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COMPANIES HOUSE



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Companies Act 1985
Public Company Limited by Shares
ARTICLES OF ASSOCIATION
NUCLEUS FINANCIAL GROUP PLC
Company Number 05522098
Incorporated in England and Wales on 29 July 2005
Adopted by special resolution passed on 20 July 2017
(as amended by special resolution on 8 May 2018
and on 10 May 2018)

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1. Definitions and Interpretation

1 1 In these Articles

"Act"	means the Companies Act 2006 and any statutory modification or re-enactment thereof for the time being in force;
"Acting in Concert"	has the meaning given to it for the time being in the City Code on Takeovers and Mergers;
"Address"	in relation to electronic communications, includes any number or address used for the purposes of such communications,
"Adoption Date"	means the time and date of the adoption of these Articles;
"Asset Sale"	means a sale by the Company (or other member of the Group) on bona fide arms' length terms of all, or substantially all, of the Group's business, assets and undertakings (other than pursuant to an intra group reorganisation);
"Asset Sale Distribution"	has the meaning given in Article 3.7;
"Auditors"	means the auditors of the Company from time to time;
"Board"	means the board of directors of the Company from time to time;
"B Ordinary Shareholder"	means a person entered in the register of members of the Company as the holder from time to time of a B Ordinary Share;
"B Ordinary Shares"	means the B Ordinary Shares of £0.01 (one pence) each in the capital of the Company, having the rights and being subject to the restrictions set out in these Articles;
"Backstop Date"	Means (a) In the case of G1 Ordinary Shares and G2 Ordinary Shares 31 December 2017; or (b) In the case of G3 Ordinary Shares means 31 December 2019 ;or (c) In the case of G4 Ordinary Shares means the Backstop Date determined by the Remuneration Committee at the date of issue to apply to the G4 Ordinary Shares which shall remain fixed and shall not subsequently be amended; or (d) In the case of G5 Ordinary Shares means the Backstop Date determined by the Remuneration Committee at the date of issue to apply to the G5 Ordinary Shares which shall remain fixed and shall not subsequently be amended; or (e) In the case of G6 Ordinary Shares means the Backstop Date determined by the Remuneration Committee at the date of issue to apply to the G6 Ordinary Shares which shall remain fixed and shall not subsequently be amended;
"Business Day"	means a day (other than a Saturday or Sunday) when banks are open for general business in London;

"Capital Return"	means a return of capital to Shareholders on a liquidation, dissolution or winding up of the Company in each case save to the extent the same arises as a result of any group reorganisation or other reconstitution and not, for the avoidance of doubt, to include a Distribution;
"Connected Person"	has the meaning given to that expression in section 1211 CTA and "Person connected" shall be construed accordingly (except that, for the purposes of these Articles, a Shareholder shall not be deemed to be connected with another Shareholder by virtue (and only by virtue) of the fact that they are both parties to any agreement governing the Shareholders' relationship with each other in respect of the Company to which the Company is a party),
"Conversion Date"	means: <ul style="list-style-type: none"> (a) in the case of B Ordinary Shares, the date of the Listing in accordance with Article 3.15; and (b) in the case of G Ordinary Shares, the earlier of <ul style="list-style-type: none"> (i) the date of the Listing in accordance with Article 3.17; and (ii) the Backstop Date,
"CTA"	means the Corporation Tax Act 2010 and any statutory modification or re-enactment thereof for the time being in force;
"Deferred Shares"	means the Deferred Shares of £0.01 (one pence) each in the capital of the Company issued pursuant to the provisions of Article 3.17.3, having the rights and being subject to the restrictions set out in these Articles;
"Director"	means any director appointed to the Board, including any alternate director;
"Distribution"	means any dividend or distribution declared or made by the Company and any other sums paid by the Company in respect of, or pursuant to, the rights attaching to the Ordinary Shares, B Ordinary Shares and G Ordinary Shares (whether of an income or capital nature) save to the extent it is a Capital Return or an Asset Sale Distribution (and "Distributed" shall be construed accordingly);
"Distribution Mechanism"	means that mechanism for distributing the proceeds of a Realisation among the members of the Company which is set out in Article 3.5;
"EBT"	means the NFG Limited Employee Benefit Trust 2010 or such other trust as the Company may, from time to time, establish for the benefit of the current or former employees or dependents of current or former employees of the Group,
"Encumbrance"	means a mortgage, charge, pledge, lien, option, restriction, right of first refusal, right of pre-emption, third party right or interest, other encumbrance or security interest of any kind, or another type of agreement or arrangement having similar effect;
"Exit"	means completion of <ul style="list-style-type: none"> (a) a Sale; (b) a Listing; or (c) an Asset Sale;

"FA Firm"	<p>means:</p> <p>(a) a financial adviser being a person or legal entity regulated to provide financial advice; or</p> <p>(b) a financial adviser network ("Network") being a legal entity that represents a network of persons or legal entities regulated to provide financial advice; or</p> <p>(c) an individual or entity with a controlling interest in a Network or an unregulated entity that provides services to persons or legal entities themselves regulated to provide financial advice,</p> <p>that is an active participant in NIFAC or the Company's business services platform in accordance with the terms and conditions of the constitutional documents governing NIFAC or the Company's business services platform in force from time to time (and including, for the avoidance of doubt, any FA Firm which was a founder shareholder in the Company at or around the time of the Company's establishment in June 2006);</p>
"FSA"	means the Financial Services Authority of the United Kingdom (and any successor or replacement regulatory entity possessing regulatory oversight and powers over the Company's business);
"FSMA"	means the Financial Services and Markets Act 2000 and any statutory modification or re-enactment thereof for the time being in force;
"G1 Hurdle Rate"	means the Hurdle Rate determined by the Remuneration Committee at the date of issue to apply to the G1 Ordinary Shares which shall remain fixed and shall not subsequently be amended;
"G2 Hurdle Rate"	means the Hurdle Rate determined by the Remuneration Committee at the date of issue to apply to the G2 Ordinary Shares which shall remain fixed and shall not subsequently be amended;
"G3 Hurdle Rate"	means the Hurdle Rate determined by the Remuneration Committee at the date of issue to apply to the G3 Ordinary Shares which shall remain fixed and shall not subsequently be amended;
"G4 Hurdle Rate"	means the Hurdle Rate determined by the Remuneration Committee at the date of issue to apply to the G4 Ordinary Shares which shall remain fixed and shall not subsequently be amended;
"G5 Hurdle Rate"	means the Hurdle Rate determined by the Remuneration Committee at the date of issue to apply to the G5 Ordinary Shares which shall remain fixed and shall not subsequently be amended;
"G6 Hurdle Rate"	means the Hurdle Rate determined by the Remuneration Committee at the date of issue to apply to the G6 Ordinary Shares <i>which shall remain fixed and shall not subsequently be amended;</i>
"G1 Ordinary Shares"	means convertible and redeemable G Ordinary Shares of £0.01 (one pence) each in the capital of the Company to which the G1 Hurdle Rate is applied by the Remuneration Committee before issue;
"G2 Ordinary Shares"	means convertible and redeemable G Ordinary Shares of £0.01 (one pence) each in the capital of the Company to which the G2 Hurdle Rate is applied by the Remuneration Committee before issue;
"G3 Ordinary Shares"	means convertible and redeemable G Ordinary Shares of £0.01 (one pence) each in the capital of the Company to which the G3 Hurdle Rate is applied by the Remuneration Committee before issue;

"G4 Ordinary Shares"	means convertible and redeemable G Ordinary Shares of £0.01 (one pence) each in the capital of the Company to which the G4 Hurdle Rate is applied by the Remuneration Committee before issue;
"G5 Ordinary Shares"	means convertible and redeemable G Ordinary Shares of £0.01 (one pence) each in the capital of the Company to which the G5 Hurdle Rate is applied by the Remuneration Committee before issue;
"G6 Ordinary Shares"	means convertible and redeemable G Ordinary Shares of £0.01 (one pence) each in the capital of the Company to which the G6 Hurdle Rate is applied by the Remuneration Committee before issue;
"G Ordinary Shares"	means the G1 Ordinary Shares, the G2 Ordinary Shares, the G3 Ordinary Shares, the G4 Ordinary Shares, the G5 Ordinary Shares and the G6 Ordinary Shares, having the rights and being subject to the restrictions set out in these Articles,
"G Ordinary Shareholder"	means a person entered in the register of members of the Company as the holder from time to time of a G Ordinary Share;
"G Ordinary Share Subscription Agreement"	means any agreement for the subscription of G Ordinary Shares as may be executed and delivered to the Company from time to time by a subscriber for G Ordinary Shares, counter-signed on behalf of the Company and setting out the relevant Hurdle Rate for the G Ordinary Shares that are being subscribed for and any performance conditions that may be applicable to those G Ordinary Shares;
"G Ordinary Share Sub-class"	means any sub-class of the G Ordinary Shares, the sub-classes being the G1 Ordinary Shares, the G2 Ordinary Shares, the G3 Ordinary Shares, the G4 Ordinary Shares, the G5 Ordinary Shares and the G6 Ordinary Shares;
"Group"	means the Company and its subsidiary undertakings from time to time and any holding company of the Company, including a holding company inserted for the purposes of planning for an Exit, and "member of the Group" and "Group Company" shall be construed accordingly;
"Hurdle Rate"	means the threshold value applicable to a particular sub-class of G Ordinary Share determined by the Remuneration Committee (in accordance with Article 3.2) on or before the allotment of such sub-class of G Ordinary Shares below which those G Ordinary Shares so allotted have no right to participate in any proceeds on a Realisation;
"Independent Expert"	means an expert (acting as such and not as an arbitrator) nominated and approved by unanimous decision of the Board or, in the event that the Board fails to agree within 7 (seven) days of the matter being referred to it, appointed upon application by any member of the Board by the President for the time being of the Institute of Chartered Accountants in England and Wales;
"Key Business Writer"	means a natural person who is authorised by the FSA to give financial advice and who has placed client assets of a FA Firm on the Company's business services platform;
"Listing"	means:

- (a) both the admission of any of the Company's shares (or the shares in a holding company of the Company inserted for the purpose of planning for the Listing in which the share capital structure of the Company is replicated in all material respects) to the Official List maintained for the time being by the FSA (in its capacity as the competent authority for the purposes of Part VI of FSMA) becoming effective (in accordance with paragraph 3.2 7G of the Listing Rules) and the admission of any of the Company's shares to trading on the LSE's market for listed securities (in accordance with paragraph 2.1 of the Admission and Disclosure Standards of the LSE, as amended from time to time); or
- (b) the admission to trading of any of the Company's shares (or the shares in a holding company of the Company inserted for the purpose of planning for the Listing in which the share capital structure of the Company is replicated in all material respects) on the Alternative Investment Market of the LSE becoming effective, or
- (c) the equivalent admission to trading to or permission to deal on any other Recognised Investment Exchange becoming effective in relation to any of the Company's shares (or the shares in a holding company of the Company inserted for the purpose of planning for the Listing in which the share capital structure of the Company is replicated in all material respects);

"Listing Rules"	means the rules made by the FSA pursuant to section 73A FSMA, as those rules are amended from time to time;
"LSE"	means the London Stock Exchange plc,
"NIFAC"	means Nucleus IFA Company Limited, company number SC300417;
"Notifiable Holding"	means voting rights or shares which, if acquired or disposed of by any person, will or may result in such person acquiring or disposing of a relevant percentage interest (being a percentage interest requiring notification to the FSA for the purposes of the change of control provisions under FSMA),
"Ordinary Shareholder"	means a person entered in the register of members of the Company as the holder from time to time of an Ordinary Share,
"Ordinary Shares"	means the Ordinary Shares of £0.01 (one pence) each in the capital of the Company, having the rights and being subject to the restrictions set out in these Articles;
"Permitted Leaver"	means an executive shareholder of a FA Firm or Key Business Writer of a FA Firm (as applicable) who ceases to be a relevant executive shareholder of such FA Firm or a Key Business Writer of such FA Firm (i) by reason of death; (ii) by reason of permanent ill health or physical or mental disability which renders him permanently incapable of continued engagement in his current position carrying out the normal duties for that position and as certified by a general medical practitioner or other specialist medical professional nominated or approved by the Board, (iii) by reason of retirement from the FA Firm concerned at normal retirement age, (iv) but who within 3 months becomes an executive shareholder or Key Business Writer of that or another FA Firm or of a firm which is willing and able to become a FA Firm or (v) for any reason but is designated in writing by the Board in its absolute discretion as a Permitted Leaver;

"Permitted Transferee"

means.

- (i) in respect of a Shareholder (other than a FA Firm) which is a company, any of its subsidiaries and subsidiary undertakings from time to time and any holding company of such company and any subsidiary or subsidiary undertaking of such holding company;
- (ii) in respect of a Shareholder which is a natural person (other than any natural person referred to in (iv), (v) or (vi) below), any of (a) that person's spouse, civil partner or child, (b) the trustee or administrator (or similar) of any trust or personal pension plan or other tax efficient arrangement which permits the holding of B Ordinary Shares and/or G Ordinary Shares within such trust, plan or arrangement where the only beneficiaries of which are the relevant natural person and/or that person's spouse, civil partner or child(ren) and (c) any other trust of a family nature approved specifically as a Permitted Transferee by the Board;
- (iii) in respect of a Shareholder which is a FA Firm, (a) any of its wholly owned subsidiaries from time to time and any holding company which wholly owns such FA Firm and any wholly owned subsidiary of such holding company, (b) an executive shareholder in such FA Firm, (c) the trustee or administrator (or similar) of any trust or personal pension plan or other tax efficient arrangement which permits the holding of B Ordinary Shares and/or G Ordinary Shares within such trust, plan or arrangement where the only beneficiary of which is such executive shareholder, (c) a Key Business Writer of such FA Firm and (d) the trustee or administrator (or similar) of any trust or personal pension plan or other tax efficient arrangement which permits the holding of B Ordinary Shares and/or G Ordinary Shares within such trust, plan or arrangement where the only beneficiary of which is any such Key Business Writer;
- (iv) in respect of a Shareholder which is an executive shareholder in a FA Firm, any of (a) the FA Firm in which such person is an executive shareholder, (b) the trustee or administrator (or similar) of any trust or personal pension plan or other tax efficient arrangement which permits the holding of B Ordinary Shares and/or G Ordinary Shares within such trust, plan or arrangement where the only beneficiary of which is such executive shareholder, (c) a Key Business Writer of such FA Firm and (d) the trustee or administrator (or similar) of any trust or personal pension plan or other tax efficient arrangement which permits the holding of B Ordinary Shares and/or G Ordinary Shares within such trust, plan or arrangement where the only beneficiary of which is any such Key Business Writer;
- (v) in respect of a Shareholder which is a Key Business Writer of a FA Firm, any of (a) the FA Firm in which such person is a Key Business Writer and (b) the trustee or administrator (or similar) of any trust or personal pension plan or other tax efficient arrangement which permits the holding of B Ordinary Shares or G Ordinary Shares within such trust, plan or arrangement where the only beneficiary of which is such Key Business Writer, (c) an executive shareholder of such FA Firm and (d) the trustee or administrator (or similar) of any trust or personal pension plan or other tax efficient arrangement which permits the

	holding of B Ordinary Shares and/or G Ordinary Shares within such trust, plan or arrangement where the only beneficiary of which is any such executive shareholder;
(vi)	in respect of a Shareholder which is the trustee or administrator (or similar) of any trust or personal pension plan or other tax efficient arrangement which permits the holding of B Ordinary Shares and/or G Ordinary Shares within such trust, plan or arrangement where the only beneficiary of which is either an executive shareholder of a FA Firm or a Key Business Writer of a FA Firm, either of (a) the executive shareholder or Key Business Writer concerned and (b) the FA Firm in which such person is an executive shareholder or Key Business Writer (as applicable).
"Realisation"	means any of an Asset Sale, a Capital Return or a Sale;
"Realised G Ordinary Shares"	means those G Ordinary Shares in respect of which any performance conditions that are set out in any relevant G Ordinary Share Subscription Agreement that applies to those G Ordinary Shares have, at the relevant time, been satisfied and accordingly are deemed to be Realised G Ordinary Shares pursuant to the provisions of such G Ordinary Share Subscription Agreement;
"Realised G Ordinary Share Conversion Rate"	means the multiplier, calculated in accordance with Article 3.17.1, used to calculate the number of Ordinary Shares that Realised G Ordinary Shares will convert into on the Conversion Date;
"Realised G Ordinary Shareholders"	means those G Ordinary Shareholders whose G Ordinary Shares are Realised G Ordinary Shares;
"Recognised Investment Exchange"	has the meaning given to it in section 285 FSMA,
"Relevant Company"	means the Company, any parent or subsidiary undertaking of the Company, or any other body, whether or not incorporated, in which the Company or any parent or subsidiary undertaking of the Company or any of their predecessors has or had any interest (direct or indirect) or which is in any way allied to or associated with the Company or parent or any subsidiary undertaking of the Company;
"Remuneration Committee"	means the committee of the Board which has delegated authority to determine issues relating to the remuneration and benefits of the Directors and employees of, and consultants to, the Group;
"Sale"	means the bona fide arms' length transfer (whether through a single transaction or a series of transactions) of the entire issued share capital of the Company to a person and (if the case may be) to any other person: <ul style="list-style-type: none"> (a) who is a Connected Person of that first person; or (b) with whom he is Acting in Concert, <p><i>other than a new holding company of the Company which is inserted for the purposes of planning for an Exit in which the share capital structure of the Company is replicated in all material respects;</i></p>
"Sale Proceeds"	means the value of the consideration payable on completion of a Sale (the "Value"), provided that:

- (a) if the payment of the whole or any part of the consideration for the Sale is deferred (including where the consideration takes the form of loan notes) such that the consideration is only due and payable on a date or dates after the date of completion of the Sale ("**Deferred Instalments**"), the Value shall be determined in accordance with Article 3.6.2; and,
- (b) if the consideration for the Sale comprises wholly or in part the issue of securities (not accompanied by a cash alternative):
- (i) if the securities will rank *pari passu* with a class of securities already traded on a securities exchange, the Value or the relevant part thereof shall be the value of such securities applied for the purposes of the Sale; and
 - (ii) if the securities will not so rank, the Value or the relevant part thereof shall be the value of such securities determined by the Company's Auditors (or such other party as the Board may determine) in a certificate obtained for the purpose and addressed to the Company;
- "Shareholder"** means a person entered in the register of members of the Company as the holder from time to time of Shares or such other shares as the Company may issue from time to time in accordance with the Articles;
- "Shareholder Consent"** means the prior written consent of the Ordinary Shareholders holding in the aggregate more than 70% (seventy percent) of the voting rights exercisable in respect of the Ordinary Shares,
- "Shareholder's Group"** means, a Shareholder which is a corporate entity and any subsidiary or holding company of that Shareholder or a subsidiary of such holding company, from time to time and "**member of a Shareholder's Group**" shall be construed accordingly;
- "Shares"** means the Ordinary Shares, the B Ordinary Shares, the G Ordinary Shares and such other shares as the Company may allot and issue from time to time in accordance with these Articles;
- "Table A"** means Table A in the schedule to the Companies (Tables A to F) Regulations 1985 (S.I. 1985 No. 805) (as amended by SI 2007/254 and SI 2007/2826);
- "Transfer"** means, in relation to any share or any legal or beneficial interest (including, without limitation, voting rights) in any share in the capital of the Company, to,
- (a) sell, assign, transfer or otherwise dispose of it;
 - (b) create or permit to subsist any Encumbrance over it;
 - (c) direct (by way of renunciation or otherwise) that another person should, or assign any right to, receive it,
 - (d) enter into any agreement in respect of the votes or any other rights attached to it; or
 - (e) agree, whether or not subject to any condition precedent or subsequent, to do any of the foregoing,
- and "**a Transfer**" and "**Transferred**" shall be construed accordingly;
- "Unrealised G Ordinary Shares"** means all G Ordinary Shares that are not Realised G Ordinary Shares;

"Unrealised G Ordinary Shareholder"	means those G Ordinary Shareholders whose G Ordinary Shares are Unrealised G Ordinary Shares;
"Valuation"	means a valuation, approved by the Board, of the Company as a whole and which specifies a value per share for each class of share in the capital of the Company then in issue, and
Valuation Date	means 30 April in each calendar year.

1.2 In these Articles:

- 1.2.1 unless the context otherwise requires or as otherwise expressly defined in these Articles, words or expressions contained in these Articles, and in Table A, to which a particular meaning is given in the Act shall bear the same meaning,
- 1.2.2 a reference to a "**subsidiary undertaking**" or a "**group undertaking**" is to be construed in accordance with sections 1162 and 1161 respectively of the Act and a reference to a "**subsidiary**" or "**holding company**" is to be construed in accordance with section 1159 of the Act,
- 1.2.3 a reference to "**the Directors**" and/or "**the Board**" should be read as meaning the Directors acting either: (i) by quorate board meeting; (ii) by written resolution; (iii) by committee or other delegated authority, as permitted by these Articles; or (iv) acting otherwise as permitted by these Articles;
- 1.2.4 save as expressly provided otherwise a reference to a statutory provision includes a reference to:
- (i) the statutory provision as modified or re-enacted or both from time to time (whether before or after the Adoption Date); and
 - (ii) any subordinate legislation made under the statutory provision (as so modified or re-enacted) whether before or after the Adoption Date;
- 1.2.5 a reference to a "**person**" includes, without limitation, a reference to any individual, firm, company, corporation or other body corporate, government, state or agency of a state or any joint venture, association or partnership, works council or employee representative body (whether or not having a separate legal personality);
- 1.2.6 a reference to the singular shall (unless the context otherwise requires) include the plural, and vice versa;
- 1.2.7 words importing one gender shall include each gender;
- 1.2.8 a reference to a regulation is to a regulation in Table A; and
- 1.2.9 references to a "**meeting**" shall not be taken as requiring more than one person to be present in the same place, provided that any quorum requirement under these Articles is satisfied

1.3 The headings in these Articles do not affect their interpretation or construction.

2. Regulations

- 2.1 The regulations contained in Table A apply to the Company except to the extent that they are excluded or modified by, or are inconsistent with these Articles. No other regulations contained in any statute or subordinate legislation apply as the regulations or articles of association of the Company
- 2.2 The last paragraph of regulation 1, regulations 6, 26, 37, 38, 40, 41, 48, 51, 52, 60, 61, 62, 64, 76 to 78 (inclusive), 79, 81, 90, 91, 94 to 98 (inclusive), 112, 115 and 118 do not apply to the Company and regulations 8, 24, 35, 46, 47, 49, 54, 56, 57, 59, 63, 65, 66, 67, 68, 69, 72, 82, 83, 84, 87, 88, 89, 92, 93, 103, 109, 110, 111, 116 and 117 are modified.

3. Share Capital

- 3.1 The liability of the Shareholders is limited to the amount, if any, unpaid on the Shares held by them
- 3.2 The Remuneration Committee shall, prior to the first issue of G Ordinary Shares in a particular G Ordinary Share Sub-class, determine the Hurdle Rate which shall apply to that

G Ordinary Share Sub-class to be so issued and accordingly whether such shares shall be issued as G1 Ordinary Shares, G2 Ordinary Shares, G3 Ordinary Shares, G4 Ordinary Shares, G5 Ordinary Shares or G6 Ordinary Shares. Such Hurdle Rate shall remain fixed and documented in the share certificate issued by the Company to the relevant G Ordinary Shareholder and the relevant G Ordinary Share Subscription Agreement. All G Ordinary Shares issued with a common Hurdle Rate shall form one sub-class, whenever issued.

3.3 Save as otherwise provided in these Articles, the Ordinary Shares, the B Ordinary Shares and the G Ordinary Shares shall rank *pari passu* in all respects but shall constitute separate classes of shares. The Shares shall have, and be subject to, the following rights and restrictions:

3.4 **Distributions:**

3.4.1 Amounts to be Distributed by the Company in or in respect of any financial period may be declared on a class by class basis. Any amounts to be declared in respect of Ordinary Shares and B Ordinary Shares shall be divided between the Ordinary Shareholders and B Ordinary Shareholders *pro rata* to the number of Ordinary Shares and B Ordinary Shares held by each Ordinary Shareholder and B Ordinary Shareholder as at the time of the Distribution and paid to them accordingly (so that, for the purposes of this Article 3.4.1, the holders of Ordinary Shares and B Ordinary Shares are treated as if they held shares in a single class). Any amounts to be declared in respect of the G Ordinary Shares may be declared on a G Ordinary Share Sub-class by G Ordinary Share Sub-class basis at the Directors discretion. Any amounts to be declared in respect of a G Ordinary Share Sub-class shall be divided between the relevant G Ordinary Shareholders *pro rata* to the number of G Ordinary Shares held by each G Ordinary Shareholder in that G Ordinary Share Sub-class as at the time of the Distribution and paid to them accordingly.

3.4.2 The Deferred Shares shall not be entitled to any Distributions.

3.4.3 The Directors may deduct from a dividend or other amounts payable to a person on or in respect of a Share any amounts presently payable by him to the Company on account of a call or otherwise in respect of that Share.

3.4.4 Where some or all of the G Ordinary Shares held by a G Ordinary Shareholder are subject to a compulsory transfer process on cessation of employment pursuant to the G Ordinary Share Subscription Agreement (the "Affected G Ordinary Shares"), those Affected G Ordinary Shares shall not be entitled to any Distributions.

3.4.5 If the Directors decide that the profits of the Company justify such payments, they may pay interim dividends of such amounts and on such dates as they think fit and they may exclude any Unrealised G Ordinary Shares from participating in any such interim dividend. If the Directors act in good faith, they shall not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of a fixed or interim dividend on any shares having deferred or non-preferred rights.¹

3.4.6 This Article applies to any dividend on any shares, or any distribution, allotment or issue to the holders of any shares. Such dividend, distribution, allotment or issue of shares can be paid or made to the registered holder or to anyone otherwise entitled at a particular time on a particular day selected by the Directors notwithstanding any subsequent transfer or transmission of the shares. It shall be based on the number of shares registered at that time on that day, even if this is before any resolution to authorise what is being done was passed. This Article applies whether what is being done is the result of a resolution of the Directors, or an ordinary resolution. The time and date can be before the dividend or other allotment is to be paid or made, or before any relevant resolution was passed. The provisions of this Article do not prejudice the rights to dividends or other benefits as between the transferors and transferees of any such shares.²

¹ Article 3.4.5 was inserted by special resolution passed on 10 May 2018

² Article 3.4.6.3.17.3 was inserted by special resolution passed on 10 May 2018.

3.5 Capital Returns:

3.5.1 Subject to Article 3.19.1(ii), on a Capital Return the surplus assets of the Company remaining after payment or discharge of its liabilities and available for distribution among the members of the Company (the "**Capital Distribution Amount**") shall be applied in the following order and priority (the "**Distribution Mechanism**").

Priority	Class of Share	Amount to be paid
1.	Ordinary Shares and B Ordinary Shares (as if one class).	An amount which is equal to the G1 Hurdle Rate.
2.	Ordinary Shares, B Ordinary Shares and G1 Ordinary Shares (as if one class).	Any balance of such Capital Distribution Amount in excess of the G1 Hurdle Rate up to the difference between the G2 Hurdle Rate and the G1 Hurdle Rate
3	Ordinary Shares, B Ordinary Shares, G1 Ordinary Shares and G2 Ordinary Shares (as if one class).	Any balance of such Capital Distribution Amount in excess of the G2 Hurdle Rate up to the difference between the G3 Hurdle Rate and the G2 Hurdle Rate.
4.	Ordinary Shares, B Ordinary Shares, G1 Ordinary Shares, G2 Ordinary Shares and G3 Ordinary Shares (as if one class).	Any balance of such Capital Distribution Amount in excess of the G3 Hurdle Rate up to the difference between the G4 Hurdle Rate and the G3 Hurdle Rate.
5.	Ordinary Shares, B Ordinary Shares, G1 Ordinary Shares, G2 Ordinary Shares, G3 Ordinary Shares and G4 Ordinary Shares (as if one class).	Any balance of such Capital Distribution Amount in excess of the G4 Hurdle Rate up to the difference between the G5 Hurdle Rate and the G4 Hurdle Rate.
6.	Ordinary Shares, B Ordinary Shares, G1 Ordinary Shares, G2 Ordinary Shares, G3 Ordinary Shares, G4 Ordinary Shares and G5 Ordinary Shares (as if one class).	Any balance of such Capital Distribution Amount in excess of the G5 Hurdle Rate up to the difference between the G6 Hurdle Rate and the G5 Hurdle Rate.
7.	Ordinary Shares, B Ordinary Shares, G1 Ordinary Shares, G2 Ordinary Shares, G3 Ordinary Shares, G4 Ordinary Shares, G5 Ordinary Shares and G6 Ordinary Shares (as if one class).	Any balance of such Capital Distribution Amount in excess of the G6 Hurdle Rate up to the difference between £10,000,000 per Share and the G6 Hurdle Rate.
8	Deferred Shares	Any balance of such Capital Distribution Amount after payment of the above shall be distributed among the Ordinary Shareholders, the B Ordinary Shareholders, the G Ordinary Shareholders and the Deferred Shareholders as if one class.

- 3.5.2 Unrealised G Ordinary Shares shall not participate in the proceeds of a Capital Return.
- 3.5.3 Where any Ordinary Shareholder or B Ordinary Shareholder is prevented from receiving any amount of the proceeds of a Capital Return pursuant to any agreement to which that Shareholder and the Company is a party (the "**Prevented Party**") which that Prevented Party otherwise would be entitled to receive by virtue of this Article 3.5 (the "**Excess Capital Distribution Amount**"), then the Excess Capital Distribution Amount shall be distributed in accordance with the terms of such agreement, or if silent in this regard, then among the remaining Ordinary Shareholders and B Ordinary Shareholders *pari passu*.
- 3.5.4 In the event that a Distribution occurs prior to a Capital Return or a Sale, the Remuneration Committee may determine, in their absolute discretion, whether the Distribution Mechanism should be adjusted to reflect the fact that, but for the Distribution, the Capital Distribution Amount or Sale Proceeds would have been higher.
- 3.6 Sale:**
- 3.6.1 Subject to Article 3.19.1(ii), on a Sale the Sale Proceeds shall be allocated in accordance with the provisions of Articles 3.5.1 and 3.5.2 which shall apply *mutatis mutandis* as if references to the "**Capital Distribution Amount**" were to "**Sale Proceeds**" and references to "**Capital Return**" were to "**Sale**".
- 3.6.2 If the Sale Proceeds include Deferred Instalments the Distribution Mechanism shall be applied on completion of the Sale in respect of the consideration to be paid on completion and repeated each time a Deferred Instalment becomes due and payable. Each time the Distribution Mechanism is reapplied, when calculating the amount due to Shareholders the Sale Proceeds shall include the sum of all consideration that has already been paid and the relevant Deferred Instalment, provided that account shall be taken of amounts already received by Shareholders, or not received (as the case may be), in respect of previous payments of consideration when calculating the amount to be paid to Shareholders in order to ensure that amounts are not paid to Shareholders when any Deferred Instalment becomes due and payable in respect of amounts that have already been paid to Shareholders following a payment on completion or a payment of a previous Deferred Instalment
- 3.6.3 Where any Ordinary Shareholder or B Ordinary Shareholder is prevented from receiving any amount of the Sale Proceeds pursuant to any agreement to which that Shareholder and the Company is a party (the "**Prevented Party**") which that Prevented Party otherwise would be entitled to receive by virtue of this Article 3.6 (the "**Excess Sale Proceeds**"), then the Excess Sale Proceeds shall be distributed in accordance with the terms of such agreement, or if silent in this regard, then among the remaining Ordinary Shareholders and B Ordinary Shareholders *pari passu*.
- 3.7 Asset Sale:**
- 3.7.1 If and to the extent that, following an Asset Sale the proceeds (net of expenses and tax) of such Asset Sale are to be distributed by the Company to the Shareholders (an "**Asset Sale Distribution**") then, subject to Article 3.19.1(ii), the amount of the Asset Sale Distribution shall be allocated in accordance with the provisions of Articles 3.5.1 and 3.5.2 which shall apply *mutatis mutandis* as if references to the "**Capital Distribution Amount**" were to "**the amount of the Asset Sale Distribution**" and references to "**Capital Return**" were to "**Asset Sale**".
- 3.7.2 Where any Ordinary Shareholder or B Ordinary Shareholder is prevented from receiving any amount of the Asset Sale Distribution pursuant to any agreement to which that Shareholder and the Company is a party (the "**Prevented Party**") which that Prevented Party otherwise would be entitled to receive by virtue of this Article 3.7 (the "**Excess amount of the Asset Sale Distribution**") then the Excess amount of the Asset Sale Distribution shall be distributed in accordance with the terms of such agreement, or if silent in this regard, then among the remaining

Ordinary Shareholders and B Ordinary Shareholders *pari passu*.

Unrealised G Ordinary Shares:

3.8 Any G Ordinary Shares in issue at the time of a Listing or the Backstop Date or a Realisation (whichever is earlier) which, following the assessment of the satisfaction of any performance conditions relevant to such G Ordinary Shares that are set out in any G Ordinary Share Subscription Agreement relating to such G Ordinary Shares, remain as Unrealised G Ordinary Shares shall immediately before such time or the completion of such event (as the case may be) be transferred to the trustee of the EBT or to such other person as the Directors may determine for an aggregate consideration of £1 for all of the Unrealised G Ordinary Shares held by each Unrealised G Ordinary Shareholder. Each Unrealised G Ordinary Shareholder shall be deemed to have irrevocably appointed such person as may be nominated for such purpose by the Directors to be his agent to execute and deliver on his behalf all such documentation as may be necessary to transfer his Unrealised G Ordinary Shares pursuant to this Article and the Directors shall forthwith register the transferee as the holder of such Unrealised G Ordinary Shares. It shall be no impediment to the transfer or registration of shares under this Article that no share certificate (or lost share certificate indemnity) has been produced.³

3.9 Procurement for the transfer of Unrealised G Ordinary Shares

3.9.1 In order to effect the transfer of any Unrealised G Ordinary Shares to the trustee of the EBT pursuant to Article 3.8, prior to the Effective Date of the transfer:

- (i) the trustee of the EBT (or the Company on his behalf) shall give written notice to the relevant Unrealised G Ordinary Shareholder notifying them of the Effective Date of the transfer of such Unrealised G Ordinary Shares and the number of Unrealised G Ordinary Shares to be transferred;
- (ii) the consideration for such transfer shall become a debt due and payable by the trustee of the EBT to the relevant Unrealised G Ordinary Shareholder;
- (iii) each Unrealised G Ordinary Shareholder whose Unrealised G Ordinary Shares are to be transferred, shall deliver to the trustee of the EBT (or the Company on his behalf) the certificate (or an indemnity in a form reasonably satisfactory to the Company) in respect of the shares being transferred;
- (iv) the trustee of the EBT, subject to receipt of the relevant certificate or indemnity in lieu of the certificate by him or by the Company on his behalf, shall pay the consideration for those Unrealised G Ordinary Shares to the relevant Unrealised G Ordinary Shareholder;
- (v) such transfer of Unrealised G Ordinary Shares will be effective only immediately prior to a Listing (where the obligation to transfer the Unrealised G Ordinary Shares arises due to a Listing) or immediately prior to the Backstop Date (where the obligation to transfer arises due to the Backstop Date) or immediately prior to the completion of a Realisation (where the obligation to transfer arises due to a Realisation) (the "**Effective Date**") and, if the obligation to transfer the Unrealised G Ordinary Shares arises due to a Listing and such Listing does not become effective or does not take place, such transfer shall be deemed not to have occurred;
- (vi) save as otherwise provided in this Article 3.9.1, the Remuneration Committee may determine the manner of such transfer of any Unrealised G Ordinary Shares.

3.10 Subject to Articles 5 and 6, in any other circumstance where an Unrealised G Ordinary Shareholder transfers or is required to transfer his shares to any person including but not limited to the Company, the Company's nominee, the trustee of the EBT or any other Shareholder, each Unrealised G Ordinary Shareholder shall only be entitled to receive £1 for or in respect of all of the Unrealised G Ordinary Shares held by him.

3.11 Voting:

³ Article 3 8 was amended by special resolution passed on 10 May 2018
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- 3.11.1 the Ordinary Shares shall confer on each holder thereof the right to receive notice of and to attend, speak and vote at all general meetings of the Company; and
- 3.11.2 the B Ordinary Shares, the G Ordinary Shares and the Deferred Shares shall not confer on the holders thereof (in their capacity as such) any right to receive notice of or to attend, speak or vote at any general meetings of the Company.
- 3.12 Subject to the provisions of the Act, the Directors have general and unconditional authority to allot (with or without conferring rights of renunciation), grant options over, offer or otherwise deal with or dispose of any unissued Shares to such persons, at such times and on such terms and conditions as the Directors may decide provided they act pursuant to any agreement to allot Shares but no Share may be issued at a discount.
- 3.13 Article 3.13 has been deleted.⁴
- Conversion:**
- 3.14 Any B Ordinary Shares in issue at the time of a Listing shall automatically convert into Ordinary Shares upon the Conversion Date
- 3.15 **Procurement for conversion of B Ordinary Shares:**
- 3.15.1 on or before the Conversion Date each holder of any relevant B Ordinary Shares shall deliver the certificate (or an indemnity in a form reasonably satisfactory to the Company) in respect of the shares being converted for such shares (together with such other evidence (if any) as the Board may reasonably require to prove good title to such shares) to the Company at its registered office for the time being;
- 3.15.2 such conversion will be effective only immediately prior to such Listing (and "**Conversion Date**" shall be construed accordingly) and, if such Listing does not become effective or does not take place, such conversion shall be deemed not to have occurred;
- 3.15.3 upon the Conversion Date, any relevant B Ordinary Share shall (without further authority than is contained in these Articles) stand converted into Ordinary Shares, held and the Ordinary Shares resulting from such conversion shall in all other respects rank *pari passu*, with the existing issued Ordinary Shares;
- 3.15.4 the Company shall on the Conversion Date enter the holder of any B Ordinary Shares so converted on the register of members of the Company as the holder of the appropriate number of Ordinary Shares and, subject to any relevant B Ordinary Shareholders delivering the relevant certificate (or indemnity or other evidence) in respect of such shares in accordance with this Article, the Company shall within 10 (ten) Business Days thereafter forward to any such holder of such shares by post to his address shown in the register of members, at his own risk, free of charge, a definitive certificate for the appropriate number of fully paid Ordinary Shares. In the meantime, transfers of Ordinary Shares shall be certified against the Register
- 3.16 Following the operation of Articles 3.8 and 3.9, but subject to Articles 3.18 and 3.19, any Realised G Ordinary Shares in issue at the time of a Listing or (if earlier) the Backstop Date shall automatically convert into such number of Ordinary Shares upon the Conversion Date in accordance with Article 3.17.
- 3.17 **Procurement for conversion of Realised G Ordinary Shares:**
- 3.17.1 In order to determine the number of Ordinary Shares into which any Realised G Ordinary Shares held by a Realised G Ordinary Shareholder will convert upon the Conversion Date, the Remuneration Committee shall calculate the Realised G Ordinary Share Conversion Rate as follows:
- $$A = \frac{B}{C}$$
- Where.
- A = the Realised G Ordinary Share Conversion Rate;

⁴ Article 3.13 was deleted by special resolution passed on 10 May 2018.

B = the unrestricted market value of a Realised G Ordinary Share disregarding the conversion rights applicable to that Realised G Ordinary Share, but taking into account any amounts which that Realised G Ordinary Shareholder would be entitled to receive pursuant to Article 3.5 if the value of the Company as a whole were the Capital Distribution Amount, and

C = the unrestricted market value of an Ordinary Share taking into account any amounts which an Ordinary Shareholder would be entitled to receive pursuant to Article 3.5 if the value of the Company as a whole were the Capital Distribution Amount.

3.17.2 The number of Ordinary Shares into which any Realised G Ordinary Shares held by a Realised G Ordinary Shareholder will convert upon the Conversion Date shall be calculated as follows:

$$D = E \times F$$

Where:

D = the number, rounded down to the nearest whole number, of Ordinary Shares into which any Realised G Ordinary Shares held by a Realised G Ordinary Shareholder will convert;

E = the number of Realised G Ordinary Shares held by a Realised G Ordinary Shareholder immediately before the conversion takes place; and

F = the Realised G Ordinary Share Conversion Rate.

3.17.3 Where the number of Ordinary Shares into which any Realised G Ordinary Shares held by a Realised G Ordinary Shareholder will convert pursuant to these Articles does not equal the number of Realised G Ordinary Shares held by such Realised G Ordinary Shareholder immediately prior to such conversion, then such number of Ordinary Shares as is equal to the difference will convert (on the Conversion Date) into the same number of Deferred Shares. No share certificate shall be issued in respect of any Deferred Shares. Each holder of Deferred Shares (whether resulting from a conversion pursuant to this Article or otherwise) shall be deemed to have irrevocably appointed such person as may be nominated for such purpose by the Directors to be his agent to execute and deliver on his behalf all such documentation as may be necessary to transfer his Deferred Shares to the trustee of the EBT or to such other person as the Directors may determine (for nil consideration) and the Directors shall forthwith register the transferee as the holder of such Deferred Shares. It shall be no impediment to the transfer or registration of shares under this Article that no share certificate (or lost share certificate indemnity) has been produced.⁵

3.17.4 In order to effect the conversion of any Realised G Ordinary Shares into Ordinary Shares:

- (i) on or before the Conversion Date each holder of any Realised G Ordinary Shares shall deliver the certificate (or an indemnity in a form reasonably satisfactory to the Company) in respect of the shares being converted into such Ordinary Shares (together with such other evidence (if any) as the Board may reasonably require to prove good title to such shares) to the Company at its registered office for the time being;
- (ii) such conversion will be effective only immediately prior to a Listing (where the Conversion Date arises due to a Listing) or at 2.00 pm UK time on the Backstop Date (where the Conversion Date arises otherwise than due to a Listing) (and "**Conversion Date**" shall be construed accordingly) and, if the Conversion Date arises due to a

⁵ Article 3.17.3 was amended by special resolution passed on 10 May 2018.

Listing and such Listing does not become effective or does not take place, such conversion shall be deemed not to have occurred;

- (iii) except where the Company has given notice of the Redemption of the Realised G Ordinary Shareholder's Realised G Ordinary Shares pursuant to Article 3.18.4(i), upon the Conversion Date, any relevant Realised G Ordinary Shares shall (without further authority than is contained in these Articles) stand converted into Ordinary Shares (as calculated above), held and the Ordinary Shares resulting from such conversion shall in all other respects rank *pari passu*, with the existing issued Ordinary Shares;
- (iv) the Company shall on (or as soon as reasonably practicable following) the Conversion Date enter the holder of any Realised G Ordinary Shares so converted on the register of members of the Company as the holder of the appropriate number of Ordinary Shares and, subject to any relevant Realised G Ordinary Shareholders delivering the relevant certificate (or indemnity or other evidence) in respect of such shares in accordance with this Article, the Company shall within 10 (ten) Business Days thereafter forward to any such holder of such shares by post to his address shown in the register of members, at his own risk, free of charge, a definitive certificate for the appropriate number of fully paid Ordinary Shares. In the meantime, transfers of Ordinary Shares shall be certified against the Register.

3.18 Redemption of Realised G Ordinary Shares

- 3.18.1 The Company may, at its option, redeem any Realised G Ordinary Share for cash at any time within the period commencing 30 days prior to a Conversion Date and ending 30 days following a Conversion Date (such period being the "**Redemption Period**") ("**Notified Redemption**"). Any such redemption shall be effected by the Company in accordance with Article 3.18.4.
- 3.18.2 Immediately prior to the expiry of the Redemption Period in respect of any Realised G Ordinary Share, if such Realised G Ordinary Share has not been redeemed or converted in accordance with these Articles, it shall be automatically redeemed for cash ("**Automatic Redemption**"). Any such redemption shall be effected by the Company in accordance with Article 3.18.4, either a Notified Redemption or an Automatic Redemption being referred to in these Articles as a "**Redemption**".
- 3.18.3 The price payable on Redemption of the Realised G Ordinary Shares held by a particular shareholder to be redeemed in accordance with Article 3.18.1 or Article 3.18.2, shall be calculated as follows.

$$G = H \times J$$

Where:

G = the redemption price (in pounds sterling) payable on the relevant Redemption in accordance with Article 3.18.1 or Article 3.18.2;

H = the total number of Ordinary Shares into which the Realised G Ordinary Shares held by that shareholder would be converted, if such number were calculated in accordance with Article 3.17 as at the date of Redemption of the relevant Realised G Ordinary Shares, and

J = the unrestricted market value of an Ordinary Share calculated in accordance with the provisions of Article 3.17.1.

- 3.18.4 In order to effect the redemption of any Realised G Ordinary Shares, on any date when the Company redeems any Realised G Ordinary Shares in accordance with Article 3.18.1 or 3.18.2:
 - (i) the Company shall, prior to the Conversion Date, give written notice to the relevant Realised G Ordinary Shareholder notifying them of the

- date of Redemption of such Realised G Ordinary Shares and the number of Realised G Ordinary Shares which have been redeemed;
- (ii) the Redemption Amount for those Realised G Ordinary Shares shall become a debt due and payable by the Company to the relevant Realised G Ordinary Shareholder;
 - (iii) each Realised G Ordinary Shareholder whose Realised G Ordinary Shares are to be redeemed, shall deliver to the Company the certificate (or an indemnity in a form reasonably satisfactory to the Company) in respect of the shares being redeemed;
 - (iv) the Company, subject to receipt of the relevant certificate or indemnity in lieu of the certificate, shall pay the Redemption Amount for those Realised G Ordinary Shares to the relevant Realised G Ordinary Shareholder in accordance with Article 3.18.4(v);
 - (v) payments in respect of the amount due on Redemption of any Realised G Ordinary Share shall be made by bank transfer in immediately cleared sterling funds to such account as the relevant Realised G Ordinary Shareholder may have notified to the Company or if no such notification has been made at the relevant date of Redemption, by cheque made payable to the relevant Realised G Ordinary Shareholder; and
 - (vi) save as otherwise provided in this Article 3.18.4, the Remuneration Committee may determine the terms, conditions and manner of redemption of any Realised G Ordinary Shares.
- 3.18.5 If the Company is unable, by virtue of the Listing Rules, the rules of the Alternative Investment Market of the LSE or the rules of any other Recognised Investment Exchange (as the case may be), or any statute or any regulation or order made thereunder or any governmental directive effective for the time being, from lawfully redeeming the Realised G Ordinary Shares during a Redemption Period then it will be entitled to effect such Redemption at any time during a period of 30 days from the end of the relevant prohibition and the Redemption Period shall be deemed to be extended accordingly.
- 3 19 G Ordinary Shares held by the EBT**
- 3.19.1 For such time as any G Ordinary Shares are held by the trustee of the EBT, those G Ordinary Shares shall not be entitled to:
- (i) the right to participate in any Distributions pursuant to Article 3.4;
 - (ii) the right to participate in any Capital Return or receive any Sale Proceeds or any amount of the Asset Sale Distribution pursuant to Articles 3.5 to 3.7 (inclusive) and, for the avoidance of doubt, any Shares then held by the trustee of the EBT shall be ignored for the purposes of conducting the calculations referred to in Articles 3.5 to 3.7 (inclusive).
- 3.19.2 The trustee of the EBT shall on demand transfer any G Ordinary Shares then held by him to the Company for an aggregate consideration of £1 in respect of all G Ordinary Shares required to be transferred at such time and in such manner as the Company shall determine
- 3.20 No G Ordinary Shares that are held by the trustee of the EBT shall convert into Ordinary Shares pursuant to Article 3.16.
- 3.21 The Company may exercise the powers of paying commissions conferred by the Act. Subject to the provisions of the Act, any such commission may be satisfied by the payment of cash or by the allotment of fully or partly paid shares or partly in one way and partly in the other
- 3.22 The Directors may refuse to allot any relevant security if in their absolute discretion they consider that the person to whom such security is proposed to be allotted has, or may then have, or would or may as a consequence of such allotment obtain, a Notifiable Holding unless the Directors shall (in their absolute discretion) be satisfied that the FSA has been notified (if so required under the FSMA) of such proposed action and the FSA shall have

given its unconditional, or subject to conditions acceptable to the Board, written confirmation (if so required under the FSMA) that it does not object to such Notifiable Holding being acquired or shall not have objected (within any relevant period for objection).

Pre-emption provisions on allotment of new Shares

- 3.23 Any allotment of or increase in the issued Ordinary Shares shall be effected by an offer to the Ordinary Shareholders *pro rata* to their existing holding of Ordinary Shares taken as one class.
- 3.24 Any allotment of or increase in the issued B Ordinary Shares shall be effected by an offer to the Ordinary Shareholders and to the B Ordinary Shareholders (but not, for the avoidance of doubt, to the G Ordinary Shareholders) *pro rata* to their existing aggregate holding of Ordinary Shares and B Ordinary Shares taken as one class.
- 3.25 No allotment of or increase in the issued G Ordinary Shares shall be subject to any rights of pre-emption in favour of any of the Shareholders.

3A. Rights and restrictions attached to the Redeemable Preference Shares⁶

- 3A.1 The redeemable preference shares of £1 each in the capital of the Company (the "**Preference Shares**") shall have the rights, and be subject to the restrictions, attaching to those shares set out in these Articles save that in the event of a conflict between any provision in this Article 3A and any other provision in these Articles, the provisions in this Article 3A shall prevail.
- 3A.2 Notwithstanding regulation 110(b) of Table A, the directors may, with the authority of an ordinary resolution of the Company, appropriate any sum resolved to be capitalised by applying it in paying up in full Preference Shares to be allotted and issued (fully paid at par) to such member or members as the directors may determine
- 3A.3 Each Preference Share will carry a right to a fixed non-cumulative dividend of 0.01 per cent of its nominal value, payable annually in arrears on the anniversary of the Preference Share issuance (so long as the Preference Share remains in issue on that date), with the aggregate entitlement of each holder of Preference Shares being rounded down to the nearest whole penny.
- 3A.4 On a return of capital on a winding-up (excluding any intra-group reorganisation on a solvent basis), the holders of the Preference Shares shall be entitled, in priority to any payment to the holders of every other class of share in the capital of the Company, to 0.01 pence per Preference Share held by them. On a winding-up, the holders of the Preference Shares shall not be entitled to any further right of participation in the profits or assets of the Company in excess of that specified in this Article 3A 4. In the event that there is a winding-up to which this Article 3A 4 applies and the amounts available for payment are insufficient to pay the amounts due on all the Preference Shares in full, the holders of the Preference Shares shall be entitled to their *pro rata* proportion of the amounts to which they would otherwise be entitled. The aggregate entitlement of each holder of Preference Shares on a winding-up in respect of all the Preference Shares held by him shall be rounded down to the nearest whole penny. The holders of the Preference Shares shall not be entitled to any further right of participation in the profits or assets of the Company in their capacity as holders of Preference Shares.
- 3A.5 The holders of the Preference Shares shall not be entitled, in their capacity as holders of such Preference Shares, to receive notice of any general meeting of the Company nor to attend, speak or vote at any such general meeting
- 3A.6 *The Preference Shares are a separate class of shares. The Company may from time to time create, allot and issue further shares, whether ranking *pari passu* with or in priority or subsequent to the Preference Shares. The creation, allotment or issue of any such further shares (whether or not ranking in any respect in priority to the Preference Shares) shall be treated as being in accordance with the rights attaching to the Preference Shares and shall not involve a variation of such rights for any purpose or require the consent of the holders of*

⁶ Article 3A was inserted by special resolution passed on 8 May 2018.

the Preference Shares. A reduction by the Company of the capital paid up or credited as paid up on the Preference Shares and the cancellation of such shares shall be treated as being in accordance with the rights attaching to the Preference Shares and shall not involve a variation of such rights for any purpose or require the consent of the holders of the Preference Shares. Without prejudice to the generality of the foregoing, the Company is authorised to reduce (or purchase shares in) its capital of any class or classes and such reduction (or purchase) shall not involve a variation of any rights attaching to the Preference Shares for any purpose or require the consent of the holders of the Preference Shares.

- 3A.7 The Preference Shares shall not be listed or traded on any stock exchange nor shall any share certificates be issued in respect of such shares.
- 3A.8 The Preference Shares shall not be convertible into Ordinary Shares
- 3A.9 The Preference Shares may not be transferred except: (i) to personal representatives upon the death of the holder or to any person entitled to the share on bankruptcy of the holder; or (ii) to transfer the legal title in this share from one nominee to another, provided that there is no transfer of beneficial title to this share; or (iii) otherwise with the prior approval of the board
- 3A.10 Subject to the provisions of the Act and these Articles, the Company may elect (by notice in writing to any holder of Preference Shares) to redeem, out of the profits available for distribution, any of the Preference Shares held by such holder, as follows:
- (i) the Preference Shares may be redeemed at such time or times as the board may in its absolute discretion determine (the "**Redemption Date**");
 - (ii) on redemption of a Preference Share on the Redemption Date, the Company shall be liable to pay 0.01 pence the ("**Redemption Amount**") to the holder of such Preference Share registered on the Company's relevant register at the Redemption Date, with the aggregate entitlement of each such holder being rounded down to the nearest whole penny. The Company's liability to pay to such holder the Redemption Amount for each such Preference Share shall be discharged by the Company by a payment to such holder of the Redemption Amount for each such Preference Share approximately 14 days after the Redemption Date;
 - (iii) neither the Company nor any of its directors, officers or employees shall have any liability to any person for any loss or damage arising as a result of the determination of the Redemption Date in accordance with Article 3A.10(i) above; and
 - (iv) all Preference Shares redeemed shall be cancelled and the Company shall not be entitled to reissue them.
- 3A.11 Article 3A shall remain in force until there are no longer any Preference Shares in existence, notwithstanding any provision in these Articles to the contrary. Thereafter Article 3A shall be, and shall be deemed to be, of no effect (save to the extent that the provisions of Article 3A are referred to in other articles) and shall be deleted and replaced with the wording "Article 3A has been deleted", and the separate register for the holders of Preference Shares shall no longer be required to be maintained by the Company; but the validity of anything done under Article 3A before that date shall not otherwise be affected and any actions taken under Article 3A before that date shall be conclusive and not be open to challenge on any grounds whatsoever.

4. Transfer of Shares

- 4.1 Subject to Article 4.2, the Directors may refuse to register a transfer unless:
- 4.1.1 it is lodged at the registered office of the Company or at such other place as the Directors may appoint and is accompanied by the certificate for the Shares to which it relates and such other evidence as the Directors may reasonably require to show the right to the transfer or to make the transfer; and
 - 4.1.2 it is in respect of only one class of Shares
- 4.2 No Transfer of Shares shall take place, and the Directors shall not register a Transfer of Shares unless the Transfer is permitted by, and made in accordance with, these Articles and any agreement governing the Shareholders' relationship with each other in respect of the Company to which the Company is a party.

- 4.3 The Deferred Shares shall not be transferable other than pursuant to Article 3 17.3 or pursuant to a share buy-back by the Company⁷
- 4.4 The Directors may in their absolute discretion refuse to register any Transfer of a Share if they consider that the person to whom such Share is proposed to be transferred has, or may then have, or would or may as a consequence of such transfer obtain, a Notifiable Holding unless the Directors shall (in their absolute discretion) be satisfied that the FSA (if so required under FSMA) shall have been notified of such proposed action and the FSA shall have given its unconditional, or subject to conditions acceptable to the Board, written confirmation (if so required under FSMA) that it does not object to such person acquiring a Notifiable Holding or shall not have objected (within any relevant period for objection) to such person acquiring a Notifiable Holding.
- 4.5 For the purpose of ensuring compliance with the transfer provisions in these Articles and ensuring that a Transfer of Shares is permitted under these Articles, and that no circumstances have arisen whereby a notice is required to be or ought to have been given under these Articles, the Board may require any Shareholder (or the personal representative(s) of a Shareholder who has died) or any person named as a transferee in a transfer lodged for registration, to provide the Company with such information and evidence as the Board may reasonably deem relevant (including, without limitation, the names of all persons having interests in the Shares from time to time registered in the relevant Shareholder's name) and each Shareholder agrees to procure the provision of such information to the Board. Until such information or evidence is provided to the reasonable satisfaction of the Board:
- 4.5.1 the Directors shall be entitled to refuse to register any relevant transfer,
- 4.5.2 the relevant shares shall cease to confer the right to vote (either in person or by proxy) at any general meeting of the Company or (subject to the Act) at any meeting of the holders of any class of Shares in the capital of the Company; and
- 4.5.3 the relevant Shares shall not be counted in determining the total number of votes which may be cast at any such meeting or required for the purposes of a written resolution of any members or any class of members, or for the purposes of any other consent required under these Articles,

and regulation 24 shall take effect subject to the provisions of this Article 4.

Prohibition on Transfer of B Ordinary Shares and G Ordinary Shares

- 4.6 Except for a Transfer of:
- 4.6.1 B Ordinary Shares to be made:
- (i) by a B Ordinary Shareholder pursuant to the pre-emption provisions provided for in Article 4.20;
 - (ii) by a B Ordinary Shareholder to a Permitted Transferee, subject to the provisions of Article 4.7;
 - (iii) by a Remaining B Ordinary Shareholder (as defined in Article 5.3) pursuant to the acceptance of an offer made under the tag-along provisions provided for in Article 5;
 - (iv) by a remaining B Ordinary Shareholder as required by the drag-along provisions provided for in Article 6;
 - (v) pursuant to the compulsory transfer provisions provided for in Articles 4.8 to 4.19 (inclusive); or
 - (vi) with Shareholder Consent; or
- 4.6.2 G Ordinary Shares to be made by a G Ordinary Shareholder to a Permitted Transferee, subject to the provisions of Article 4.7 or as otherwise permitted or required by these Articles or pursuant to any separate agreement relating to G Ordinary Shares to which the Company is a party,

no B Ordinary Shareholder or G Ordinary Shareholder shall effect any Transfer of any of its B Ordinary Shares or G Ordinary Shares (as applicable).

⁷ Article 4.3 was amended by special resolution passed on _____ 2018.

- 4.7 Should any Permitted Transferee holding B Ordinary Shares or G Ordinary Shares (as applicable) at any time cease to have the relevant relationship with the original transferring Shareholder of such B Ordinary Shares or G Ordinary Shares (as applicable) which, at the time of the original transfer, characterised the transferee as a Permitted Transferee of the original transferring Shareholder, such Permitted Transferee undertakes to transfer such B Ordinary Shares or G Ordinary Shares (as applicable) to the original transferring Shareholder or another Permitted Transferee of the original transferring Shareholder.

Compulsory Transfer relating to B Ordinary Shares

- 4.8 Articles 4.9 to 4.19 (inclusive) apply to a B Ordinary Shareholder who is
- 4.8.1 a FA Firm;
 - 4.8.2 an executive shareholder of a FA Firm;
 - 4.8.3 a Key Business Writer of a FA Firm;
 - 4.8.4 the trustee or administrator (or similar) of any trust or personal pension plan or other tax efficient arrangement which permits the holding of B Ordinary Shares within such trust, plan or arrangement where the only beneficiary of which is an executive shareholder of a FA Firm; or
 - 4.8.5 the trustee or administrator (or similar) of any trust or personal pension plan or other tax efficient arrangement which permits the holding of B Ordinary Shares within such trust, plan or arrangement where the only beneficiary of which is a Key Business Writer of a FA Firm,
- and either (i) the relevant FA Firm ceases for any reason to be a FA Firm, or (ii) a relevant executive shareholder of a FA Firm or Key Business Writer of a FA Firm (as applicable) ceases to be a relevant executive shareholder of a FA Firm or a Key Business Writer of a FA Firm and is not a Permitted Leaver (the date of cessation being, in each case and for the purposes of Articles 4.9 to 4.19 (inclusive), the "**Cessation Date**")
- 4.9 In the event of a FA Firm ceasing for any reason to be a FA Firm, that FA Firm and any person referred to in Articles 4.8.1 to 4.8.5 (inclusive) having the relevant relationship with such FA Firm shall constitute a "**Leaver**" for the purposes of the following provisions of this Article 4.
- 4.10 In the event of an executive shareholder of a FA Firm who is not a Permitted Leaver ceasing to be an executive shareholder of such FA Firm, such executive shareholder and any person referred to in Article 4.8.4 having the relevant relationship with such executive shareholder shall constitute a "**Leaver**" for the purposes of the following provisions of this Article 4
- 4.11 In the event of a Key Business Writer of a FA Firm who is not a Permitted Leaver ceasing to be a Key Business Writer of such FA Firm, such Key Business Writer and any person referred to in Article 4.8.5 having the relevant relationship with such Key Business Writer shall constitute a "**Leaver**" for the purposes of the following provisions of this Article 4.
- 4.12 At any time following the Cessation Date, the Board may (but shall not be obliged to) serve written notice (a "**Compulsory Transfer Notice**") on the Leaver or, if applicable, on each or any of:
- 4.12.1 any Shareholder who is a Permitted Transferee of the Leaver;
 - 4.12.2 if the Leaver has died after the Cessation Date, his personal representatives or any other person who becomes beneficially entitled to B Ordinary Shares on the death of that Leaver;
 - 4.12.3 if the Leaver has become bankrupt, any person who becomes entitled to B Ordinary Shares on his bankruptcy; or
 - 4.12.4 any Shareholder who is a nominee of, or who otherwise holds B Ordinary Shares on behalf of, any person referred to in (i) to (iii) inclusive,
- (each a "**Compulsory Transferor**" and one or more of them, the "**Compulsory Transferor(s)**")
- 4.13 A Compulsory Transfer Notice shall require the Compulsory Transferor(s) or his/her Permitted Transferee (if applicable) to offer to transfer all of the B Ordinary Shares in respect of which they are the registered holder(s) and any additional B Ordinary Shares acquired by the Compulsory Transferor(s) or to which they are or may subsequently become

entitled from time to time after the Cessation Date whether as a result of their shareholding(s) or by virtue of the exercise of any right or option or otherwise, and whether or not such B Ordinary Shares were in issue at the Cessation Date ("**Compulsory Transfer Shares**") on the terms of this Article 4 to the following persons as the Board shall specify

4.13.1 NIFAC; and

4.13.2 in respect of any B Ordinary Shares not taken up by NIFAC, any other person(s) directed by the Board and approved by way of Shareholder Consent, such offer to remain open for acceptance for a period of 15 (fifteen) Business Days from the date on which such offer was made, and

4.13.3 in the final instance and in respect of any B Ordinary Shares not taken up in accordance with Article 4.13.2, the Company, whereafter the Company shall be obliged, subject to the Act and all regulatory approvals, to repurchase such B Ordinary Shares,

(each a "**Compulsory Transferee**" and one or more of them, the "**Compulsory Transferee(s)**"). In the case of more than one Compulsory Transferee, in the proportions specified in the Compulsory Transfer Notice.

4.14 The Compulsory Transferor(s) shall then transfer the legal and beneficial title to the Compulsory Transfer Shares to the Compulsory Transferee(s), on the terms set out in this Article 4, together with all rights attaching to them, free from all Encumbrances and with full title guarantee.

4.15 The price for each Compulsory Transfer Share (the "**Compulsory Transfer Price**") shall be the Fair Value calculated as at the Cessation Date (and for the purposes of this Article 4.15 "**Fair Value**" means the market value per Compulsory Transfer Share determined by reference to the Valuation as at the Valuation Date immediately preceding the Cessation Date or, if no Valuation has been prepared as at the Valuation Date immediately preceding the Cessation Date, as determined (as at the Valuation Date immediately preceding the Cessation Date) and certified by an Independent Expert, whose decision shall (in the absence of fraud or manifest error) be final and binding on the Company and the Compulsory Transferor concerned and on any relevant Compulsory Transferee). The costs of the Independent Expert engaged for the purposes of this Article 4.15 shall be borne by the Company

4.16 Within 7 (seven) days of the Compulsory Transferee(s) being determined pursuant to this Article 4:

4.16.1 the Board shall notify the Compulsory Transferor(s) of the names and addresses of the Compulsory Transferee(s) and the number of Compulsory Transfer Shares to be transferred to each; and

4.16.2 the Board shall notify each Compulsory Transferee:

(i) specifying the number of Compulsory Transfer Shares to be transferred to him;

(ii) indicating the Compulsory Transfer Price; and

(iii) specifying the date on which the sale and purchase of the Compulsory Transfer Shares is to be completed (the "**Completion Date**").

4.17 Each Compulsory Transferor shall deliver duly executed stock transfer form(s) in respect of the Compulsory Transfer Shares registered in his name, or the name of his Permitted Transferee, together with the relevant share certificate(s) (or an indemnity in respect thereof in a form satisfactory to the Board) to the Company on or before the Completion Date. Subject always to receipt thereof, on the Completion Date the Company shall pay the Compulsory Transferor(s), on behalf of the Compulsory Transferee(s), the aggregate Compulsory Transfer Price due for the Compulsory Transfer Shares, to the extent that each Compulsory Transferee has put the Company in the requisite cleared funds (provided always that the Directors shall not register any transfer of Compulsory Transfer Shares unless and until it has received the requisite cleared funds from the Compulsory Transferee). The Company's receipt for the aggregate Compulsory Transfer Price due shall be a good discharge to the Compulsory Transferee(s) who shall not be bound to see to its application. Pending compliance by the Compulsory Transferor(s) with this Article 4.17, the Company shall hold the aggregate Compulsory Transfer Price on trust for the defaulting Compulsory Transferor(s) without any obligation to pay interest. Payment to the Compulsory

Transferor(s) shall be made into an account nominated by the Compulsory Transferor and notified to the Company in writing from time to time, provided that if no account details are so provided by 2 (two) Business Days before the Completion Date, payment shall be made by cheque to the postal address notified to the Company by each Compulsory Transferor for such purpose and, in default of such notification, to the Compulsory Transferor's last known address.

- 4.18 If a Compulsory Transferor fails to comply with its obligations under Article 4.17, the Board may authorise any Director to execute, complete and deliver as agent for and on behalf of that Compulsory Transferor a transfer of the relevant Compulsory Transfer Shares to the relevant Compulsory Transferee(s), to the extent that the relevant Compulsory Transferee has, by the transfer date, put the Company in cleared funds in respect of the aggregate Compulsory Transfer Price for the Compulsory Transfer Shares to be transferred to him. Subject to due stamping, the Board shall authorise registration of the transfer(s), after which the validity of such transfer(s) shall not be questioned by any person. Each defaulting Compulsory Transferor shall surrender his share certificate(s) relating to the Compulsory Transfer Shares (or provide an indemnity in respect thereof in a form satisfactory to the Board) to the Company. On, but not before, such surrender or provision, the Compulsory Transferor(s) shall be entitled to the aggregate Compulsory Transfer Price for the Compulsory Transfer Shares transferred on its/their behalf, without interest.
- 4.19 The B Ordinary Shareholders acknowledge and agree that the authority conferred under Article 4.18 is necessary as security for the performance by the Compulsory Transferor(s) of their obligations under this Article 4

4.20 Pre-emption provisions on Transfer of B Ordinary Shares:

4.20.1 *B Transfer Notice*

Before a B Ordinary Shareholder (the "**Selling B Shareholder**") wishing to dispose of any B Ordinary Shares (the relevant number of B Ordinary Shares the subject of the proposed disposal being the "**B Interest**") makes any transfer of its B Interest to any person (such person being a "**Third Party B Purchaser**"), the *Selling B Shareholder shall, unless the disposal of such B Interest will be a transfer permitted pursuant to any of Articles 4.6.1 (ii) to (vi) (inclusive), first give to the Ordinary Shareholders and remaining B Ordinary Shareholders (the "**Other Shareholders**") notice in writing ("**B Transfer Notice**") of any proposed transfer together with details of the Third Party B Purchaser, the purchase price and other material terms agreed between the Selling B Shareholder and the Third Party B Purchaser. A B Transfer Notice shall, except as hereinafter provided, be irrevocable*

4.20.2 *Rights of Other Shareholders to Purchase*

- (i) The Other Shareholders shall have the right to purchase the whole, but not a part only, of the Selling B Shareholder's B Interest in proportion to their then current aggregate Ordinary Shareholdings and B Ordinary Shareholdings in the Company taken as one class (or as otherwise adjusted under this Article 4.20.2) and at the purchase price specified in the B Transfer Notice or at such other price which shall be agreed between the Selling B Shareholder and the Other Shareholders, by giving written notice to the Selling B Shareholder within 60 (sixty) days of service of the B Transfer Notice (the "**B Acceptance Period**")
- (ii) If any of the Other Shareholders do not notify the Selling B Shareholder within 60 (sixty) days of service of the B Transfer Notice that they wish to acquire their *pro rata* entitlement to the Selling B Shareholders' B Interest under Article 4.20.2(i), their entitlement shall be allocated to those Other Shareholders who have so notified the Selling B Shareholder under Article 4.20.2(i) and who have in that notice indicated a willingness to acquire *additional B Ordinary Shares* to their *pro rata* entitlement and such B Ordinary Shares shall be allocated, as nearly as may be practicable, on a *pro rata* basis between those Other Shareholders willing to acquire such additional B Ordinary Shares but subject to the limitation that no Other Shareholder shall be

required to acquire more B Ordinary Shares from the Selling B Shareholder than the maximum number which they had expressed a willingness to acquire.

- (iii) Notwithstanding the foregoing, the Other Shareholders may agree, irrespective of their then current B Ordinary Shareholdings, on the proportion of the Selling B Shareholder's B Interest which they each may purchase.

4.20.3 *Obligation to Close*

The Other Shareholders shall become bound, subject only to any necessary approvals of their/its shareholders in general meeting, to purchase the Selling B Shareholder's B Interest on giving written notice to the Selling B Shareholder to exercise their rights under Article 4.20.2. In such event, completion of the sale and purchase of the Selling B Shareholder's B Interest shall take place at the registered office of the Company, 30 (thirty) days (or at such other location and earlier time as the relevant parties agree) after the end of the B Acceptance Period or, if later, on the 3rd (third) Business Day following the obtaining of any required shareholder approval. Notwithstanding the foregoing, such notice and right of the Other Shareholders to acquire the Selling B Shareholder's B Interest shall cease to have effect if any necessary approval of the Other Shareholders in general meeting has not been obtained within 30 (thirty) days after the giving of notice under Article 4.20.2(i).

4.20.4 *Selling B Shareholder's Right to sell to Third Party B Purchaser*

If the Other Shareholders do not exercise their rights to purchase the Selling B Shareholder's entire B Interest under Article 4.20.2, the Selling B Shareholder shall be entitled to transfer its entire B Interest (but not a part only) in a *bona fide* arm's length sale to the Third Party B Purchaser at the price stated in the B Transfer Notice, provided that:

- (i) it gives the Other Shareholders 5 (five) Business Days written notice of its intention to so dispose of its B Interest;
- (ii) any transfer shall have been completed within a period of 30 (thirty) days after the end of the B Acceptance Period or, if later, on the 3rd (third) Business Day following the obtaining of any required shareholder approval;
- (iii) save with Shareholder Consent, the Selling B Shareholder shall not be entitled to transfer its B Interest (or any part of it) to the Third Party B Purchaser if the Third Party B Purchaser is a person who is engaged or concerned or interested in any business which is in competition with the business conducted by the Company from time to time; and
- (iv) in respect of any Selling B Shareholder which is a FA Firm, the Third Party B Purchaser must be another firm of financial advisers willing to become, and capable of becoming, a FA Firm.

5. **Tag Rights relating to B Ordinary Shares and G Ordinary Shares**

5.1 If:

- 5.1.1 any member or members ("**Selling Shareholder(s)**") wish(es) to transfer the beneficial interest in any shares to any person; and
- 5.1.2 that transfer would (if registered) result in the transferee ("**Proposed Transferee**") (whether or not that transferee is already a member of the Company) and any person Acting in Concert with him holding Shares then representing 75 per cent or more of the voting rights attaching to the issued share capital of the Company (the "**Sale Shares**"),

then the Selling Shareholder(s) shall notify the Company in writing of such intended transfer not less than 35 (thirty five) days prior to the date on which such sale is proposed to be made. That notice ("**Prospective Seller's Notice**") shall set out:

- 5.1.3 (where the Sale Shares are to be transferred solely for a consideration payable in cash, including by means of a loan note) the nature and the amount of the

- consideration per Sale Share ("**Sale Price**") or (in any other case, including a case where a choice of consideration is offered) the nature of the consideration payable for the acquisition of the Sale Shares and an effective Sale Price taking into account the nature of the consideration being offered and, in either case, the date on which such consideration would be payable;
- 5.1.4 the identity of the Proposed Transferee; and
- 5.1.5 the date on which the sale is proposed to be made.
- 5.2 On receiving a Prospective Seller's Notice, the Remuneration Committee may (in their absolute discretion) deem some or all of the Unrealised G Ordinary Shares to be Realised G Ordinary Shares (only where the Sale Price indicates, by extrapolation, a value for the entire issued share capital which exceeds the relevant Hurdle Rate in respect of the relevant Unrealised G Ordinary Shares) ("**Deemed Realised G Ordinary Shares**"). In that event, the Company shall, within 14 days of receipt of the Prospective Seller's Notice, give notice to any one or more of the Selling Shareholders requiring the Selling Shareholders to procure that the Tag Offer Notices (as defined in Article 5.3) delivered by the Proposed Transferee pursuant to Article 5.3 shall include Tag Offer Notices offering to buy all the Deemed Realised G Ordinary Shares then in issue (and the remaining provisions of this Article 5 shall apply *mutatis mutandis* in respect of such Deemed Realised G Ordinary Shares as if references to Realised G Ordinary Shares included reference also to Deemed Realised G Ordinary Shares and references to Remaining G Ordinary Shareholders included reference also to holders of Deemed Realised G Ordinary Shares), save that if a G Ordinary Shareholder holding Deemed Realised G Ordinary Shares does not accept the offer made by the Proposed Transferee in respect of all his Deemed Realised G Ordinary Shares, or if the Proposed Transferee does not complete the purchase of Shares in accordance with this Article 5, the Deemed Realised G Ordinary Shares still held by the G Ordinary Shareholder shall cease to be treated as Realised G Ordinary Shares.
- 5.3 Following receipt of the notice from the Company referred to in Article 5.2 or the elapse of the 14 day period referred to in Article 5.2 without any such notice being received, the Selling Shareholder(s) shall procure that the Proposed Transferee shall serve written irrevocable offers ("**Tag Offer Notices**") on the Company to buy all the B Ordinary Shares and all of the Realised G Ordinary Shares held by all members other than the Selling Shareholders, such B Ordinary Shareholders and G Ordinary Shareholders being referred to below as "**Remaining B Ordinary Shareholders**" or "**Remaining G Ordinary Shareholders**", as applicable. Each Tag Offer Notice shall:
- 5.3.1 specify the number of B Ordinary Shares or Realised G Ordinary Shares (as applicable) which are the subject of the relevant Tag Offer Notice;
- 5.3.2 set out a calculation of the number of Ordinary Shares into which the B Ordinary Shares or Realised G Ordinary Shares (as applicable) which are the subject of the relevant Tag Offer Notice would convert were the provisions of Articles 3.15 to 3.20 (inclusive) to be operated in respect of such Shares by reference to a deemed Conversion Date which is the same as the date of the Prospective Seller's Notice ("**Deemed Ordinary Shares**"); and
- 5.3.3 specify that the price payable to the relevant Remaining B Ordinary Shareholder or Remaining G Ordinary Shareholder (as applicable) by the Proposed Transferee for each Deemed Ordinary Share would be the Sale Price and, by extrapolation, specify the price payable for each B Ordinary Share or Realised G Ordinary Share the subject of the relevant Tag Offer Notice.
- 5.4 For the avoidance of doubt, no actual conversion of B Ordinary Shares or G Ordinary Shares shall occur by operation of the applicable provisions of this Article 5.4. In the event of any dispute as to the calculation of the number of Deemed Ordinary Shares relevant to the Tag Offer Notices (or any of them), the calculation shall be referred to an Independent Expert, whose determination of the appropriate calculation shall (in the absence of fraud or manifest error) be final and binding on the Proposed Transferee and the Remaining B Ordinary Shareholder(s) and/or Remaining G Ordinary Shareholder(s) concerned. The costs of the Independent Expert engaged for the purposes of this Article 5.4 shall be borne as to half by the Proposed Transferee and as to half by the Remaining B Ordinary Shareholder(s) and/or Remaining G Ordinary Shareholder(s) who have raised the dispute.

Completion of the transfer of any shares pursuant to this Article 5 shall be suspended pending the determination by the Independent Expert

- 5.5 The Company shall, following receipt by it of all relevant Tag Offer Notices, send a copy of the Prospective Seller's Notice and a copy of the relevant Tag Offer Notice to each Remaining B Ordinary Shareholder or Remaining G Ordinary Shareholder (as applicable). The offer referred to in Article 5.3 shall remain open for acceptance not less than 14 (fourteen) days after the date of the Tag Offer Notices (or the date of the last of them to be issued where they are not all issued on the same date) and shall provide for the purchase of any B Ordinary Shares or Realised G Ordinary Shares to which it relates to be completed at the same time as the purchase of the Sale Shares held by the Selling Shareholder(s), which may not be earlier than the first Business Day falling not less than 2 (two) days after the end of the period within which the offer is open for acceptance.
- 5.6 Any Remaining B Ordinary Shareholder or Remaining G Ordinary Shareholder may, within the period during which the offer referred to in Article 5.3 remains open for acceptance, notify the Selling Shareholder(s) and the Company that he wishes to accept that offer. For the avoidance of doubt, the Proposed Transferee's offer shall not require any Remaining B Ordinary Shareholder or Remaining G Ordinary Shareholder to give:
- 5.6.1 any warranties, representations, indemnities, covenants or other assurances other than those which relate to or are in respect of title and the number of Shares to which the Proposed Transferee's offer relates and that Remaining B Ordinary Shareholder's or Remaining G Ordinary Shareholder's (as applicable) capacity to enter into the relevant agreement for the sale of those Shares; or
- 5.6.2 any restrictive covenants which in any way restrict it from carrying on any business,
- and the aggregate liability of each Remaining B Ordinary Shareholder or Remaining G Ordinary Shareholder under any warranties, representations, indemnities, covenants or other assurances which he may give shall be limited to the consideration payable by the Proposed Transferee to such Remaining B Ordinary Shareholder or Remaining G Ordinary Shareholder for the number of Shares to which the Proposed Transferee's offer relates.
- 5.7 If the Proposed Transferee does not, at the time set out in its offer for completion of the purchase of the Selling Shareholder(s) Shares, buy the relevant number of Shares in respect of which notice has been given by all Remaining B Ordinary Shareholders and/or Remaining G Ordinary Shareholders under Article 5.5, no Selling Shareholder or Remaining B Ordinary Shareholder or Remaining G Ordinary Shareholder may sell any of the Shares registered in his name to the Proposed Transferee and the Directors shall refuse to register any transfer prohibited by this Article 5.6.
- 5.8 The provisions of this Article 5 shall not apply where the transfer which would otherwise cause this Article to apply is made by the Selling Shareholder(s) under Article 6.

6. Drag Rights relating to B Ordinary Shares and G Ordinary Shares

- 6.1 In this Article 6, an "**Offer**" shall mean a *bona fide* offer on arm's length terms to purchase the entire issued share capital of the Company.
- 6.2 If an Offer is proposed to be made by any person (the "**Qualifying Offeror**"), whether or not that person is already a member of the Company, such Qualifying Offeror shall notify the Company of its proposal and of the total value of the consideration it is willing to pay under the Offer ("**Offer Value**").
- 6.3 Following receipt of the notification referred to in Article 6.2, the Remuneration Committee shall, at their absolute discretion, be entitled to deem some or all of the Unrealised G Ordinary Shares to be Realised G Ordinary Shares (only where the Offer Value exceeds the relevant Hurdle Rate in respect of the relevant Unrealised G Ordinary Shares) ("**Deemed Realised G Ordinary Shares**"). The Company shall, within 14 days of receipt of the notification referred to in Article 6.2, notify the Qualifying Offeror of the number (if any) of Deemed Realised G Ordinary Shares and the Qualifying Offeror shall, as appropriate, be required to extend the Qualifying Offer so that it relates also to any such Deemed Realised G Ordinary Shares (and the remaining provisions of this Article 6 shall apply *mutatis mutandis* in respect of such Deemed Realised G Ordinary Shares as if references to Realised G Ordinary Shares included reference also to Deemed Realised G Ordinary Shares and as if references to

- Realised G Ordinary Shareholders were references to the holders of Deemed Realised G Ordinary Shares)
- 6.4 If an Offer is made on a basis which:
- 6.4.1 specifies the number of Ordinary Shares, B Ordinary Shares and Realised G Ordinary Shares the subject of the offer,
 - 6.4.2 specifies the price payable per Ordinary Share pursuant to the terms of the Offer (the "**Offer Price**");
 - 6.4.3 sets out a calculation of the number of Ordinary Shares into which the B Ordinary Shares and Realised G Ordinary Shares (as applicable) the subject of the offer would convert were the provisions of Articles 3.15 to 3.20 (inclusive) to be operated in respect of such Shares by reference to a deemed Conversion Date which is the same as the date of the Offer ("**Deemed Ordinary Shares**") (although, for the avoidance of doubt, no actual conversion of B Ordinary Shares or G Ordinary Shares shall occur by operation of the applicable provisions of this Article 6.4); and
 - 6.4.4 specifies that the price payable to the B Ordinary Shareholders and the Realised G Ordinary Shareholders (as applicable) by the Qualifying Offeror for each Deemed Ordinary Share would be the Offer Price and, by extrapolation, specifies the price payable for each B Ordinary Share or Realised G Ordinary Share the subject of the Offer ("**Relevant Price**"),
- (a "**Qualifying Offer**") and such Qualifying Offer is accepted by the holder(s) of Shares representing 75 per cent or more of the voting rights attaching to the then issued ordinary share capital of the Company (the "**Accepting Shareholders**"), the Company (at the direction of the Accepting Shareholders) shall give written notice ("**Notice of a Qualifying Offer**") to all the B Ordinary Shareholders and Realised G Ordinary Shareholders giving details of the Qualifying Offer and the acceptances given by the Accepting Shareholders. All holders of B Ordinary Shares and Realised G Ordinary Shares who have not otherwise accepted the Qualifying Offer shall become bound to accept the Qualifying Offer in respect of such shares and to transfer, on any date specified by the Company for this purpose (not being less than 10 (ten) Business Days after the date of the Company's notice), the B Ordinary Shares or Realised G Ordinary Shares (as applicable) registered in their respective names to the Qualifying Offeror (or his nominee) with full title guarantee.
- 6.5 Notwithstanding the requirements set out in Article 6.4:
- 6.5.1 where the Relevant Price relating to any B Ordinary Shares held by a B Ordinary Shareholder or to any G Ordinary Shares held by a G Ordinary Shareholder is nil, the aggregate consideration payable to such B Ordinary Shareholder or G Ordinary Shareholder (as applicable) for such shares under the Qualifying Offer shall (notwithstanding the Relevant Price) be £1; and
 - 6.5.2 the Trustee of the EBT shall in no circumstances be entitled to receive consideration under the Qualifying Offer of greater than £1 in aggregate for all shares then held by the trustee of the EBT (notwithstanding the Relevant Price relevant to such shares).
- 6.6 If any member does not, on the relevant date specified by the Company in accordance with Article 6.4, execute and deliver to the Company transfers in respect of the Shares held by him, and any other documents necessary to accept the Qualifying Offer and to comply with the provisions of this Article 6 and deliver to the Company the certificate(s) in respect of those Shares (or an indemnity in lieu of those certificate(s) in a form satisfactory to the Directors), then any Accepting Shareholder shall be entitled to execute, or to authorise and instruct such person as he thinks fit to execute the necessary transfer(s), other necessary documents and indemnities on that member's behalf and (where the Qualifying Offer provides for any election to be made between any forms of consideration) to make the relevant election on behalf of that member and, against receipt by the Company on trust for that member of the consideration payable for the relevant Shares, deliver such transfer(s), other necessary documents and certificate(s) or indemnities to the Qualifying Offeror. Following receipt by the Company of the consideration payable for those Shares, the Company shall (subject to the payment of any stamp duty) cause the Qualifying Offeror to

be registered as the holder of those Shares and, after such registration, the validity of such proceedings shall not be questioned by any person.

- 6.7 In the event of any dispute as to the calculation of the number of Deemed Ordinary Shares relevant to the Qualifying Offer, the calculation shall be referred to an Independent Expert, whose determination of the appropriate calculation shall (in the absence of fraud or manifest error) be final and binding on the Qualifying Offeror and the B Ordinary Shareholders and/or G Ordinary Shareholders concerned. The costs of the Independent Expert engaged for the purposes of this Article 6.7 shall (to the extent it is lawful for it to do so) be borne by the Company. Completion of the Qualifying Offer shall be suspended pending the determination by the Independent Expert

7. Variation of Class Rights

- 7.1 The class rights attaching to each class of Shares shall only be varied or abrogated with the consent in writing of the holders of not less than 75% (seventy five percent) in number of the relevant class of Shares in issue or by a special resolution passed at a separate class meeting of the holders of the relevant class of Shares.
- 7.2 Unless otherwise expressly provided by the terms of their issue, the rights attaching to any class of Shares shall not be deemed to be varied or abrogated by:
- 7.2.1 the Company purchasing Shares;
- 7.2.2 the creation, allotment or issue of further Shares ranking:
- (i) subsequent to or *pari passu* with them; or
- (ii) in priority to them (whether in terms of voting and/or capital and/or income rights and/or otherwise) where such Shares are created, allotted or issued with the intention of preventing or remedying a regulatory capital breach,
- and any alteration made to these Articles to incorporate the rights attaching to any such further Shares shall not be and shall be deemed not to be a variation of the rights attaching to any class of Shares, or
- 7.2.3 any alteration to these Articles made conditional upon, or otherwise in connection with, a Listing.
- 7.3 The provisions of these Articles relating to general meetings of the Company or to the proceedings at such meetings shall apply to any separate meeting of the holders of any class of Shares, making such changes as are necessary, except that:
- 7.3.1 the necessary quorum at any such meeting (other than an adjourned meeting) shall be two persons present in person holding or representing by proxy at least one third in nominal value of the issued Shares of the class (unless all the shares of any class are registered in the name of a single shareholder in which case the quorum shall be that person, his proxy or a duly authorised representative of such shareholder); and
- 7.3.2 at any adjourned meeting the necessary quorum shall be one person holding Shares of the class present in person or by proxy.

8. Share Certificates

- 8.1 Every member, upon becoming the holder of any Shares, shall be entitled without payment to one certificate for all the Shares of each class held by him (and, upon transferring a part of his holding of Shares of any class, to a certificate for the balance of such holding) or several certificates each for one or more of his Shares upon payment for every certificate after the first of such reasonable sum as the Directors may determine. Every certificate shall be sealed with the seal or shall be signed by a Director and the secretary of the Company, or by two Directors of the Company or by a director of the Company in the presence of a witness and shall specify the number, class and distinguishing numbers (if any) of the Shares to which it relates and the amount or respective amounts paid up thereon. The Company shall not be bound to issue more than one certificate for Shares held jointly by several persons and delivery of a certificate to one joint holder shall be a sufficient delivery to all of them

8.2 If a share certificate is defaced, worn out, lost or destroyed, it may be renewed on such terms (if any) as to evidence and indemnity and payment of the expenses reasonably incurred by the Company in investigating evidence as the Directors may determine but otherwise free of charge, and (in the case of defacement or wearing out) on delivery up of the old certificate.

8.3 All certificates relating to Shares in the Company shall bear a restrictive legend in substantially the following form:

"The securities evidenced by this certificate are subject to certain restrictions on transfer, as described in the Articles of Association of the Company. No transfer shall be recognised by the Company for any purpose unless and until such restrictions shall have been complied with".

9. Lien

9.1 Regulation 8 is modified by the deletion of the words "(not being a fully paid share)" and insertion of the words "whether or not fully paid" in their place, by the insertion of the words "and any other amounts payable in respect of that Share" at the end of the first sentence and by the insertion of the words "with the consent of the Board" after the words "at any time" and before "declare" in the second sentence of regulation 8.

9.2 The lien conferred by regulation 8 shall apply to all Shares registered in the name of any person indebted to, or with an undischarged liability (whether actual or contingent) towards, the Company, whether he is the sole registered holder of such Shares or one of two or more joint holders of such Shares, and regulation 8 is modified accordingly.

10. Purchase of Own Shares

Regulation 35 is modified by deletion of the words "otherwise than out of distributable profits or the proceeds of a fresh issue of shares" and the substitution for them of the words "whether out of its distributable profits or out of the proceeds of a fresh issue of Shares or otherwise".

11. General Meetings

11.1 The Directors may call general meetings whenever they think fit and, on the requisition of members pursuant to the provisions of the Act, shall forthwith proceed to convene a general meeting in accordance with the provisions of the Act. If there are not within the United Kingdom sufficient Directors to call a general meeting, any Director or any member of the Company may call a general meeting.

11.2 Where an ordinary resolution of the Company is required for any purpose, a special resolution is also effective for that purpose.

12. Notice of General Meetings

12.1 The notice shall specify the time and place of the meeting (including any telephone meeting) and the general nature of the business to be transacted and, in the case of an annual general meeting, shall specify that the meeting is an annual general meeting

12.2 Subject to the provisions of the Articles and to any restrictions imposed on any shares, the notice shall be given to all the members who are for the time being entitled, under these Articles, to receive notice from the Company, to all persons entitled to a share in consequence of the death or bankruptcy of a member under these Articles and to the Directors and Auditors.

12.3 The accidental omission to give notice of a meeting to, or the non receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.

13. Proceedings at General Meetings

13.1 Subject to Article 13.2, no business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business and for its duration. A quorum for any general meeting shall be the Ordinary Shareholders representing more than 70% (seventy percent) of the total number of issued shares in the

- relevant class of Shares, personally present or present through their duly authorised representatives or proxies
- 13.2 If such a quorum is not present within half an hour from the time appointed for the meeting, or if during a meeting such a quorum ceases to be present, the meeting shall stand adjourned (the "**Adjourned Meeting**") to the same day in the next week at the same time and place or to such time and place as the Board may determine. Each member not present at the original meeting shall be notified of the date, time and place of the Adjourned Meeting. If at the Adjourned Meeting there is not a quorum present, then any two persons entitled to vote upon the business to be transacted shall be a quorum. If at the Adjourned Meeting a quorum is not present within half an hour of the time set for that meeting, the meeting shall be dissolved.
- 13.3 A general meeting may consist of a conference between members, some or all of whom are in different places provided that each member who participates is able
- 13.3.1 to hear each of the other participating members addressing the meeting; and
- 13.3.2 if he so wishes, to address all of the other participating members simultaneously, whether directly, by conference telephone or by any other form of communications equipment (whether in use when these Articles are adopted or not) or by a combination of those methods. Any member so participating shall be deemed to be present in person and shall count towards the quorum.
- 13.4 A quorum is deemed to be present for the purposes of Article 13.3 if those conditions are satisfied in respect of at least the number of members required to form a quorum. A meeting held in this way is deemed to take place at the place where the largest group of participating members is assembled or, if no such group is readily identifiable, at the place from where the chairman of the meeting participates. A resolution put to the vote of a meeting shall be decided by each member indicating to the chairman (in such manner as the chairman may direct) whether the member votes in favour of or against the resolution or abstains. For the avoidance of doubt, references in this Article 13 to members shall include their duly appointed proxies and, in the case of corporate members, their duly authorised representatives.
- 13.5 A corporation which is a member of the Company may, by resolution of its Directors or other governing body whether or not expressed to be pursuant to any provision of the Act, authorise one or more persons to act as its representative(s) at any meeting of the Company or at any meeting of any class of members of the Company (each such person being a "**representative**"). A representative is entitled to exercise on behalf of the corporation (in respect of that part of the corporation's holding of shares to which the authorisation relates) those powers that the corporation could exercise if it were registered as an individual member. The corporation is for the purposes of these Articles deemed to be present in person at a meeting if a representative is present and all references throughout these Articles to members attending and voting in person shall be construed accordingly. A Director or the secretary may require a representative to produce a certified copy of the resolution of authorisation before permitting the exercise of his powers
- 13.6 The chairman, or in his absence some other Director nominated by the Shareholders, shall preside as chairman of the meeting, but if neither the chairman nor such other Director (if any) be present within fifteen minutes after the time appointed for holding the meeting and willing to act, the Directors present shall elect one of their number to be chairman and, if there is only one Director present and willing to act, he shall be chairman.
- 13.7 If no Director is willing to act as chairman, or if no Director is present within 15 (fifteen) minutes after the time appointed for holding the meeting, the members present and entitled to vote shall choose one of their number to be chairman.
- 13.8 A Director shall, notwithstanding that he is not a member, be entitled to attend and speak at any general meeting and at any separate meeting of the holders of any class of Shares in the Company.
- 13.9 The chairman may, with the consent of a meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at an adjourned meeting other than business which might properly have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for 14 (fourteen) days or more, at least 7 (seven) clear days' notice shall be given specifying the time and place of the adjourned meeting and the general nature

of the business to be transacted. Otherwise it shall not be necessary to give any such notice.

- 13 10 A declaration by the chairman that a resolution has been carried or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority and an entry to that effect in the minutes of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.

14. Votes of Members

- 14.1 Votes of members shall be conducted on a poll and each Share granting the holder the right to vote, shall entitle that Shareholder to one vote per Share at all Shareholder meetings.
- 14.2 A proxy shall be entitled to vote at a meeting of the Shareholders and regulation 54 (as amended by these Articles) shall be construed accordingly.
- 14.3 In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders; and seniority shall be determined by the order in which the names of the holders stand in the register of members.
- 14.4 A member in respect of whom an order has been made by any court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder may vote, by his receiver, curator bonis or other person authorised in that behalf appointed by that court, and any such receiver, curator bonis or other person may, on a poll, vote by proxy. Evidence to the satisfaction of the Directors of the authority of the person claiming to exercise the right to vote shall be deposited at the office, or at such other place as is specified in accordance with the Articles for the deposit or delivery of forms of appointment of a proxy, not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in default the right to vote shall not be exercisable
- 14.5 No member shall, save with the consent of the Directors, vote at any general meeting or at any separate meeting of the holders of any class of Shares in the Company, either in person or by proxy, in respect of any Share held by him unless all moneys presently payable by him in respect of that share have been paid
- 14.6 No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting shall be valid. Any objection made in due time shall be referred to the chairman whose decision shall be final and conclusive
- 14.7 On a poll, votes may be given either personally or by proxy. A member may appoint more than one proxy to attend on the same occasion. Deposit or delivery of a form of appointment of a proxy shall not preclude a member from attending and voting at the meeting or at any adjournment of it.
- 14.8 A form of appointment of a proxy must be in writing in any usual form or in any other form which the Directors may approve and shall be executed by or on behalf of the appointor save that, subject to the Act, the Directors may accept the appointment of a proxy received in an electronic communication at an address specified for such purpose, on such terms and subject to such conditions as they consider fit. A form of appointment of proxy shall be deemed to include authority to vote on any amendment of a resolution put to the meeting for which it is given as the proxy thinks fit. The form of appointment of proxy shall, unless the contrary is stated in it, be valid for an adjournment of a meeting as well as for the meeting to which it relates.
- 14.9 The form of appointment of a proxy and any authority under which it is executed or a copy of such authority certified notarially or in some other way approved by the Directors may
- 14.9.1 in the case of an instrument in writing be left at or sent by post to the office or such other place within the United Kingdom as is specified in the notice convening the meeting or in any form of appointment of proxy sent out by the Company in relation to the meeting not less than one hour before the time for holding the meeting or adjourned meeting at which the person named in the form of appointment of proxy proposes to vote, or

- 14.9.2 in the case of an appointment of proxy contained in an electronic communication, where an address has been specified by or on behalf of the Company for the purpose of receiving electronic communications.
- (i) in the notice convening the meeting; or
 - (ii) in any form of appointment of a proxy sent out by the Company in relation to the meeting; or
 - (iii) in any invitation contained in an electronic communication to appoint a proxy issued by the Company in relation to the meeting,
- be received at such address not less than one hour before the time for holding the meeting or adjourned meeting at which the person named in the form of appointment of proxy proposes to vote, and a form of appointment of proxy which is not deposited, delivered or received in a manner so permitted shall be invalid.
- 14.10 A vote given by proxy or by the duly authorised representative of a corporation shall be valid notwithstanding the previous determination of the authority of the person voting unless notice of the determination was received by the Company at the office or at such other place at which the form of appointment of proxy was duly deposited or, where the appointment of the proxy was contained in an electronic communication, at the address at which the form of appointment was duly received one hour before the commencement of the meeting or adjourned meeting at which the vote is given or (in the case of a poll taken otherwise than on the same day as the meeting or adjourned meeting) the time appointed for taking the poll.
- 14.11 The Directors may require the production of any evidence which they reasonably consider necessary to determine the validity of any appointment pursuant to this Article 14.

15. Directors and Chairman

- 15.1 Unless otherwise determined by ordinary resolution, the number of Directors (excluding alternate directors) is subject to a maximum of 10 (ten) and a minimum of 4 (four)
- 15.2 Without prejudice to any rights that they may have and unless otherwise agreed pursuant to any agreement governing the Shareholders' relationship with each other in respect of the Company to which the Company is a party, each Ordinary Shareholder or group of Ordinary Shareholders acting collectively, shall be entitled from time to time to appoint to the Board 1 (one) Director for each 15% (fifteen percent) of the Ordinary Shares held by an Ordinary Shareholder, and to remove such Director, and upon removal of each Director, to appoint another person in his place. Appointments and removals shall be made by written notice (signed by or on behalf of the appointing Ordinary Shareholder or in any other manner approval by the Board) renew on the Company which shall take effect immediately.
- 15.3 The chairman shall not have a casting vote in respect of any decision to be taken by the Board.

16. Alternate Directors

- 16.1 Ordinary Shareholders who have appointed a Director pursuant to Article 15 shall be entitled to appoint any person willing to act, whether or not he is a director of the Company, to be an alternate director of such Director and such person need not be approved by resolution of the Directors and may be removed from office by the Shareholders who appointed him and regulation 65 is modified accordingly. In regulation 67 the words "but, if" and those words which follow to the end of that regulation shall be deleted.
- 16.2 A Director, or any other person who may be appointed as an alternate under regulation 65 as modified by these Articles, may act as an alternate director to represent more than one Director, and an alternate director shall be entitled at any meeting of the Board to a separate vote for each Director for whom he acts in addition to his own vote (if any) as a Director.
- 16.3 An alternate director shall be entitled to receive notice of all meetings of Directors and of all meetings of committees of Directors of which he is appointed as a member whether or not he is absent from the United Kingdom, and shall be entitled to attend and vote at any such meeting at which the Director appointing him is not personally present and generally to perform all the functions of his appointor as a Director in his absence but shall not be entitled as such to receive any remuneration from the Company for his services as an alternate

director, although he may be paid by the Company such part (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct.

- 16.4 Notice of a Board meeting is deemed to be duly given to an alternate director if it is given to him personally or by word of mouth or by electronic communication to an address given by him to the Company for that purpose or sent in writing to him at his last known address or another address given by him to the Company for that purpose. An alternate director may waive the requirement that notice be given to him of a meeting of Directors or a committee of Directors of which his appointor is a member, either prospectively or retrospectively.
- 16.5 An alternate director shall cease to be an alternate director if the Director appointed by his appointor ceases to be a Director.
- 16.6 Any appointment or removal of an alternate director shall be by notice to the Company signed in accordance with Article 15. Any such notice may be left at or sent by post or using electronic communications to the office or such other address as may be given by the Company for that purpose.
- 16.7 Save as otherwise provided in the Articles, an alternate director shall be deemed for all purposes to be a Director and shall alone be responsible for his own acts and defaults and he shall not be deemed to be the agent of the Director in respect of whom he was appointed.

17. Powers of Directors

- 17.1 Subject to the provisions of the Act, the Articles and to any agreement governing the Shareholders' relationship with each other in respect of the Company to which the Company is a party or any directions given by special resolution, the business of the Company shall be managed by the Directors who may exercise all the powers of the Company. No alteration of the Articles and no such direction shall invalidate any prior act of the Directors which would have been valid if that alteration had not been made or that direction had not been given. The powers given by this Article shall not be limited by any special power given to the Directors by the Articles and a meeting of Directors at which a quorum is present may exercise all powers exercisable by the Directors.
- 17.2 The Directors may, by power of attorney or otherwise, appoint any person to be the agent of the Company for such purposes and on such conditions as they determine, including authority for the agent to delegate all or any of his powers.

18. Delegation of Directors' Powers

Regulation 72 is modified by the addition at the end of the regulation of the following sentence. "Where a provision of the Articles refers to the exercise of a power, authority or discretion by the directors and that power, authority or discretion has been delegated by the directors to a committee or a member of a committee, the provision must be construed as permitting the exercise of the power, authority or discretion by the committee or a member of a committee."

19. Appointment and Retirement of Directors

- 19.1 The Directors are not subject to retirement by rotation.
- 19.2 No person shall be or become incapable of being appointed a Director by reason only of his having attained the age of 70 (seventy) or any other age nor shall any special notice be required in connection with the appointment or the approval of the appointment of such person, and no Director shall vacate or be required to vacate his office at any time by reason only of the fact that he has attained the age of seventy or any other age.

20. Disqualification and Removal of Directors

- 20.1 The office of a Director shall be vacated if
- 20.1.1 he ceases to be a Director by virtue of any provision of the Act or he becomes prohibited by law from being a Director;
- 20.1.2 he becomes bankrupt or makes any arrangement or composition with his creditors generally,

- 20.1.3 he becomes, in the reasonable opinion of all his co-Directors, incapable by reason of mental disorder of discharging his duties as Director;
 - 20.1.4 he resigns his office by notice to the Company;
 - 20.1.5 he has for more than 6 (six) consecutive months been absent without permission of the Directors from meetings of Directors held during that period and his alternate director (if any) has not during such period attended any such meetings instead of him, and the Directors resolve that his office be vacated;
 - 20.1.6 he is removed from office by notice given pursuant to Article 15; or
 - 20.1.7 being an executive Director he shall, for whatever reason, cease to be employed or engaged by any member of the Group,
- and the Shareholders who appointed the vacating Director pursuant to Article 15, shall be entitled to appoint another Director in his place in accordance with Article 15.

21. Remuneration of Directors

The Directors shall be entitled to remuneration in accordance with the policy set by the Remuneration Committee from time to time and for the time being.

22. Directors' Expenses

The Directors may be paid all reasonable travelling and other expenses properly incurred by them to and within the United Kingdom, in connection with their attendance at meetings of Directors or committees of Directors or general meetings or separate meetings of the holders of any class of shares or of debentures of the Company or otherwise in connection with the discharge of their duties.

23. Proceedings of Directors

- 23.1 Subject to the provisions of these Articles, the Directors may regulate their proceedings as they think fit. A Director may, and the secretary at the request of a Director shall, call a meeting of the Directors. Every Director shall receive notice of a meeting of the Directors or of a committee of the Directors, whether or not he is absent from the United Kingdom. A Director may waive the requirement that notice be given to him of a meeting of Directors or of a committee of Directors, either prospectively or retrospectively. Unless otherwise provided for by these Articles or any agreement governing the Shareholders' relationship with each other in respect of the Company to which the Company is a party, questions arising at a meeting shall be decided by a majority of votes. A Director who is also an alternate director shall be entitled in the absence of his appointor to a separate vote on behalf of his appointor in addition to his own vote. Notice of a Board meeting is deemed to be duly given to a Director if it is given to him personally or by word of mouth or by electronic communication to an address given by him to the Company for that purpose, or sent in writing to him at his last known address or other address given by him to the Company for that purpose.
- 23.2 Subject to Articles 23.3 the quorum for the transaction of the business of the Directors shall be 4 (four) present throughout the meeting of whom at least 1 (one) must be a non executive Director. A person who holds office only as an alternate director shall, if his appointor is not present, be counted in the quorum, but he shall count as only one person for the purpose of determining whether a quorum is present and regulation 89 shall be amended accordingly.
- 23.3 If such a quorum is not present within half an hour from the time appointed for the meeting, or if during the meeting such a quorum ceases to be present, the meeting shall stand adjourned (the "**Adjourned Directors Meeting**") to the same day in the next week at the same time and place (except in the case of an urgent board meeting as determined by the chairman when the Adjourned Directors Meeting shall automatically reconvene at the same time on the following Business Day). Each director not present at the original meeting shall be notified of the date, time and place of the Adjourned Directors Meeting (unless it is an urgent board meeting). At the Adjourned Directors Meeting, any 3 (three) directors, entitled to vote upon the business to be transacted, shall be a quorum

- 23.4 All acts done by a meeting of Directors, or of a committee of Directors, 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.
- 23.5 A Director or his alternate may validly participate in a meeting of the Directors or of a committee of Directors through the medium of conference telephone or similar form of communications equipment provided that all persons participating in the meeting are able to hear and speak to each other throughout such meeting. A person participating in this way is deemed to be present in person at the meeting and shall be counted in a quorum and entitled to vote. Subject to the Act, all business transacted in this way by the Directors or by a committee of the Directors shall, for the purposes of the Articles, be deemed to be validly and effectively transacted at a meeting of the Directors or of a committee of the Directors, notwithstanding that a quorum is not physically present in the same place. Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the chairman of the meeting then is.
- 23.6 At least 4 (four) meetings of the Board of Directors shall take place in each calendar year (at not more than three monthly intervals) and (save in an emergency in which case such notice as is reasonably practicable in the circumstances shall be given) not less than 10 (ten) Business Days' notice of each of the meetings of the Board or of a committee of the Board shall be given to each Director (and in relation to committee meetings to each Director who is a member of such committee) provided that with the consent of the Directors, Board meetings may be held less frequently and/or convened on shorter notice.
- 23.7 A resolution in writing signed by all the Directors entitled to receive notice of a meeting of Directors or of a committee of Directors shall be as valid and effectual as if it had been passed at a meeting of Directors or (as the case may be) a committee of Directors duly convened and held and may consist of one or several documents in the like form each signed by one or more of the Directors concerned. A resolution signed by an alternate director need not also be signed by his appointor and, if it is signed by a Director who has appointed an alternate director, it need not be signed by the alternate director in that capacity
- 23.8 Without prejudice to the obligation of any Director to disclose his interest in accordance with section 177 of the Act, a Director may vote at a meeting of Directors or of a committee of Directors on any resolution concerning a matter in which he has, directly or indirectly, an interest or duty, provided that, he has disclosed the nature of any such interest to the meeting. The Director shall be counted in the quorum present when any such resolution is under consideration and, if he votes, his vote shall be counted.
- 23.9 The Directors of the Company may, in accordance with S175(5)(a) of the Act authorise any matter in which a Director has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company (and for this purpose a conflict of interest includes a conflict of interest and duty and a conflict of duties).
- 23.10 If the chairman is not present within 15 (fifteen) minutes after the time appointed for holding a meeting of the Board, the Directors may appoint one of their number to be the chairman for that meeting and such chairman shall not be entitled to a casting vote.

24. Secretary

Subject to the provisions of the Act, the secretary shall be appointed by the Board for such term, at such remuneration and upon such conditions as the Remuneration Committee may think fit, and any secretary so appointed may be removed by them

25. Accounts

- 25.1 Any accounts, Directors' report or auditor's report required or permitted to be sent by the Company to any person pursuant to any statute shall be treated as sent to such person if:
- 25.1.1 sent by electronic communication to an address for the time being notified to the Company by that person for that purpose;
- 25.1.2 published on a web site, provided that the following conditions are met:

- (i) the Company and that person have agreed that such documents may be accessed by him on a web site (instead of their being sent by post or otherwise delivered to him), and
 - (ii) that person is notified, in a manner for the time being agreed for the purpose between him and the Company of:
 - (ii)(a) the publication of the documents on a web site; (ii)(b) the address of that web site;
 - (ii)(c) the place on that web site where the documents may be accessed; and
 - (ii)(d) how such documents may be accessed.
- 25.2 Documents treated in accordance with Article 25.1 as sent to any person are to be treated as sent to him not less than 21 (twenty one) days before the date of the meeting at which copies of those documents are to be laid if, and only if:
- 25.2.1 the documents are published on the web site throughout a period beginning at least 21 (twenty one) days before the date of the meeting and ending with the conclusion of the meeting; and
 - 25.2.2 the notification given for the purposes of Article 25.1 2(ii) is given not less than 21 (twenty one) days before the date of the meeting.
- 25.3 Nothing in Article 25 2 shall invalidate the proceedings of a meeting where any documents that are required to be published as mentioned in Article 25.2 are by accident published in different places on the web site or published for a part, but not all, of the period mentioned in that Article.

26. Notices

- 26 1 Any notice to be given to or by any person pursuant to the Articles (other than a notice calling a meeting of the Directors or any committee of the Board, which shall be given pursuant to Article 16.3 or 23.1) shall be in writing or shall be given using electronic communications to an address for the time being notified for that purpose to the person giving the notice.
- 26.2 In these Articles, "address", in relation to electronic communications, includes any number or address used for the purposes of such communications
- 26.3 Subject to Article 26.4, the Company may give any notice to a member either personally or by sending it by post in a prepaid envelope addressed to the member at his registered address, or by leaving it at that address, or by sending it using electronic communications to an address for the time being notified to the Company by such member for that purpose. In the case of joint holders of a share, all notices shall be given to the joint holder whose name stands first in the register of members in respect of the joint holding and notice so given shall be sufficient notice to all the joint holders. Any member whose registered address is not within the United Kingdom shall be entitled to have notices given to him at that address or at an address specified by him to which notices may be sent using electronic communications.
- 26.4 A notice of general meeting may, instead of being sent to the member in any of the ways specified in Article 26.3, be given to a member by the Company by publishing the notice on a web site, provided that the following conditions are met.
- 26 4 1 the member and the Company have agreed that notices of general meetings may be accessed by him on a web site instead of being sent to the member in one of the ways specified in Article 26.3; and
 - 26.4.2 the member is given a notification, in the manner agreed for the time being between the member and the Company, containing the following information:
 - (i) the fact that the notice has been published on the web site;
 - (ii) the address of the web site;
 - (iii) the place on the web site where the notice may be accessed and how it may be accessed;
 - (iv) a statement that it concerns a notice of general meeting served in accordance with the Act;

- (v) the place, date and time of the general meeting; and
 - (vi) whether the general meeting is to be an annual or extraordinary general meeting
- 26.5 A notice of general meeting given under Article 26.4 is deemed to be given at the time that the notification under Article 26.4.2 is deemed to be given having regard to the agreed manner of notification, which notification shall be given in accordance with Article 26.6.
- 26.6 A notice (or notification pursuant to Article 26.4.2) sent to a member (or to another person entitled to receive notices under the Articles) by post to an address within the United Kingdom is deemed to be given:
- 26.6.1 24 (twenty four) hours after posting, if pre paid as first class; and
 - 26.6.2 48 (forty eight) hours after posting, if pre paid as second class.
- A notice (or notification pursuant to Article 26.4.2) not sent by post but left at a member's registered address is deemed to have been given on the day it was left and a notice (or notification pursuant to Article 26.4.2) delivered personally is deemed to have been given at the time of delivery. A notice (or notification pursuant to Article 26.4.2) sent to a member (or other person entitled to receive notice under the Articles) by post to an address outside the United Kingdom is deemed to be given 72 (seventy two) hours after posting, if pre paid as airmail. A notice (or notification pursuant to Article 26.4.2) contained in an electronic communication sent in accordance with the Articles is deemed to be given at the expiration of 24 (twenty four) hours after the time it was sent. Proof that an envelope containing the notice (or notification pursuant to Article 26.4.2) was properly addressed, pre paid and posted is conclusive evidence that the notice (or notification) was given, and proof that a notice (or notification pursuant to Article 26.4.2) contained in an electronic communication was properly addressed and sent shall be conclusive evidence that the notice (or notification) was given.
- 26.7 Where the notice of meeting is published on a web site in accordance with Article 26.4, it shall continue to be published in the same place on that web site from the date of the notification given under Article 26.4.2 until the conclusion of the meeting to which the notice relates, provided that where a notice of meeting published on a web site in accordance with Article 26.4 is by accident published in different places on the web site or published for part only of the period from the date of the notification given under Article 26.4.2 until the conclusion of the meeting to which the notice relates, the proceedings at such meeting are not thereby invalidated
- 26.8 A member present, either in person or by proxy, at any meeting of the Company or of the holders of any class of shares in the Company shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called.
- 26.9 Every person who becomes entitled to a share shall be bound by any notice in respect of that share which, before his name is entered in the register of members, has been duly given to a person from whom he derives his title.
- 26.10 A notice may be given by the Company to the persons entitled to a share in consequence of the death or bankruptcy of a member by sending or delivering it, in any manner authorised by the Articles for the giving of notice to a member, addressed to them by name, or by the title of representatives of the deceased, or trustee of the bankrupt or by any like description at the address, if any, supplied for that purpose by the persons claiming to be so entitled. Until such an address has been supplied, a notice may be given in any manner in which it might have been given if the death or bankruptcy had not occurred
- 26.11 Members can deliver a notice or other document to the Company:
- 26.11.1 by delivering it by hand to the registered office of the Company from time to time,
 - 26.11.2 by sending it by post in a prepaid envelope addressed to the registered office of the Company from time to time; or
 - 26.11.3 by sending it using electronic communications to the address notified by the Company to shareholders for this purpose.
- 26.12 Save where expressly provided otherwise, for the purposes of Article 26.11 a notice or document delivered by hand is treated as being delivered at the time it is left at the registered office of the Company from time to time; a notice or document sent by post is treated as being delivered 24 (twenty four) hours after posting, if pre paid as first class and

48 (forty eight) hours after posting, if pre paid as second class; and a notice or document sent using electronic communications is treated as being delivered 24 (twenty four) hours after it was sent.

- 26.13 Where the Articles require notice to be given by the holders of a stated percentage of Shares, notice may consist of several documents in similar form each signed by or on behalf of one or more Shareholder(s).
- 26.14 This Article 26 does not affect any provision of the Act or any other legislation or any other provisions of the Articles requiring notices or documents to be delivered in a particular way.

27. Capitalisation of Profits

The Directors may, with the authority of an ordinary resolution of the Company, resolve that any shares allotted under regulation 110 to any member in respect of a holding by him of any partly paid shares shall, so long as those shares remain partly paid, rank for dividends only to the extent that those partly paid shares rank for dividend, and regulation 110 is modified accordingly.

28. Indemnity, and Insurance

28.1 Indemnity

28.1.1 Subject to the provisions of, and so far as may be consistent with, the Act, every Director of the Company shall be indemnified by the Company out of its own funds against.

(i) any liability incurred by or attaching to him in connection with any *negligence, default, breach of duty or breach of trust by him in relation to the Company other than:*

(i)(a) any liability to the Company or any associated company (as defined in section 232(3) of the Act), and

(i)(b) any liability of the kind referred to in sections 234(3) or (6) of the Act;
and

(ii) any other liability incurred by or attaching to him in the actual or purported execution and/or discharge of his duties and/or the exercise or purported exercise of his powers and/or otherwise in relation to or in connection with his duties, powers or office.

28.1.2 Where a Director is indemnified against a liability in accordance with this regulation, the indemnity shall extend to all costs, charges, losses, expenses and liabilities incurred by him

28.1.3 Subject to the provisions of, and so far as may be consistent with, the Act, every company secretary of the Company and any other officer of the Company (other than a Director or auditor of the Company) shall be indemnified by the Company out of its own funds against any liability however arising incurred by or attaching to him in connection with the actual or purported execution and/or discharge of his duties and/or the exercise or purported exercise of his powers and/or otherwise in relation to or in connection with his duties, powers or office. Where a secretary or other officer is indemnified against a liability in accordance with this regulation, the indemnity shall extend to all costs, charges, losses, expenses and liabilities incurred by him.

28.1.4 Subject to the provisions of, and so far as may be consistent with, the Act, every auditor of the Company shall if the board of directors so determines be indemnified out of the assets of the Company against any liability however arising incurred by or attaching to him in connection with the actual or purported execution and/or discharge of his duties and/or the exercise or purported exercise of his powers and/or otherwise in relation to or in connection with his duties, powers or office. This shall include any liability incurred by him in defending any proceedings, whether criminal or civil, in which judgement is given in his favour or in which he is acquitted, or in connection with any application under section 660, 661 or 1157 of the Act in which relief is granted to him by the court. Where an auditor is indemnified against a liability in accordance with this regulation, the

indemnity shall extend to all costs, charges, losses, expenses and liabilities incurred by him.

28.1.5 Subject to the provisions of and so far as may be permitted by the Act, the Company may:

- (i) provide a Director, company secretary or other officer (other than an auditor) of the Company with funds to meet expenditure incurred or to be incurred by him in defending any criminal or civil proceedings or in connection with any application under the provisions mentioned in section 205(5) of the Act; and
- (ii) may do anything to enable that person to avoid incurring such expenditure,

but so that, in the case of a director, the terms set out in section 205(2) of the Act shall apply to any such provision of funds or other things done.

28.2 Insurance

28.2.1 The Directors may exercise all the powers of the Company to purchase and maintain insurance for the benefit of any person who is or was:

- (i) an officer or employee of a Relevant Company, or
- (ii) trustee of a retirement benefits scheme or another trust in which any person who is or was an officer or employee of a Relevant Company is or has been interested,

indemnifying him against liability for negligence, default, breach of duty, breach of trust or another liability which may lawfully be insured against by the Company.

29. Borrowing Powers of Directors

Subject to the provisions of the Act and any agreement for subscription of shares to which the Company is a party, the Directors may exercise all the powers of the Company to borrow and raise money and to mortgage and charge all or any part of the undertaking, property and uncalled capital of the Company and to issue debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.