss is recognised, except where the profit or loss is categorised as an exceptional item.
- 5 **Interest Receivable** shall be limited to interest on bank deposits, interest receivable from Group undertakings, other interest and expected return on pension assets as reported within 'finance income' within the Accounts.
- 6 **Interest Payable** shall be limited to interest payable on bank borrowings, interest payable to Group undertakings, other interest and interest payable on pension liabilities as reported within 'finance costs' within the Accounts.

7 **Exclusions** shall comprise exceptional items as reported within the Accounts, except where the relevant items are specified in these Articles as to be included. For the avoidance of doubt, the following items shall be considered as exceptional and excluded from EBITDA:

- (a) any profit or loss on disposal, or part thereof, from an investment in an associate, subsidiary or joint venture;
- (b) any cash or credit used by the Group to satisfy a Put or Call Option;
- (c) any charges for payments made into the defined benefit pension schemes of the Group which are outside the contributions agreed with the trustee of the Schemes in the triennial valuation;
- (d) any changes to the fair value in the accounts of the Company of:
 - (i) any Put Options issued after 1 January 2010 in the accounts of the Company; or
 - (ii) equity share investments held by the Company;
- (e) any dividends paid by subsidiaries of the Company to parties holding minority, non-controlling, interests in such subsidiaries;
- (f) any impairment of goodwill, intangibles and other investments (such as equity share investments);
- (g) any profit arising on the disposal of any equity share investments held by the Company; and
- (h) the Income Statement charge for any contingent or deferred consideration paid to acquire any subsidiary or business assets.

8 **Inclusions** shall include any and all:

- (a) redundancy or restructuring costs as initiated or agreed to by the Board;
- (b) regulatory fines and associated costs incurred by any Group Company;
- (c) employee share option costs as recognised within the audited consolidated annual accounts of the Company;
- (d) changes or movements in the level of provisions in the audited consolidated annual accounts of the Company; and
- (e) interest earned on client monies to the extent recognised as income in the 'income statement' within the Accounts.

9 **Net Operating Cash Flow** means all cash flow generated by the Group from its operating activities less any expenses incurred.

For the avoidance of doubt:

- (a) Net Operating Cash Flow specifically excludes:

- (i) all dividends paid by the Company to the A Shareholder (which for these purposes shall include any capital distributions of the Company to the A Shareholder (whether by way of reduction in share capital, share premium account, capital redemption reserve or any other account or reserve) as if they were dividends);
 - (ii) any payments made into the defined benefit pension schemes of the Group which are outside of the contributions agreed with the trustee of those schemes in the triennial valuation; and
 - (iii) any cash paid by any Group Company to persons who hold minority shareholdings in any subsidiary within the Group as at 1 January 2012 upon the exercise by such person of a put option or other similar option.
- (b) Net Operating Cash Flow includes any proceeds on disposal, or part thereof, of an investment in an associate, subsidiary, equity share investment or joint venture;
- (c) Net Operating Cash Flow shall be calculated after deducting any cash expended on Fixed Assets, investments or acquisitions, irrespective of how financed during the financial period, and the addition of cash flow received during the financial period from the disposal of assets, businesses, associates, subsidiaries, equity share investments or joint ventures and the receipt of dividends and any other income from joint ventures; and
- (d) there will not be any deduction made from Net Operating Cash Flow in the event that any Group Company utilises existing cash or credit in the Group to satisfy the exercise of the Put or Call (for example, by way of company share buy-back).

10 **Treatment of acquisitions:** Any acquisition included within the audited consolidated annual accounts of the Company shall be included in the relevant calculations. Therefore:

- (a) any EBITDA generated by the acquisition included in the Accounts is to be included in the calculation of EBITDA and the acquisition cost shall be deducted from the calculation of Net Operating Cash Flow, irrespective of how financed. A one off adjustment will be required in the year of an acquisition of a subsidiary, joint venture or associate, only by adding back to Net Operating Cash Flow a portion of the acquisition cost being the acquisition cost x days in the year before acquisition date, divided by 365.
- (b) any Net Operating Cash Flow generated by the acquisition shall be added to the calculation of Net Operating Cash Flow.

11 **Treatment of disposals:** Any disposal included within the Accounts shall be included in the relevant calculations. Therefore:

- (a) the actual sale proceeds received on completion of a disposal, including any:
 - (i) deferred consideration or consideration dependent on earn out agreements; and
 - (ii) proceeds from a disposal (or part thereof) from an investment in an associate, subsidiary, equity share investment or joint venture,

shall be included within the calculation of Net Operating Cash Flow on the date or dates the sale proceeds or deferred consideration are received by the Company;

- (b) as the EBITDA generated by a disposal will no longer be included within the annual audited consolidated accounts of the Company from the date of completion, there will be no requirement to adjust the EBITDA calculation after that date, save for a one off adjustment in the year of a disposal of a subsidiary, joint venture or associate, only by deducting from Net Operating Cash Flow a portion of the disposal proceeds being the disposal proceeds x days in the year before disposal date, divided by 365.

12 **Treatment of Subsidiaries:** Any subsidiary acquired by the Group after 1 January 2012 in respect of which the entire issued share capital of the subsidiary is not legally and beneficially owned by the Group, will be treated as follows for the purposes of the calculations set out in Appendix 1 to these Articles:

- (a) the subsidiary shall be recognised for EBITDA purposes in proportion to the shareholding that the relevant member of the Group holds therein (e.g. for a subsidiary in which a Group Company holds a 75% interest, 75% of the EBITDA result therein will be recognised for the purposes of determining EBITDA under these Articles); and
- (b) no other adjustment shall be made to any of the specific accounting principles set out in this Appendix 2 (including, for the avoidance of doubt, any calculation of Net Operating Cash Flow) to reflect that the entire issued share capital of the subsidiary is not legally and beneficially owned by the Group.

13 **Tenant Fees:** In respect of the E Shareholders and F Shareholders, the calculation of the "base figure" "Y" in appendix 1 is pursuant to an adjustment to the EBITDA for the year ended 31 December 2018 to exclude all those fees received during that year from tenants of let properties, which will be prohibited from being charged following the inception of the Tenant Fees Act 2019. If the ban on tenant fees under this legislation is reversed at any point before the final Put Notice is exercised for the E Shares and F Shares, returns due to E Shareholders and F Shareholders pursuant to any subsequent Put Notices shall be calculated with the base figure being adjusted as if the ban on tenant fees did not apply.

Appendix 3

Method of calculation of price

1 Calculation by the Company

1.1 If EBITDA, Net Operating Cash Flow, Proceeds and / or Listing Value (together the **Relevant Values** and each a **Relevant Value**) are to be calculated in order to determine any:

- (a) Put Price;
- (b) Call Price;
- (c) Non-Investor Share Proceeds;
- (d) Sale Price;
- (e) Drag Along Price;
- (f) Tag Along Price; or
- (g) Asset Sale Price

(each a **Transfer Price**)

payable in connection with a transfer of Non-Investor Shares in accordance with these Articles, the amount of the Relevant Values (which are relevant to the determination of the amount set out in 1.1(a) to 1.1(f) above) and the relevant Transfer Price shall be: (i) determined by the Company; and (ii) certified by the Auditors as calculated in accordance with the specific accounting principles set out in Appendix 2 using figures that are consistent with the Accounts and (where relevant) Management Accounts, within the Calculation Period.

1.2 Subject to paragraph 3 below, once the relevant Transfer Price and Relevant Values have been determined by the Company and certified by the Auditors, the Company shall serve a written notice (**Price Notification**) to each of the A Shareholders, and the Non-Investor Shareholder who will transfer Non-Investor Shares at the relevant Transfer Price (**Transferring Non-Investor Shareholder**) in accordance with the provisions of these Articles, of:

- (a) each Relevant Value that is required to calculate the relevant Transfer Price; and
- (b) the Transfer Price payable to the Transferring Non-Investor Shareholder for each Non-Investor Share to be transferred.

1.3 If:

- (a) the Transferring Non-Investor Shareholder and an A Shareholder Majority agree, in writing, with the figures listed in the Price Notification; or
- (b) the Company does not receive a notification from either the Transferring Non-Investor Shareholder or an A Shareholder Majority within 10 Business Days of service of the Price Notification pursuant to paragraph 1.4 below,

the Transfer Price specified in the Price Notification shall be the Transfer Price used for the relevant transfer of Non-Investor Shares pursuant to these Articles.

1.4 Subject to paragraph 3 below, if either the Transferring Non-Investor Shareholder or an A Shareholder Majority does not agree with one or more of the Relevant Values, or the Transfer Price listed in the Price Notification, they may notify the Company and:

- (a) an A Shareholder Majority (in the case of a notification by the Transferring Non-Investor Shareholder); or
- (b) the Transferring Non-Investor Shareholder (in the case of a notification by an A Shareholder Majority)

within 10 Business Days of the service of the Price Notification that they do not agree with one or more of the Relevant Values, or the Transfer Price listed in the Price Notification (**Adjustment Notice**).

1.5 If an Adjustment Notice is served pursuant to paragraph 1.4 above:

- (a) the Transferring Non-Investor Shareholder and an A Shareholder Majority may, within 10 Business Days of the service of the Adjustment Notice, agree in writing any adjustments to the Relevant Values and / or the Transfer Price that they determine are necessary and the Transfer Price agreed in writing by the Transferring Non-Investor Shareholder and an A Shareholder Majority shall be the Transfer Price used for the relevant transfer of Non-Investor Shares pursuant to these Articles; or
- (b) the Transferring Non-Investor Shareholder and an A Shareholder Majority are not able to agree any adjustments to the Relevant Values and / or Transfer Price within a period of 10 Business Days of the service of the Adjustment Notice, then the provisions of paragraph 2 of this Appendix shall apply.

2 Valuers' determination

2.1 If:

- (a) the Auditors have not certified the relevant Transfer Price and / or the Relevant Values within the relevant Calculation Period; or
- (b) following the service of a Price Notification, an Adjustment Notice has been served and the Transferring Non-Investor Shareholder and an A Shareholder Majority are not able to agree the Relevant Values and / or Transfer Price within a period of 10 Business Days,

then any matters in dispute shall be referred by the Company to a firm of independent chartered accountants selected by the Board (**Valuers**).

2.2 The Company shall, within 5 Business Days of the appointment of Valuers notify the A Shareholder and the Transferring Non-Investor Shareholder of the appointment and identity of the Valuers.

2.3 Each of the A Shareholder and the Transferring Non-Investor Shareholder shall, within a period of 15 Business Days of the appointment of the Valuers, be entitled to make one submission on the matters referred for determination, by written submission delivered to the Valuers and served on the other party.

2.4 If instructed to report on their opinion of any Relevant Values and / or any Transfer Price under this paragraph 2 the Valuers shall:

- (a) act as expert and not as arbitrator and their written determination shall be final and binding on the Members;
 - (b) proceed on the basis of the Specific Accounting Principles; and
 - (c) consider any submission received pursuant to paragraph 2.3 above.
- 2.5 Any difficulty in applying any of the Specific Accounting Principles shall be resolved by the Valuers as they think fit in their absolute discretion.
- 2.6 The Company will use its reasonable endeavours to procure that the Valuers deliver their written opinion of the relevant Transfer Price and the Relevant Values to the Board, to the A Shareholder and to the Transferring Non-Investor Shareholder within 25 Business Days of being requested to do so.
- 2.7 The Valuers' fees for reporting on their opinion of the relevant Transfer Price and the Relevant Values shall be borne as the Valuers shall specify in their valuation having regard to the conduct of the parties and the merit of their agreements in respect of the matters in dispute or otherwise (in the absence of any such specification by the Valuers) by the Company.

3 Multiple Transferring Non-Investor Shareholders

3.1 Where there is a Multiple Non-Investor Share Sale Event:

- (a) the Company shall serve a Price Notification on each Non-Investor Shareholder selling Non-Investor Shares in connection with the Multiple Non-Investor Share Sale Event;
- (b) any service of an Adjustment Notice by a Non-Investor Shareholder with the prior written approval of a Non-Investor Majority shall constitute the Adjustment Notice (and any additional Adjustment Notices received in relation to the Multiple Non-Investor Share Sale Event shall be disregarded); and
- (c) any references in paragraphs 1.2 to 2.7 of this Appendix 3 to "Transferring Non-Investor Shareholder" shall be deemed to apply as follows:
 - (i) where the agreement of the Transferring Non-Investor Shareholder is required, it shall be constituted by the agreement of the majority in number of Non-Investor Shareholders transferring Non-Investor Shares in connection with the Multiple Non-Investor Share Sale Event; and
 - (ii) where any provision binds or gives a right to the Transferring Non-Investor Shareholder, it shall be deemed to bind, or give a right to each and every Non-Investor Shareholder transferring Non-Investor Shares in connection with the Multiple Non-Investor Share Sale Event.

3.2 Where a Non-Investor Shareholder is transferring Non-Investor Shares in connection with the service of a Put Notice or a Call Notice, and an Adjustment Notice has already been served by another Non-Investor Shareholder or an A Shareholder Majority in relation to the Put Period to which the Put Notice or Call Notice relates (**Earlier Adjustment Notice**):

- (a) the Company shall not be required to determine the Relevant Values or the Transfer Price in connection with the service of that Put Notice or Call Notice;

- (b) the Transfer Price that shall apply to the Non-Investor Shareholder's transfer of Non-Investor Shares shall be the Transfer Price that was determined in accordance with the provisions of this Appendix 3 following the service of the Earlier Adjustment Notice; and
- (c) neither an A Shareholder Majority, nor the relevant Transferring Non-Investor Shareholder shall have a right to serve a further Adjustment Notice.

4 Asset Sale determinations

4.1 If:

- (a) an A Shareholder Majority or a Non-Investor Majority notify the Company that they believe that an Asset Sale has taken place;
- (b) the A Shareholder and a Non-Investor Majority have not agreed that an Asset Sale has taken place; or
- (c) the Board has determined, in its reasonable opinion, that there has been a disposal by the Company of more than 60% of the consolidated gross tangible assets of the Group to a Third Party Buyer

the Company shall instruct the Auditors to determine whether an Asset Sale has taken place, and the percentage of the consolidated gross tangible assets of the Group that were disposed of to a Third Party Buyer pursuant to the Asset Sale.

- 4.2** The determination of the Auditors in relation to whether an Asset Sale has taken place, and the percentage of the consolidated gross tangible assets of the Group that were disposed of to a Third Party Buyer pursuant to the Asset Sale shall be final and binding.