

Company number: 01428210

THE COMPANIES ACT 2006

PUBLIC COMPANY LIMITED BY SHARES

RESOLUTIONS
OF
SPECIALIST COMPUTER CENTRES PLC
(the "Company")

At a general meeting of the Company, duly convened at James House, Warwick Road, Birmingham, B11 2LE on 18 May 2018 at 10 am/pm resolution 1 (set out below) was passed as a special resolution and resolution 2 (set out below) was passed as an ordinary resolution by the sole member of the Company:

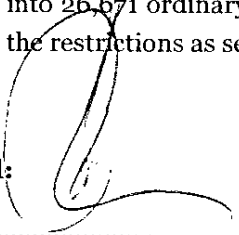
SPECIAL RESOLUTION

1. **THAT** the articles of association of the Company attached to this resolution (the "New Articles") be adopted as the new articles of association of the Company in substitution for, and to the exclusion of, the existing articles of association of the Company.

ORDINARY RESOLUTION

2. **THAT**, subject to the passing of resolution 1, in accordance with section 618 of the Companies Act 2006, the 21,540 C ordinary shares of £1.00 each, the 3,591 D ordinary shares of £1.00 each and the 1,540 E ordinary shares of £1.00 each in the capital of the Company be re-designated into 26,671 ordinary shares of £1.00 each, such shares having the rights and being subject to the restrictions as set out in the New Articles.

Signed:



Director

Dated: 18 May 2018

WEDNESDAY



A13 *A76JHLWW* #167
23/05/2018
COMPANIES HOUSE

Company Number 01428210

THE COMPANIES ACT 2006

PUBLIC COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

SPECIALIST COMPUTER CENTRES PLC

(Adopted by Special Resolution passed on 18 May, 2018)

1 DEFINED TERMS

1.1 In these articles:

- | | |
|----------------------|---|
| A Shareholder | means the holders of A Shares in issue from time to time or any one of them; |
| A Shares | means A ordinary shares of £1.00 each in the capital of the Company; |
| Bad Leaver | an A Shareholder who ceases to be an employee of the Company or any Group Company and is not a Good Leaver; |

CA 2006	the Companies Act 2006;
Called Shareholders	has the meaning given in article 17.1;
Called Shares	has the meaning given in article 17.1;
Call Option Period	the period from the date following the date of expiry of the Put Option Period to the date which is twelve calendar months following the date following the expiry of the Put Option Period;
connected persons	in relation to a director means persons connected with that director for the purposes of section 252 CA 2006;
Controlling Interest	in relation to a person means the ownership by that person and his or its connected persons of Shares carrying the right to more than 50% of the total number of votes which may be cast on a poll at a general meeting of the Company;
Cumulative EBIT	means the earnings of the relevant company before interest, and tax for the latest three financial years as set out in the management accounts for the latest year (but calculated in accordance with the same accounting policies and practices as applied in the preparation of the consolidated audited accounts of the Company) and the previous two years filed audited statutory accounts and for the avoidance of doubt, this is to be measured by including any Included Profits and Losses but excluding any Excluded Profits and Losses;
Default Shares	has the meaning given in article 16.2;
Defaulting Shareholder	has the meaning given in article 16.1;
directors' meeting	includes a meeting of a committee to which the directors delegate any of their powers;
Disposal Consideration	the consideration payable by the purchaser(s) being the aggregate of the cash consideration and/or the cash equivalent of any non-cash assets (including in each case any deferred or contingent consideration) paid or agreed to be paid for the sale, transfer or disposal of an interest in the Company which are the subject of the Sale, or the trade and/or assets of the Company which are the subject of the Trade Sale, after deduction of any fees or other expenses

	related to or triggered by the relevant Exit Event;
Drag Along Notice	has the meaning given in article 17.3;
Drag Along Option	has the meaning given in article 17.1;
EBIT Percentage	means calculated as follows: (Cumulative EBIT / 54,000,000) x 100;
eligible director	means, in relation to a matter or decision, a director who is or would be entitled to count in the quorum and vote on the matter or decision at a meeting of directors (but excluding any director whose vote is not to be counted in respect of the particular matter or decision);
Excluded Profits and Losses	means any profits and losses that arise from: <ul style="list-style-type: none"> (a) as a result of any future acquisitions of businesses by the Company; (b) in M2 Digital Limited (company registration number: 02775760); and (c) any dividends received from any subsidiaries including dividends received on any preference shares;
Exit Event	means each of the events listed below, subject to the Company giving reasonable notice to the holders of the A Shares prior to completion of such event: <ul style="list-style-type: none"> (i) Sale; (ii) Trade Sale; and (iii) the compulsory acquisition of the Company.
FY18 Budgeted Basis	means as set out in the Company's FY18 Budget as agreed by the board in March 2017;
Good Leaver	an A Shareholder who ceases to be an employee of the Company or any Group Company for any reason (including due to death, retirement at 65 years of age or more or dismissal by the Company where such dismissal is found by a tribunal or Court of Competent Jurisdiction to have been

wrongful) other than:

- (a) resignation by the employee; or
 - (b) dismissal by the Company where such dismissal is by reason of gross misconduct of the employee;
- or the board in its absolute discretion determines;

Group Company

a body corporate which is at the relevant time:

- (a) a subsidiary of the Company; or
- (b) the Company's holding company or a subsidiary of that holding company,

and for these purposes "holding company" and "subsidiary" have the meanings given to those expressions in section 1159 CA 2006,

Included Profits and Losses means any profits and losses that arise from:

- (a) the print services invoiced by the Company on FY18 Budgeted Basis;
- (b) Terminations; and
- (c) Statutory Exceptional Items;

Listing

means the unconditional granting of permission for any of the Shares or shares in the capital of the Parent Company (or any ordinary shares arising on conversion) to be dealt in on any recognised investment exchange (as defined in section 285 of the Financial Services and Markets Act 2000);

Market Value

means the share value as agreed between the Board and the holder(s) of the relevant Shares taking into account the income and capital rights of the class of shares in question and, in the absence of agreement, as determined by an independent chartered accountant or firm of chartered accountants appointed by the Company as soon as reasonably practicable following notification of the disagreement and whose determination shall be final and binding;

Model Articles	the regulations contained in Schedule 3 to The Companies (Model Articles) Regulations 2008;
New Holding Company	means a company which obtains control of the Company where 90% or more of the New Holding Company's ordinary shares are held in substantially the same proportions by substantially the same persons who previously held the Company's Ordinary Shares;
Offer Period	has the meaning given in article 18.2;
Option Holder	means a holder of A Shares;
Option Securities	means the A Shares;
Ordinary Resolution	has the meaning given in Section 282 of the Act;
Ordinary Shareholder	means the holders of Ordinary Shares in issue from time to time or any one of them;
Ordinary Shares	means ordinary shares of £1.00 each in the capital of the Company;
Parent Company	means the holder of the majority of Ordinary Shares of the Company (or such person as nominated by the holder of the majority of the Ordinary Shares of the Company from time to time);
Parent Company Purchaser	has the meaning given in article 19.1;
Parent Shares	has the meaning given in article 19.1;
Parent Undertaking	has the meaning given to it in section 1162 of the CA 2006;
Proposed Purchaser	has the meaning given in articles 16.2 to 16.5;
Purchaser	a bona fide arm's length purchaser (and does not include a company or trust owned by any Rigby Family Member or Members);
Put Option Consideration	means a price equal to the Market Value of the relevant Option Securities;
Put Option Period	the period from the date of these articles of association to and including 31 December 2020;
Put Option	means the option of the A Shareholders to require the

	Parent Company to purchase the A Shares on the terms of article 19;
Relevant Event	has the meaning given in article 16.1;
Return	has the meaning given in article 14.1;
Return Proceeds	has the meaning given in article 14.1;
Rigby Family Member or Members	means Steven Rigby and/or James Rigby and/or Sir Peter Rigby and/or their respective spouses and/or children;
Sale	<p>means the disposal of 50% or more of the aggregate of the issued Ordinary Shares of the Company and/or the disposal of 50% or more of the equity shares of the Parent Company to a person or persons other than where:</p> <p>(i) the disposal is to a New Holding Company in which case such company shall be considered to be the Company for the purpose of this definition; or</p> <p>(ii) the relevant transfer is to a person or persons connected with the transferring shareholder or to a company or trust owned by a Rigby Family Member,</p> <p>and any condition subject to which the acquisition is made has been satisfied;</p>
Sale Shares	has the meaning given in article 17.1;
Selling Shareholder	has the meaning given in article 17.1;
Shares	means the shares in the Company, being the Ordinary Shares and the A Shares from time to time in issue;
Specified Price	has the meaning given in article 17.2;
Statutory Exceptional Items	means items identified as exceptional items in the Company's statutory accounts;
Subscription Price	means the price per share at which the relevant shares are issued (being the aggregate of the amount paid up or credited as paid up in respect of the nominal value thereof and any share premium thereon);
Tag Offer	has the meaning give in article 18.1;
Tag Shares	has the meaning given in article 18.1;
Tagged Shares	has the meaning given in article 18.1;

Terminations

means costs associated with the making of redundancies;
and

Trade Sale

means the disposal of the whole, or substantially the whole (as determined by the board of directors of the Company or a duly authorised committee of the board) of the undertaking, business and assets of the Company other than to a company within the Company or a company which controls the Company (or a company connected with that company).

- 1.2 Unless the context otherwise requires, other words or expressions contained in these articles bear the same meaning as in the Model Articles and CA 2006, in each case as in force on the date when these articles become binding on the Company.
- 1.3 For the purposes of these articles a corporation shall be deemed to be present in person if its representative duly authorised in accordance with the Companies Acts is present in person.
- 1.4 Headings in these articles are used for convenience only and shall not affect the construction or interpretation of these articles.
- 1.5 A reference in these articles to an “article” is a reference to the relevant article of these articles unless expressly provided otherwise.
- 1.6 Unless expressly provided otherwise, a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of:
- (a) any subordinate legislation from time to time made under it; and
 - (b) any amendment or re-enactment and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts.
- 1.7 Any phrase in these articles or the Model Articles introduced by the terms “including”, “include”, “in particular” or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.

2 VARIATION OF MODEL ARTICLES

- 2.1 Subject as provided in these articles the Model Articles shall apply to the Company.
- 2.2 Model Articles 13(3) and 16 shall not apply to the Company.

3 CONFLICTS OF INTEREST

- 3.1 In this article and articles 4 and 5:

authorise	means to authorise in accordance with section 175(5)(b) CA 2006 and authorisation, authorised and cognate expressions shall be construed accordingly;
a conflict of interest	includes a conflict of interest and duty and a conflict of duties;
conflicted director	means a director in relation to whom there is a conflicting matter;
conflicting matter	means a matter which would or might (if not authorised or if not permitted under article 4) constitute or give rise to a breach of the duty of a director under section 175(1) CA 2006 to avoid a conflict situation;
conflict situation	means a situation in which a director has, or can have, a <i>direct or indirect interest that conflicts, or possibly may conflict</i> , with the interests of the Company (including a conflict of interest);
interested director	means a director who has, in any way, a material direct or indirect interest in a matter or decision;
material	a conflicting matter, conflict situation or interest is unless it cannot reasonably be regarded as likely to give rise to a conflict of interest; and
other directors	means, in relation to a particular conflicting matter, directors who are not interested directors in relation to that conflicting matter.

3.2 For the purposes of section 175(5)(b) CA 2006, the directors may authorise, in accordance with these articles, any matter which would, or might otherwise, constitute or give rise to a breach of the duty of a director under section 175(1) CA 2006 to avoid a conflict situation.

3.3 The provisions of this article apply:

- (a) subject to article 4; and
- (b) without prejudice (and subject) to the provisions of section 175(6) CA 2006.

Nothing in these articles shall invalidate an authorisation.

3.4 A conflicted director seeking authorisation of any conflicting matter shall disclose to the other directors the nature and extent of the conflicting matter as soon as is reasonably practicable. The conflicted director shall provide the other directors with such details of the conflicting matter as are necessary for the other directors to decide how to address

the conflicting matter, together with such additional information as may be requested by the other directors.

3.5 Any director (including the conflicted director) may propose that a conflicted director's conflicting matter be authorised. Any such proposal, and any authorisation given by the directors, shall be effected in the same way as any other matter may be proposed to and resolved on by the directors under the provisions of these articles, except that:

- (a) the conflicted director and any other interested director shall not count towards the quorum nor vote on any resolution giving that authorisation; and
- (b) the conflicted director and any other interested director may, if the other directors so decide, be excluded from any meeting of the directors while the conflicting matter and the giving of that authorisation are under consideration.

3.6 Where the directors authorise a conflicted director's conflicting matter:

- (a) the directors may (whether at the time of giving the authorisation or subsequently):
 - (i) require that the conflicted director is excluded from the receipt of information, the participation in discussions and/or the making of decisions (whether at meetings of the directors or otherwise) in relation to which any actual or potential conflict of interest may arise from the conflicting matter; and
 - (ii) impose on the conflicted director such other terms or conditions for the purpose of dealing with any actual or potential conflict of interest which may arise from the conflicting matter as they may determine;
- (b) the conflicted director shall conduct himself in accordance with any terms or conditions imposed by the directors (whether at the time of giving that authorisation or subsequently);
- (c) the directors may provide that, where the conflicted director obtains (otherwise than through his position as a director) information that is confidential to a third party, the conflicted director will not be obliged to disclose the information to the Company, or to use or apply the information in relation to the Company's affairs, where to do so would amount to a breach of that confidence;
- (d) the terms of the authorisation shall be recorded in writing (but the authorisation shall be effective whether or not the terms are so recorded); and
- (e) the directors may revoke or vary the authorisation at any time but no such action will affect anything done by the conflicted director prior to that action in accordance with the terms of the authorisation.

4 PERMITTED CONFLICT SITUATIONS

4.1 If a director or a connected person of a director:

- (a) is or becomes a member, director, manager or employee of the Company or any other Group Company; or
- (b) acquires and holds shares in the capital of any other body corporate, wherever incorporated, provided that the shares held by the director and his connected persons do not exceed 3% of the nominal value of the issued share capital of that body corporate;

any conflict situation which arises only by reason of such a conflicting matter is permitted by this article and the relevant conflicting matter does not require disclosure and authorisation in accordance with article 3.

4.2 If:

- (a) a director or a connected person of a director acquires or holds shares in excess of the limit prescribed in article 4.1(b) in the capital of any other body corporate, wherever incorporated; or
- (b) a director or a connected person of a director is appointed or acts as a member, director, manager or employee of a body corporate, wherever incorporated, other than a Group Company,

and so long as the conditions specified in article 4.3 are satisfied in relation to the director (the “**relevant conflicted director**”), any conflict situation which arises only by reason of such a conflicting matter is permitted by this article and the relevant conflicting matter does not require disclosure and authorisation in accordance with article 3.

4.3 The conditions referred to in article 4.2 are as follows:

- (a) the relevant conflicted director must:
 - (i) disclose to the other directors the nature and extent of the relevant conflicting matter as soon as is reasonably practicable;
 - (ii) whenever required by the other directors, either confirm that there has been no material change in the nature and extent of the relevant conflicting matter or provide details of any such material change that may have occurred; and
 - (iii) whether or not requested to do so, promptly inform the other directors regarding any material change in the nature and extent of the relevant conflicting matter,

and, in each case, provide the other directors with such details of the relevant conflicting matter as they may require (but so that the relevant conflicted director shall not be obliged to breach any legal obligation as to confidentiality owed to a third party);

- (b) unless the other directors decide that, in their opinion:
 - (i) the conflict situation arising by reason of the relevant conflicting matter is not material; or
 - (ii) it is reasonable to expect the relevant conflicted director to resolve the relevant conflict situation in favour of the Company,

the relevant conflicted director must also be excluded from the receipt of information, the participation in discussions and/or the making of decisions (whether at meetings of the other directors or otherwise) in relation to which a conflict situation arises by reason of the relevant conflicting matter; and

- (c) the relevant conflicted director must also comply with any other terms or conditions for the purpose of dealing with any actual or potential conflict of interest which may arise from the relevant conflicting matter as the other directors may determine including (but not limited to) confidentiality, and:
 - (i) any such terms or conditions shall be recorded in writing (but the authorisation conferred by this article shall be effective whether or not the terms are so recorded); and
 - (ii) the other directors may vary any such terms or conditions at any time, but no such variation will affect anything done by the relevant conflicted director prior to that variation in accordance with the terms or conditions in effect at the relevant time.

4.4 A director shall not, by reason of his office or of the resulting fiduciary relationship, be liable to account to the Company for any benefit which he (or a person connected with him) derives from:

- (a) a conflicting matter authorised by the directors;
- (b) a conflicting matter to which article 4.1 or article 4.2 applies; or
- (c) a decision of the directors in relation to which, in accordance with article 5.2, the director was an eligible director, notwithstanding his relevant conflicting interest,

and no transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit.

5 DIRECTORS' INTERESTS AND DECISION MAKING

- 5.1 A director who has a direct or indirect interest or duty that conflicts with the interests of the Company in relation to a proposed decision of the directors is not an eligible director in relation to that decision unless article 5.2 applies to him.
- 5.2 A director who has a direct or indirect interest that conflicts with the interests of the Company in relation to a proposed decision of the directors (a “**relevant conflicting interest**”) shall be an eligible director in relation to that decision, provided that:
- (a) in a case where the relevant conflicting interest is in an actual or proposed transaction or arrangement with the Company:
 - (i) the nature and extent of the relevant conflicting interest either:
 - (A) has been duly declared to the other directors in accordance with section 177 or section 182 CA 2006, as the case may require; or
 - (B) is not required by the terms of either of those sections to be declared; and
 - (ii) where the relevant conflicting interest is constituted by, or arises from, a conflicting matter of the director and:
 - (A) that conflicting matter (or any breach of the relevant director’s duty under section 175(1) CA 2006 by reason of that conflicting matter) is or has been authorised, permitted, approved or ratified, either in accordance with article 3 or article 4 or by the members (and that authorisation, permission, approval or ratification has not been revoked, withdrawn or reversed); and
 - (B) the relevant director has not been required to be excluded from participation in discussions and/or the making of decisions in relation to which the director has the relevant conflicting interest; or
 - (iii) where the relevant conflicting interest is constituted by, or arises from, a conflicting matter of the director and that conflicting matter (or any breach of the relevant director’s duty under section 175(1) CA 2006 by reason of that conflicting matter) is not or has not been authorised, permitted, approved or ratified, either in accordance with article 3 or article 4 or by the members:
 - (A) the conflict situation arising by reason of that conflicting matter is not material; or
 - (B) the other directors are aware of the relevant conflicting interest

and have determined that the director shall be an eligible director in relation to that decision; and

- (b) in any other case:
 - (i) the director has disclosed the nature and extent of the relevant conflicting interest, or has not done so where:
 - (A) it cannot reasonably be regarded as likely to give rise to a conflict of interest; or
 - (B) the other directors are already aware of it; and
 - (ii) where the relevant conflicting interest is constituted by, or arises from, a conflicting matter of the director and:
 - (A) that conflicting matter (or any breach of the relevant director's duty under section 175(1) CA 2006 by reason of that conflicting matter) is or has been authorised, permitted, approved or ratified, either in accordance with article 3 or article 4 or by the members (and that authorisation, permission, approval or ratification has not been revoked, withdrawn or reversed); and
 - (B) the relevant director has not been required to be excluded from participation in discussions and/or the making of decisions in relation to which the director has the relevant conflicting interest; or
 - (iii) where the relevant conflicting interest is constituted by, or arises from, a conflicting matter of the director and that conflicting matter (or any breach of the relevant director's duty under section 175(1) CA 2006 by reason of that conflicting matter) is not or has not been authorised, permitted, approved or ratified, either in accordance with article 3 or article 4 or by the members:
 - (A) the conflict situation arising by reason of that conflicting matter is not material; or
 - (B) the other directors are aware of the relevant conflicting interest and have determined that the director shall be an eligible director in relation to that decision; but
- (c) the provisions of this article do not apply in relation to a decision under article 3.5.

For the purposes of this article, the other directors are to be treated as aware of anything of which they ought reasonably to be aware.

5.3 If a question arises at a meeting of the directors about whether or not a director (other than the chairman of the meeting):

- (a) has a material conflict situation for the purposes of articles 3 or 4;
- (b) can vote (where that director does not agree to abstain from voting) on the issue in relation to which the conflict situation arises; or
- (c) can be counted in the quorum (where that director does not agree not to be counted in the quorum) for the purpose of voting on the issue in relation to which the conflict arises,

the question must (unless article 5.4 applies) be referred to the chairman of the meeting. The ruling of the chairman of the meeting in accordance with this article 5.3 about any director other than himself is final and conclusive, unless the nature or extent of the director's conflict situation (so far as it is known to him) has not been fairly disclosed to the other directors.

5.4 If in relation to a question of the kind referred to in article 5.3 the chairman of the meeting is an interested director, the question must be referred to the other directors in accordance with article 5.5 as if it were a question about the chairman of the meeting.

5.5 If a question of the kind referred to in article 5.3 arises about the chairman of the meeting (or if article 5.4 applies), the question shall be decided by a resolution of the other directors. The chairman of the meeting (or conflicted director) cannot vote on the question but can be counted in the quorum. The other directors' resolution about the chairman of the meeting (or conflicted director) is conclusive, unless the nature and extent of the chairman's (or conflicted director's) conflict situation (so far as it is known to him) has not been fairly disclosed to the other directors.

5.6 Nothing in this article 5 shall be taken as absolving any director from any of the obligations set out in article 3. A determination by the directors in accordance with article 5.2(a)(iii)(B) or 5.2(b)(iii)(B) that a conflicted director may be an eligible director in relation to a decision of the directors does not amount to authorisation of the relevant conflict situation.

5.7 The Company may, by ordinary resolution, ratify any transaction, arrangement or other matter which has not been properly authorised by reason of a contravention of these articles.

5.8 Any reference in this article or articles 3 and 4 to meetings of the directors and voting shall include decision-making by written resolution in accordance with Model Article 18 or a decision taken in accordance with article 7.

6 DECISION-MAKING BY DIRECTORS: GENERAL

6.1 The general rule about decision-making by directors is that any decision of the directors must be either a majority decision at a meeting, or by written resolution in accordance with Model Article 18 or a decision taken in accordance with article 7.

6.2 The directors must ensure that the Company keeps a record, in writing, for at least 10 years from the date of the decision recorded, of every unanimous or majority decision taken by the directors.

6.3 Model Article 10(2) shall be read:

- (a) subject to article 5; and
- (b) as if the final word was deleted and the words “two eligible directors” were added in its place.

6.4 For the purposes of:

- (a) any meeting (or part of a meeting) held in accordance with article 3 to authorise a director’s conflict; or
- (b) any determination in accordance with article 5.4,

if there is only one director present who is not an interested director for the purpose of that authorisation or determination, the quorum for that meeting (or part of a meeting) is one eligible director.

6.5 For the purposes of:

- (a) any informal directors’ resolution in accordance with article 7 to authorise a director’s conflict for the purposes of article 3; or
- (b) any determination in accordance with article 5.4 other than in a meeting,

if there is only one director in office who is not an interested director for the purpose of that resolution or determination, the quorum for the purpose of signing or passing that resolution or determination is one eligible director.

6.6 Model Article 14(2) shall be read as if the words “to be counted” to “voting purposes” inclusive were omitted and the words “an eligible director for the purposes of that meeting (or part of a meeting)” were added in their place.

6.7 For the purposes of Model Articles 17 and 18, a written resolution of the directors may be in electronic form.

6.8 Where a decision of the directors is taken by electronic means, that decision must be recorded in permanent form, so that it may be read with the naked eye.

6.9 A decision may not be taken in accordance with Model Article 18 if the eligible directors

making that decision would not have formed a quorum at a directors' meeting resolving on the same matter.

7 INFORMAL DECISION-MAKING BY DIRECTORS

7.1 Subject to article 7.2, a decision of the directors is taken in accordance with this article when either:

- (a) all eligible directors indicate to each other by any means that they share a common view on a matter (and such a decision may take the form of a resolution in writing, copies of which have been signed by each eligible director or to which each eligible director has otherwise indicated agreement in writing, or may be in electronic form); or
- (b) a proposed decision has been notified (by any means permitted by these articles) to all eligible directors and a majority of eligible directors indicate to each other by any means that they agree on that decision (and such a decision may take the form of a resolution in writing, copies of which have been signed by a majority of the eligible directors or to which a majority of eligible directors has otherwise indicated agreement in writing, or may be in electronic form).

7.2 A decision may not be taken in accordance with this article 7 if the eligible directors making that decision would not have formed a quorum at a directors' meeting resolving on the same matter.

8 REMOVAL OF DIRECTORS

8.1 In addition and without prejudice to the provisions of sections 168 and 169 CA 2006, the Company may by ordinary resolution remove any director before the expiry of his period of office and may, if thought fit, by ordinary resolution appoint another person in his place. Removal of a director in accordance with this article shall be without prejudice to any claim that director may have for damages for breach of any contract between him and the Company.

9 OFFICERS' EXPENSES

Model Article 24 shall be amended by the insertion of the words "including alternate directors and the secretary" before the words "properly incur".

10 GENERAL MEETINGS

10.1 In the case of an equality of votes, whether on a show of hands or on a poll, the chairman shall be entitled to a casting vote in addition to any other vote he may have.

10.2 Each Ordinary Share shall confer upon the holder thereof the right to one vote.

10.3 Each A Share shall confer upon the holder 5% of the total voting rights of the Company notwithstanding the number of A Shares held by each of them.

- 10.4 Each Share shall confer upon the holder the right to receive notice of and attend any general meeting of the members of the Company for the purposes of exercising their vote.
- 10.5 Model Article 80 has effect in relation to the right to receive notices of general meetings and shall also apply to any person nominated in accordance with article 15 to receive any notice or document.
- 10.6 A proxy or a representative appointed in accordance with section 323 CA 2006 may chair a general meeting if appointed to do so in accordance with Model Article 31(2).
- 10.7 Model Article 36(3) shall be amended by the insertion of the words “A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made” as a new paragraph at the end of that article.
- 10.8 Model Article 38(1) shall be amended by the insertion of the words “and a proxy notice which is not delivered in that form and that manner shall be invalid, unless the directors, in their discretion, accept the notice at any time before the meeting” as a new paragraph at the end of that article.

11 SHARE CAPITAL

- 11.1 The share capital of the Company is comprised of Ordinary Shares and A Shares.
- 11.2 The Ordinary Shares and A Shares shall constitute and shall be treated as separate classes of shares but all Shares shall rank pari passu unless the Articles provide otherwise.

12 ALLOTMENT OF SHARES

- 12.1 For the purposes of section 551 CA 2006 and subject to the provisions of articles 12.3 and 12.4, the directors are unconditionally authorised by this article at any time or times during the period of five years from the date of the adoption of these articles of association:

- (a) to allot equity securities in the capital of the Company (as defined in section 560 CA 2006); and
- (b) to make at any time before the expiry of the above authority any offer or agreement which would or might require equity securities to be allotted after the expiry of that authority,

but the authority given by this article may, subject to CA 2006, be renewed, revoked or varied by the Company at any time during that period by ordinary resolution and unless so renewed, revoked or varied, that authority shall expire at the end of that period.

- 12.2 Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, all shares to which article 12.1 applies shall be issued to

the persons, on the terms and conditions and with the rights, priorities, privileges or restrictions in each case as provided in the resolution creating or issuing the relevant shares. In the absence of any such provision, all shares shall be at the disposal of the directors who may issue them, subject to section 551 CA 2006, to such persons at such times and generally on such terms and conditions and with such rights, priorities, privileges or restrictions as they may think fit. Accordingly, and in accordance with section 570 CA 2006, sections 561(1) and 562 CA 2006 shall not apply to the Company.

- 12.3 The maximum nominal amount of share capital which or in respect of which the directors may allot, grant options or subscription or conversion rights, create, deal or otherwise dispose of in accordance with this article shall be £132,000 or such other amount as shall be authorised by the Company in accordance with article 12.1.
- 12.4 No share shall be issued to any infant, bankrupt or person who, by reason of that person's mental health, is subject to a court order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have.

13 TRANSMISSION OF SHARES

- 13.1 Nothing in these articles or the Model Articles releases the estate of a deceased member from any liability in respect of a share solely or jointly held by that member.
- 13.2 Model Article 68 shall be amended by the insertion of the words “, or the name of any person nominated under Model Article 66(1)(a),” after the words “the transmittee's name”.

14 RETURN OF CAPITAL

- 14.1 For the purposes of this article:

14.1.1 Pursuant to article 14.3 the amount which the A Shareholders shall receive as a class (“**A Share Entitlement**”) shall be the lower of:

- (a) the A Maximum Entitlement (as defined in article 14.2 below); and
- (b) 2% of the Return Proceeds.

- 14.2 The A Maximum Entitlement shall be calculated as follows:

14.2.1 if Cumulative EBIT is less than £43,200,000 the A Maximum Entitlement shall be nil;

14.2.2 if Cumulative EBIT is equal to or greater than £43,200,000 and less than £64,800,000 then the A Maximum Entitlement shall be calculated as follows:

$$£2,035,000 + ((\text{EBIT Percentage} - 80) \times £22,000)$$

14.2.3 if Cumulative EBIT is equal to or greater than £64,800,000 then the A Maximum Entitlement shall be £2,915,000.

14.3 On an Exit Event, return of capital on liquidation, winding up or otherwise (other than on conversion, redemption or purchase of Shares) ("**Return**"), the surplus assets of the Company remaining after the payment of its liabilities and available for distribution amongst the members (the "**Return Proceeds**") shall be applied as follows:

14.2.2. firstly, to the A Shareholders the A Share Entitlement; and

14.2.3. secondly, any remaining proceeds to Ordinary Shareholders.

14.4 The Appendix contains a worked example showing the operation of the provisions set out in article 14.3. The worked example is illustrative only and:

14.4.1 in the event of any ambiguity between the Appendix and article 14.3 the terms of article 14.3 shall prevail; but

14.4.2 any person to whom the matter is referred for determination may have due regard to the Appendix as setting out the intention of the parties as to the calculation and implementation of the provisions of article 14.3.

15 PERMITTED TRANSFERS

15.1 The A Shares may be transferred at any time with the prior written consent of the majority of the directors.

15.2 The Ordinary Shares are freely transferable.

16 COMPULSORY TRANSFERS

16.1 For the purposes of this article 16, a "**Relevant Event**" shall occur in relation to an A Shareholder ("**Defaulting Shareholder**") who:

(a) becomes bankrupt;

(b) dies;

(c) has an order made by a court having jurisdiction (whether in the United Kingdom or elsewhere) for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his property or affairs; or

(d) ceases to be employed by any Group Company.

16.2 Upon the happening of a Relevant Event in relation to a Defaulting Shareholder, the Defaulting Shareholder shall be deemed to have immediately given a transfer notice specifying that he wishes to transfer all the Shares held by such Defaulting Shareholder ("**Default Shares**") to the relevant Proposed Purchaser and at a price per share equal

to:

- (a) the price for which the Default Shares were subscribed for by the Defaulting Shareholder in case of a Relevant Event pursuant to articles 16.1(a) and 16.1(c);
- (b) the higher of:
 - (i) the price for which the Default Shares were subscribed for by the Defaulting Shareholder; and
 - (ii) Market Value,
in case of a Relevant Event pursuant to article 16.1(b) and article 16.1(d) in the case where such Defaulting Shareholder is a Good Leaver; and
- (c) the lower of:
 - (i) the price for which the Default Shares were subscribed for by the Defaulting Shareholder; and
 - (ii) Market Value,
in the case of a Relevant Event pursuant to article 16.1(d) in the case where such Default Shareholder is a Bad Leaver.

16.3 On the occurrence of a Relevant Event, pursuant to articles 16.1(a) and 16.1(c), the Proposed Purchaser shall be the Company who may either repurchase the Default Shares or direct that such other person shall purchase the Default Shares.

16.4 On the occurrence of a Relevant Event, pursuant to articles 16.1(b) and 16.1(d), the Proposed Purchaser shall be the Parent Company or such other person as the Company may direct.

16.5 Any director of the Company may execute and deliver to the Proposed Purchaser a transfer of the Default Shares on behalf of the Defaulting Shareholder in accordance with article 16.2 and give a good discharge on behalf of the Defaulting Shareholder of the consideration received by the Company on behalf of the Proposed Purchaser.

17 DRAG ALONG RIGHTS

17.1 If the holders of a Controlling Interest (the "**Selling Shareholders**") wish to transfer all of their interest in their Shares ("**Sale Shares**") to a Purchaser, the Selling Shareholders may require all other shareholders (the "**Called Shareholders**") to sell and transfer all their shares (the "**Called Shares**") to the Purchaser (or as the Purchaser directs) at the Specified Price (defined in article 17.2 below) and otherwise on the same terms (including as to the time of completion and the manner of payment) as the Purchaser has offered the Selling Shareholders to purchase the Controlling Interest (the "**Drag Along Option**").

- 17.2 For the purposes of article 17.1 above and article 18, the “**Specified Price**” shall be the consideration payable for the Called Shares which shall, for each Called Share, be an amount the holder of a Called Share would be entitled to if the consideration was distributed in the same manner and order of application pursuant to article 14.1.
- 17.3 The Selling Shareholders may exercise the Drag Along Option by giving written notice to the Called Shareholders to that effect (the “**Drag Along Notice**”) at any time before the transfer of their shares to the Purchaser. The Drag Along Notice shall specify:
- (a) that the Called Shareholders are required to transfer the Called Shares;
 - (b) the identity of the Purchaser to whom the Called Shares are to be transferred;
 - (c) the Specified Price and other terms and conditions of payment;
 - (d) the proposed date of the transfer; and
 - (e) the number of Called Shares proposed to be purchased.
- 17.4 Once issued, a Drag Along Notice shall be irrevocable. However, a Drag Along Notice shall lapse if, for any reason, the Selling Shareholders have not sold the Sale Shares to the Purchaser within 21 business days of serving the Drag Along Notice. The Selling Shareholders may serve further Drag Along Notices following the lapse of any particular Drag Along Notice.
- 17.5 Within five business days of the Selling Shareholders serving a Drag Along Notice on the Called Shareholders, the Called Shareholders shall deliver duly executed stock transfer forms for the Called Shares, together with the relevant share certificates (or a suitable indemnity for any lost share certificates) to the Company.
- 17.6 If the Purchaser has not put the Company in funds to pay the consideration due on the Sale Shares and Called Shares as at proposed date of the transfer, the Called Shareholders shall be entitled to the return of the stock transfer forms and share certificates (or suitable indemnity) for the relevant Called Shares and the Called Shareholders shall have no further rights or obligations under this article 17 in respect of their shares.
- 17.7 If any Called Shareholder does not, on completion of the sale of the Called Shares, execute transfer(s) in respect of all of the Called Shares held by him, the defaulting Called Shareholder shall be deemed to have irrevocably appointed any person nominated for the purpose by the Selling Shareholders to be his agent and attorney to execute all necessary transfer(s) on his behalf, against receipt by the Company (on trust for such holder) of the consideration payable for the Called Shares, to deliver such transfer(s) to the Purchaser (or as the Purchaser may direct) as the holder thereof. After the Purchaser (or its nominee) has been registered as the holder, the validity of such proceedings shall not be questioned by any such person. Failure to produce a share

certificate shall not impede the registration of the transferred shares.

18 TAG ALONG RIGHTS

- 18.1 Notwithstanding any other provision of these articles, the Selling Shareholders who wish to transfer all their interest in their shares ("**Tag Shares**") to a bona fide arm's length purchaser shall not do so unless (and no transfer of those shares shall be made or registered until) the proposer purchaser has offered irrevocably and unconditionally to purchase all the Shares of the remaining shareholders of the Company (the "**Tagged Shares**") at the Specified Price (as defined in Article 17.2 and otherwise on the same terms (including as to the time of completion and the manner of payment) as the proposed purchaser has offered the Selling Shareholders to purchase the Sale Shares (the "**Tag Offer**").
- 18.2 An offer made under article 18.1 shall be in writing open for acceptance for at least 21 days (the "**Offer Period**") and shall be deemed to be rejected by an offeree who has not accepted it in accordance with its terms within 28 days from the date of offer by the proposed purchaser.
- 18.3 If any holder of the Tagged Shares accepts the proposed purchaser's offer to acquire their Tagged Shares within the Offer Period, completion of the sale, and registration of the transfer, of the Sale Shares shall be conditional on completion of the sale, and registration of the transfer of, such Tagged Shares.
- 18.4 No Tag Offer need be issued if a Drag Along Notice has been served under Article 17.

19 SALE OF A PARENT UNDERTAKING

- 19.1 If the holders of shares in a Parent Undertaking carrying the right to more than 50% of the total number of votes which may be cast on a poll at a general meeting of a Parent Undertaking wish to transfer all of their interest in their shares in a Parent Undertaking (the "**Parent Shares**") to a bona fide arm's length purchaser ("**Parent Company Purchaser**"), the A Shareholders will be required to sell and transfer all their A Shares to the Parent Undertaking (or as the Parent Undertaking directs) at a price equal to the amount of the Return Proceeds (as defined in article 14.3) the relevant A Shareholder would be entitled to receive in accordance with article 14.3 as if a Return (as defined in article 14.3) following an Exit Event were to take place.
- 19.2 Completion of the sale and purchase of the relevant A Shares shall take place *immediately before the sale of the Parent Shares unless the Parent Undertaking and the relevant A Shareholders otherwise agree.*
- 19.3 On or before the completion date each A Shareholder shall deliver to the Parent Undertaking (or as the Parent Undertaking directs):
- (a) duly executed transfers of the A Shares registered in its name in favour of the

Parent Undertaking (or as the Parent Undertaking directs);

- (b) the relevant share certificate(s) in respect of the relevant A Shares (or an indemnity in a form reasonably satisfactory to the directors of the Parent Undertaking for any lost certificates); and
- (c) any other related documents required by the Parent Undertaking (or as the Parent Undertaking directs) to be executed by the relevant A Shareholders.

19.4 If the Parent Undertaking (or as the Parent Undertaking directs) has not paid the consideration due on the A Shares (as calculated in accordance with article 14.3 above) at the proposed date of the transfer, the relevant A Shareholders shall be entitled to the return of the stock transfer forms and share certificates for the relevant A Shares and the relevant A Shareholders shall have no further rights or obligations under this article 19 in respect of their shares.

20 PUT OPTION

20.1 Notwithstanding anything contained in these articles the Put Option may be exercised by an A Shareholder serving notice on the Parent Company during the Put Option Period.

20.2 Exercise of the Put Option shall oblige the Option Holder to sell and the Parent Company, or such other person as the Parent Company directs, to purchase the Option Securities at a price equal to the Put Option Consideration.

20.3 Completion of the sale and purchase of the Option Securities in relation to which the Put Option has been exercised shall take place at the registered office of the Company or such other place as may be agreed by the Option Holder and the Parent Company, or such person as the Parent Company may direct, on the date which is 10 Business Days after the date of determination of the Put Option Consideration, when all (but not part only unless the Parent Company, or such person as the Parent Company may direct, shall so agree) of the following business shall be transacted:

- (a) the Parent Company, or such person as the Parent Company may direct, shall pay or procure the payment to the Option Holder (or as he may direct) of the Put Option Consideration;
- (b) the Option Holder shall deliver to the Parent Company, or such person as the Parent Company may direct:
 - (i) transfers in respect of the Option Securities duly completed in favour of the Parent Company (or as the Parent Company may direct);
 - (ii) the certificate(s) relating to the Option Securities (or failing those certificates, an indemnity in terms which would be satisfactory to a

reasonable purchaser); and

- (iii) the Option Holder shall sign all such documents and take any action as may be necessary or requisite to enable the Parent Company (or such person as the Parent Company may direct) to become the registered and beneficial owner of the Option Securities.

20.4 The Option Holder and the Parent Company shall use their respective reasonable endeavours to procure that the Put Option Consideration shall be finally determined as quickly as practicable.

20.5 If the Option Holder fails to transfer the Option Securities, as provided above, the directors of the Company shall be entitled to receive and give a good discharge for the Put Option Consideration on behalf of the Option Holder (but shall not be bound to earn any interest on it). Any director of the Parent Company for the time being as the Parent Company shall nominate in writing, may act as the Option Holder's agent to execute on his behalf a transfer or transfers of the Option Securities in favour of the Parent Company (or as the Parent Company may direct) and execute such other documents and do all such other acts as may be necessary to transfer title to the Option Securities to the Parent Company (or as the Parent Company may direct) and authorise the directors of the Company to approve the registration of any such transfer or transfers or other documents and to implement and give effect to each of them.

21 CALL OPTION

21.1 Notwithstanding anything contained in these articles, the Call Option may be exercised:

- (a) on an Exit Event; or
- (b) by the Parent Company by serving notice on the A Shareholder at any time during the Call Option Period.

21.2 Exercise of the Call Option shall oblige the relevant A Shareholders to sell and the Parent Company to purchase the relevant A Shares at a price equal to:

- (a) the Market Value in the case of exercise pursuant to article 21.1(a); and
- (b) the lower of:
 - (i) Market Value; and
 - (ii) the Subscription Price,

In the case of exercise pursuant to article 21.1(b),

(the "Call Option Consideration").

21.3 Completion of the sale and purchase of the relevant A Shares in relation to which the Call Option has been exercised shall take place at the registered office of the Company

on the date which is 10 Business Days after the date of exercise of the Call Option, when all (but not part only unless the Parent Company shall so agree) of the following business shall be transacted:

- (a) the Parent Company shall pay or procure the payment to the relevant A Shareholder (or as he may direct) of the relevant Call Option Consideration;
- (b) the relevant A Shareholder shall deliver to the Parent Company:
 - (i) transfers in respect of the relevant A Shares duly completed in favour of the Parent Company (or as the Parent Company may direct);
 - (ii) the certificate(s) relating to the relevant A Shares (or failing those certificates, an indemnity in terms which would be satisfactory to a reasonable purchaser); and
 - (iii) the relevant A Shareholder shall sign all such documents and take any action as may be necessary or requisite to enable the Parent Company (or such person as the Parent Company may direct) to become the registered and beneficial owner of the relevant A Shares.

21.4 If the relevant A Shareholder fails to transfer the relevant A Shares, as provided above, the directors of the Company shall be entitled to receive and give a good discharge for the relevant Call Option Consideration on behalf of the relevant A Shareholder (but shall not be bound to earn any interest on it). Any director of the Parent Company for the time being as the Parent Company shall nominate in writing, may act as the relevant A Shareholder's agent to execute on his behalf a transfer or transfers of the relevant A Shares in favour of the Parent Company (or as the Parent Company may direct) and execute such other documents and do all such other acts as may be necessary to transfer title to the relevant A Shares to the Parent Company (or as the Parent Company may direct) and authorise the directors of the Company to approve the registration of any such transfer or transfers or other documents and to implement and give effect to each of them.

22 EXIT EVENT

Trade Sale

22.1 In the event of a Trade Sale, notwithstanding anything to the contrary in the terms and conditions governing such Trade Sale, the Disposal Consideration shall be apportioned between the Shareholders in the same manner and priority set out in article 14.1 (mutatis mutandis) as if each reference in article 14.1 to Return Proceeds was a reference to Disposal Consideration.

22.2 If any Disposal Consideration is comprised of Deferred Consideration and the Deferred Consideration actually becomes payable then the Deferred Consideration shall be

apportioned in accordance with article 14.1 as if the Deferred Consideration originally formed part of the Disposal Consideration except that the apportionment shall not be recalculated for the actual amount of Deferred Consideration ultimately received but shall be calculated once only at the date of the Trade Sale.

- 22.3 The Shareholders shall only be entitled to any distribution referred to in article 22.1 and article 22.2 above to the extent that the proceeds relating to the Disposal Consideration have actually been received by the Company and to the extent that the Company has distributable reserves available for the purpose of such distribution.

Sale

- 22.4 In the event of a Sale, notwithstanding anything to the contrary in the terms and conditions governing such Sale, the Disposal Consideration shall be apportioned between the Shareholders in the same manner and priority set out in article 14 (mutatis mutandis) as if each reference in article 14.3 to Return Proceeds was a reference to Disposal Consideration.
- 22.5 If any Disposal Consideration is comprised of Deferred Consideration and the Deferred Consideration actually becomes payable then the Deferred Consideration shall be apportioned in accordance with article 22.4 as if the Deferred Consideration originally formed part of the Disposal Consideration except that the apportionment shall not be recalculated for the actual amount of Deferred Consideration ultimately received but shall be calculated once only at the date of the Sale.

23 PAYMENT OF DIVIDENDS AND OTHER DISTRIBUTIONS

- 23.1 The Company may by Ordinary Resolution declare dividends, and the Directors may decide to pay interim dividends to the Ordinary Shareholders.
- 23.2 For the avoidance of doubt, the A Shares shall not be entitled to any dividends.
- 23.3 A dividend must not be declared unless the Directors have made a recommendation as to its amount. Such a dividend must not exceed the amount recommended by the Directors.
- 23.4 No dividend may be declared or paid unless it is in accordance with these Articles.
- 23.5 If any share is issued on terms providing that it ranks for dividend as from a particular date, that share ranks for dividend accordingly.
- 23.6 Model Article 72(1) shall apply as if the words "either in writing or as the directors may otherwise decide" were deleted from each of paragraphs (a) to (d) inclusive and replaced in each case by the words "in writing".

24 UNCLAIMED DISTRIBUTIONS

Model Article 75(3)(a) shall apply as if the words "twelve years" were deleted and the

words “six years” were inserted in their place.

25 LISTING

Immediately prior to and conditional on a Listing, the Shareholders shall enter into such reorganisation of the share capital of the Company as they may agree to ensure that the Listing Proceeds are allocated between the Shareholders in the same proportions as the provisions of article 14.1 provides or such Shareholders receive such amount of ordinary shares which are equal in value to the distributions they would have received using the same order of application as set out in article 14.1.

26 ENJOYMENT OR EXERCISE OF MEMBERS’ RIGHTS

26.1 Any member may by notice in writing to the Company nominate another person or persons as entitled to enjoy or exercise all or any specified rights of that member in relation to the Company in accordance with section 145 CA 2006.

26.2 A member who has made a nomination in accordance with article 26.1 may vary or terminate that nomination by notice in writing to the Company.

26.3 The Company shall act in accordance with every notice of nomination, variation or termination given in accordance with article 26.1 or article 26.2.

27 DELIVERY OF DOCUMENTS AND INFORMATION

27.1 Any notice, document or other information shall be deemed served on or delivered to the intended recipient:

- (a) if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted (or five business days after posting either to an address outside the United Kingdom or from outside the United Kingdom to an address within the United Kingdom, if (in each case) sent by reputable international overnight courier addressed to the intended recipient, provided that delivery in at least five business days was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the courier service provider);
- (b) if properly addressed and delivered by hand, when it was given or left at the appropriate address; and
- (c) if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website.

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

27.2 In proving that any notice, document or other information was properly addressed, it

shall be sufficient to show that the notice, document or other information was delivered to an address permitted for the purpose by CA 2006.

- 27.3 For the purposes of section 1147(3) CA 2006, where a document or information is sent or supplied by the Company to any member by electronic means, and the Company is able to show that it was properly addressed, it is deemed to have been received by the intended recipient one hour after it was sent (but subject to section 1147(5)).
- 27.4 Article 16.1 does not apply where a document or information is in electronic form but is delivered by hand or by post or by other non-electronic means.
- 27.5 Where a document or information is sent or supplied to the Company by one person (the “**agent**”) on behalf of another person (the “**sender**”), the Company may require reasonable evidence of the authority of the agent to act on behalf of the sender.

APPENDIX

Worked example

If:

1. the Return Proceeds are £150,000,000; and
2. the Cumulative EBIT of the Company is £60,000,000.

Then:

1. under article 14.3 the holders of the A Shares as a class would be entitled to receive the lower of:
 - a. 2% of the Return Proceeds, being £3,000,000; or
 - b. their A Maximum Entitlement.

2. the EBIT Percentage would be 111.11.

3. As Cumulative EBIT is greater than £43,200,000, then the A Maximum Entitlement would be calculated as follows:

$$£2,035,000 + ((111.11-80) \times £22,000) = £2,719,420$$

4. as such the amount of the Return Proceeds due to the A Shareholders would be £2,719,420.