

**Company Number: 3403261**

**THE COMPANIES ACTS 1985 TO 1989**

**COMPANY LIMITED BY SHARES**

**ANNOTATED ARTICLES OF ASSOCIATION**

**of**

**SENSORNET LIMITED**

**(Adopted by written resolution dated 27 October 2006 and amended by written  
resolutions dated 22 January 2008, 6 June 2008 and September 2008)**

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**SENSORNET LIMITED**

(Adopted by a written resolution dated 27 October 2006 and amended by a written resolution dated 22 January 2008)

**1. Preliminary**

- 1 1 The regulations contained or incorporated in Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 as amended by the Companies (Tables A to F) (Amendment) Regulations 1985 shall apply to the Company save insofar as they are excluded or modified by or are inconsistent with the regulations hereinafter contained and the regulations contained in Table A and the regulations herein contained shall be the articles of association of the Company (the "Articles")
- 1 2 Regulations 24, 25, 41, 46, 50, 51, 54, 64, 65, 73 to 80 (inclusive), 89, 94 to 96 (inclusive) and 118 of Table A shall not apply to the Company

**2. Definitions**

- 2 1 In these Articles the following expressions shall have the following meanings -

**Act** means the Companies Act 1985,

**A Shares** means A Ordinary Shares of £0 01 each in the capital of the Company being ordinary shares the original allottee of which is Shell and references to A Shareholders shall be construed accordingly<sup>1</sup>,

**Board** means the board of directors of the Company,

**B Shares** means B Ordinary Shares of £0 01 each in the capital of the Company being ordinary shares the original allottee of which is one of the Founders and references to B Shareholders shall be construed accordingly,

**Business Day** means a day (not being a Saturday) on which clearing banks are open for business in the City of London for the transaction of all classes of sterling banking business,

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<sup>1</sup> Pursuant to a written resolution dated 22 January 2008, the definition of "A Shares" has been amended

**C Shares** means C Ordinary Shares of £0 01 each in the capital of the Company,

**D Shares** means D Ordinary Shares of £0 01 each in the capital of the Company,

**Director** means any director of the Company for the time being and from time to time,

**E Shares** means E Ordinary Shares of £0 01 each in the capital of the Company,

**Exit** means the sale or disposal by Shell of all of the shares of the Company which are registered in its name,

**Founders** means Mahmoud Farhadiroushan and Tom Parker,

**Group Company** means the Company and any other company (or other entity) which is for the time being a subsidiary undertaking of the Company (and **Group** shall be construed accordingly),

**Listing** means either

- (a) the listing of the ordinary share capital of the Company becoming effective on any recognised investment exchange, or
- (b) the granting of an application for the dealing in any of the Company's equity share capital on any other public securities market whereby such shares can be freely traded and the approval for such dealing becoming effective,

whether such listing or admission is effected by way of an offer for sale, a new issue of shares, an introduction, a placing or otherwise

**Ordinary Shares** means the undenominated Ordinary Shares of £0 01 each in the capital of the Company and the A Shares, the B Shares, the C Shares, the D Shares and the E Shares,

**Permitted Persons** means in relation to any individual member of the Company, any one or more of the following - his wife or her husband as the case may be, or any child of his or hers or any trust for the benefit only of any of the foregoing individuals or any company in which an individual member of the Company holds more than 50% of the total issued share capital carrying the right to vote at meetings of the shareholders and in relation to Shell any party and in relation to any other corporate member of the Company, any one or more of the following - its individual shareholders or their spouses or any child of theirs or any trust for the benefit only of any of the foregoing individuals,

**Permitted Transfer** shall bear the meaning attributed to that term by Article 9 1,

**Sale** means the sale of a majority of the Company's equity voting share capital in issue assuming full conversion of outstanding Loan Stock (if any) to a purchaser which is not a Shell Affiliate,

**Service Agreement** means the service agreement between each Founder and the Company, each dated 28 May 2002,

**Shareholders** means the registered holders for the time being of the A Shares, the B Shares, the C Shares, the D Shares, the E Shares and any undenominated Ordinary Shares and references to an "A Shareholder", "B Shareholder", "C Shareholder", "D Shareholder and E Shareholder" and undenominated Ordinary Shareholder, shall be construed accordingly,

**Shareholders Agreement** means the subscription and shareholders agreement between the Company, Shell and the Founders of the same date as the date of adoption of these Articles,

**Shell** means Shell Technology Ventures Limited (No 03710941) an English Company<sup>2</sup>,

**Shell Affiliate** means Royal Dutch Shell plc and any entity which Shell or Royal Dutch Shell plc directly or indirectly controls For this purpose

- (a) an entity directly controls another entity if it owns fifty per cent or more of the voting rights attached to the issued share capital of the other entity, and
- (b) any entity indirectly controls another entity if a series of entities can be specified, beginning with the first entity and ending with the particular other entity, so related that each entity of the series (except the ultimate controlling entity) is directly controlled by one or more of the entities earlier in the series, and

**Tranche B Completion** means Tranche B Completion as defined in the Shareholders Agreement

2 2 The terms **subsidiary, subsidiary undertaking, wholly-owned subsidiary, parent undertaking, holding company, financial year, director, body corporate and equity share capital** shall have the meanings respectively attributed to them at the date of the adoption of these Articles by the Act, the term **connected person** shall have the meaning attributed to it at the date of the adoption of these Articles by section 839 of the Income and Corporation Taxes Act 1988 and the words **connected with** shall be construed accordingly, and the term **recognised investment exchange** shall have the meaning attributed to it by the Financial Services and Market Act 2000

2 3 A reference to any statutory provision in these Articles -

- (a) includes any order, instrument, plan, regulation, permission and direction made or issued under such statutory provision or deriving validity from it,
- (b) shall be construed as a reference to such statutory provision as in force at the date of adoption of these Articles (including, for the avoidance of doubt, any amendments made to such statutory provision that are in force at the date of the adoption of these Articles);
- (c) shall also be construed as a reference to any statutory provision of which such statutory provision is a re-enactment or consolidation, and
- (d) shall also be construed as a reference to any later statutory provision which re-enacts or consolidates such statutory provision

2 4 Words importing one gender shall (where appropriate) include any other gender, and words importing the singular shall (where appropriate) include the plural and vice versa

2 5 References in these Articles to **Regulations** and **Articles** are to regulations of Table A and to the regulations contained in these Articles respectively

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<sup>2</sup> Pursuant to a written resolution dated 22 January 2008, the definition of "Shell" has been amended to replace details of the English entity with Shell Technology Ventures Fund 1 B V

### 3. Share capital

- 3 1 The authorised share capital of the Company at the date of the adoption of these Articles is £1,200 divided into 30,000 A Shares, 15,000 B shares, 45,000 C Shares, 15,000 D Shares, 1,214 E Shares and 13,786 undenominated Ordinary Shares<sup>34</sup>
- 3 2 The A and C Shares respectively and the B and D Shares respectively shall be separate only for the purposes of identification in these Articles (as more particularly specified in Articles 4, 13 and 15) and the Shareholders Agreement. Any B Shares acquired by an A Shareholder shall automatically be redenominated as A Shares and vice versa. Any undenominated Ordinary Shares issued to an A Shareholder shall automatically be redenominated as A Shares, and similarly any undenominated Ordinary Shares issued to a B Shareholder shall automatically be redenominated as B Shares. Any C Shares acquired by a B or D Shareholder shall automatically be redenominated as D Shares. Any D Shares acquired by an A or C Shareholder shall automatically be redenominated as C Shares. Any shares in the capital of the Company acquired by an E Shareholder shall automatically be redenominated as E Shares.
- 3 3 *Pre-emption Provisions on Issue of Shares*
- (a) Any shares in the Company of any class for the time being unissued and any new shares of any class from time to time to be created (the **Unissued Shares**) shall, before they are issued, be offered to the Shareholders (other than to an E Shareholder) for the time being (the **Current Shareholders**),
- (b) Such offer shall be made by notice of the Board of Directors specifying the number of shares and specifying a period of fifteen working days after which the offer, if not accepted, will be deemed to be declined.
- 3 4 Each Current Shareholder shall state in writing to the Board whether he is willing to accept any Unissued Shares which are the subject of the offer and, if so, the maximum number of Unissued Shares which are the subject of the offer that he is willing to accept.
- 3 5 If within fifteen working days of the date of the notice of the Board referred to in Article 3 3(b) the Current Shareholders have expressed their willingness to accept in aggregate all of the Unissued Shares which were the subject of the offer then such shares shall be issued to such Shareholders so far as may be pro rata to the number of shares held by them at the time of the offer.
- 3 6 No Shares to be issued in accordance with this Article 3 shall be issued to any current Shareholders in excess of the number of shares which he or it has notified the Board as being willing to accept.
- 3 7 For the purposes of these Articles, any Unissued Shares issued to a Current Shareholder who holds shares of a particular class and who apply for and are allotted shares, shall be issued as shares of the same class as those already held by such Current Shareholder.

<sup>3</sup> Pursuant to a written resolution dated 6 June 2008, 23,118 C Ordinary Shares were re-designated as 23,118 A Ordinary Shares, 13,397 undenominated Ordinary Shares were re-designated as 13,397 A Ordinary Shares, 4,861 D Ordinary Shares were re-designated as 4,861 B Ordinary Shares, 2,083 D Ordinary Shares were re-designated as 2,083 B Ordinary Shares and 5,815 unissued D Ordinary Shares were re-designated as 5,815 A Ordinary Shares. Following this resolution, there were 72,330 A shares, 21,944 B shares, 21,882 C shares, 2,241 D shares and 1,603 E shares.

<sup>4</sup> Pursuant to a written resolution dated September 2008, 2,000 unissued C Ordinary Shares were re-designated as 2,000 A Ordinary Shares. Following this resolution, there are 74,330 A shares and 19,882 C shares.

3 8 Any Unissued Shares not accepted by the Current Shareholders within fifteen working days of the date of the notice of the offer or not capable of being offered under this Article 3 except by way of fractions, shall be deemed to be declined and the Directors may, subject to these Articles, allot, grant options over or otherwise dispose of the same not later than three months thereafter to such persons and on such terms and in such manner as they think fit PROVIDED THAT, in the case of shares not accepted by any Shareholders under this Article 3, such shares shall not be disposed of on terms which are more favourable to the subscribers thereof than the terms on which they were offered to the Current Shareholders

3 9 The provisions of this Article may be relaxed or varied to any extent by the written agreement of all the Current Shareholders for the time being

#### **4. Preferential rights on winding up**

4 1 On any winding up of the Company, all Ordinary Shares shall rank *pari passu* provided that the sum available for distribution to Ordinary Shareholders shall be reallocated so as to ensure that Shell shall receive in aggregate not less than an amount equal to (or, taking into account the sums available for distribution, as near as possible to) the subscription price paid in respect of each of the Shares subscribed and still held by it and in the case of shares issued to Shell on conversion of loan stock still held by Shell the subscription price of the Loan Stock giving rise on conversion to each such share, in preference to any distribution on any other Ordinary Shares <sup>5</sup>

4 2 Regulation 117 is amended by this Article 4

#### **5. Dividend rights**

Each Ordinary Share shall rank equally for receipt of income and dividends

#### **6. Return of capital rights**

Subject to Article 4, on a return of capital on liquidation or otherwise (except on the redemption of Ordinary Shares of any class or the purchase by the Company of its own Ordinary Shares), the surplus assets of the Company remaining after the payment of its liabilities shall be distributed amongst the holders of the Ordinary Shares pro rata their shareholdings at the date of any such return of capital

#### **7. Voting rights**

As regards voting, each A Share, B Share and undenominated Ordinary Share shall give the holder thereof the right to cast one vote. The C Shares, the D Shares and the E Shares shall not confer upon the holders thereof any right to vote at general meetings of the Company

#### **8. Class rights**

The A Share, B Shares and other ordinary shares in issue shall represent a single class of shares for the purposes of class rights

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<sup>5</sup> Pursuant to a written resolution dated 22 January 2008, Article 4 1 has been amended to replace the word "sill" with "still"

## **9. Permitted transfers of rights**

- 9 1 A transfer permitted by the provisions of Article 9 3 is referred to in these Articles as a **Permitted Transfer**
- 9.2 The Directors shall refuse to register the transfer of any share to a person unless the same is permitted under these Articles and the Shareholders Agreement provided that the Directors may not refuse to register a Permitted Transfer of any fully-paid share and the Directors shall be bound to register any such transfer within fourteen days after the lodging of a duly stamped instrument of transfer in respect of such share with the Company and to enter the name of the transferee in the register of members
- 9 3 Notwithstanding any other provisions of these Articles, the A Shareholders and the B Shareholders (or any persons entitled in consequence of the death of any of the B Shareholders) may at any time transfer any share -
- (a) in the case of a member at the time of adoption of the Articles or who becomes a member thereafter by subscribing for shares in the Company, to any Permitted Person (provided that, in the case of an individual Permitted Person such individual is over the age of 18), and
  - (b) in the case of a member who is a B Shareholder and who holds such share or shares as a result of a transfer made after the date of the adoption of these Articles by a person in relation to whom such member is a Permitted Person, to the person who originally transferred such shares (the **Original Transferor**)
- 9 4 If the relationship which made any transfer permissible pursuant to Article 9 3 shall cease to exist, the transferee shall be bound to transfer back such shares to the Original Transferor No B Shareholder who is a transferee as a result of a Permitted Transfer shall be entitled to transfer any interest in any shares other than a Sale or Listing or back to the Original Transferor, and the directors shall not register any purported transfer in violation of this Article
- 9 5 No transfer by a B Shareholder otherwise permissible pursuant to Article 9 3 shall be made unless the transferee shall have entered into a deed irrevocably authorising the Original Transferor to vote those transferred shares on any resolution of members of any class of members and to receive notice of and attend meetings in place of the transferee and shall have provided a certified copy to the Company
- 9 6 The Directors may require from any person lodging a transfer pursuant to Article 9 3 such information and evidence as the Directors think fit regarding any matter which they may reasonably deem relevant for the purposes of these Articles and may refuse to register the relevant transfer until they have received information and evidence satisfactory to them
- 9 7 Save as provided for in Article 12 below, no E Share may be transferred prior to an Exit and the directors shall refuse to register the transfer of any E Share to any person prior to an Exit

## **10. Transfer by way of Security**

- 10 1 Notwithstanding anything otherwise provided in these articles (whether by way of or in relation to pre-emption rights, restrictions on or conditions applicable to share transfers or otherwise), the directors shall not decline to register any transfer of shares nor suspend the registration thereof where such transfer is in favour of
- (a) a chargee or mortgagee of any shares, or

- (b) any nominee of a chargee or mortgagee of any shares,
- (c) a purchaser of any shares from a chargee or mortgagee (or its nominee) of any shares, or
- (d) a purchaser of any shares from any receiver, administrative receiver or administrator appointed by a chargee or mortgagee of any shares

## 11. Transfer pre-emption provisions

11 1 Except in the case of a transfer which is a Permitted Transfer, every Shareholder (other than an A or C or E Shareholder) who wishes to transfer any shares (the **Vendor**) shall give notice in writing of such wish to the Company (the **Transfer Notice**)

11 2 Each Transfer Notice shall -

- (a) be valid in accordance with this Article 11 2,
- (b) relate to one class of shares only,
- (c) specify the number of shares which the Vendor wishes to transfer (the **Sale Shares**),
- (d) specify the identity of the person to whom the Vendor intends to transfer the Sale Shares (provided that such person shall not be an E Shareholder) (the **Proposed Transferee**),
- (e) specify the price per share (the **Sale Price**) at which the Vendor is prepared to transfer the Sale Shares which shall be the price the proposed transferee has offered for the Sale Shares,
- (f) be deemed to constitute the Company the Vendor's agent for the sale of the Sale Shares at the Sale Price in the manner prescribed by these Articles, and
- (g) not be varied or cancelled without the written consent of Shell

11 3 A Vendor may provide in the Transfer Notice that unless purchasers are found for all or not less than a specified number of the Sale Shares, he shall not be bound to transfer any of such shares (a **Minimum Transfer Condition**) and any such provision shall be binding on the Company

11 4 Subject to Article 11 2 the Company shall within 7 days of receipt of a Transfer Notice offer for purchase each of the Sale Shares to each Shareholder (other than the Vendor and an E Shareholder) at the Sale Price and invite each of them to state within 21 days of the date of despatch of such offer whether he is willing to purchase any, and if so how many, of the Sale Shares

11 5 If the said Shareholders or any of them shall within such 21 day period apply for any of the Sale Shares the Company shall allocate those Sale Shares which have been applied for to all Shareholders who have applied to purchase any of them and, if such Shareholders have applied in aggregate for a greater number than the sale Shares, the Sale Shares shall be allocated to such Shareholders pro rata according to the relevant number of shares applied for by them in the offer

11 6 No offeree of the Sale Shares shall be obliged to take more than the maximum number of Sale Shares that he has indicated to the Company he is willing to purchase. An allocation of Sale Shares made by the Company pursuant to Article 11 5 shall



constitute the acceptance by the persons to whom they are allocated of the offer to purchase those Sale Shares on the terms offered to them

- 11.7 Notwithstanding the provisions of Articles 11.5 and 11.6 the Company may not make an allocation of Sale Shares unless and until it has found purchasers for the minimum number specified in any Minimum Transfer Condition
- 11.8 The Company shall forthwith upon allocating any Sale Shares give notice in writing (a **Sale Notice**) to the Vendor and to each person to whom Sale Shares have been so allocated, of the number of Sale Shares allocated to each person and the aggregate price payable therefore. Completion of the sale and purchase of those Sale Shares in accordance with the Sale Notice shall take place within 7 days after the date of the Sale Notice whereupon the vendor shall, upon payment of the price due in respect thereof, transfer those Sale Shares specified in the Sale Notice to the person or persons to whom they have been allocated and deliver the relative share certificates
- 11.9 If in any case the Vendor having become bound as aforesaid makes default in transferring the Sale Shares, the Company may receive such purchase money and may nominate a director to execute an instrument of transfer of such shares in the name and on behalf of the Vendor and thereafter when such instrument has been duly stamped the Company shall cause the name of the Proposed Transferee to be entered in the Register of Members as the holder of such shares and where applicable shall hold the purchase money in trust without interest for the Vendor (the Company being entitled to any interest earned on such monies). The receipt of the Company for the purchase money shall be a good discharge to the Proposed Transferee (who shall not be bound to see to the application thereof) and after his name has been entered in the Register of Members in purported exercise of the aforesaid powers the validity of the proceedings shall not be questioned by any person
- 11.10 If the Company shall not have given a Sale Notice to the Vendor in respect of all the Sale Shares within 56 days after the date of the receipt of a Transfer Notice the Vendor shall, during the period of 30 days next following the expiry of such period, be at liberty to transfer all of the Sale Shares for which a Sale Notice has not been given or in the case where the Transfer Notice contained in a Minimum Transfer Condition which has not been satisfied, any number of Sale Shares which is not less than the number specified in such Minimum Transfer Condition to the Proposed Transferee at a price per share not less than the Sale Price provided that any of the Directors may require to be satisfied that such shares are being transferred pursuant to a bona fide sale for the consideration stated in the instrument of transfer without any deduction rebate or allowance whatsoever being given to the purchaser

## **12. E Share transfer pre-emption provisions**

- 12.1 If an E Shareholder or the person on whose behalf an E Shareholder holds shares, ceases to be employed by a Group Company prior to an Exit, such E Shareholder (the **E Share Vendor**) may give notice in writing to the Company that he wishes to sell the E Shares registered in his name (the **E Shareholder Transfer Notice**)
- 12.2 Each E Shareholder Transfer Notice shall -
- (a) be valid in accordance with this Article 12.2,
  - (b) relate to E Shares only,
  - (c) specify the number of shares which the E Share Vendor wishes to transfer (the **E Sale Shares**),

- (d) be deemed to constitute the Company the E Share Vendor's agent for the sale of the E Sale Shares in the manner prescribed by these Articles, and
  - (e) not be varied or cancelled without the written consent of Shell
- 12 3 Within 10 Business Days of receipt of the E Shareholder Transfer Notice, Shell shall serve a notice on the E Share Vendor specifying a price per E Share that it determines is the fair value of each E Sale Share (the **E Sale Price**) (the **Offer**)
- 12 4 The Offer shall be valid for 30 days from the E Share Vendor's receipt of the Offer (the **Acceptance Period**)
- 12 5 If the E Share Vendor does not accept the Offer within the Acceptance Period, the Offer will lapse and no Shareholder shall have any obligation to purchase and the E Sale Vendor shall have no obligation to sell the Shares
- 12 6 If the E Share Vendor wishes to accept the Offer, he shall do so by serving a notice in writing on the Company (the **Confirmation Notice**)
- 12 7 The Company shall within 7 days of receipt of the Confirmation Notice offer for purchase each of the E Sale Shares to each Shareholder (other than the Vendor and an E Shareholder) at the E Sale Price and invite each of them to state within 10 days of the date of despatch of such offer whether he is willing to purchase any, and if so how many, of the E Sale Shares
- 12 8 If the said Shareholders or any of them shall within such 10 day period apply for any of the E Sale Shares, the Company shall allocate those E Sale Shares which have been applied for to all Shareholders who have applied to purchase any of them and, if such Shareholders have applied in aggregate for a greater number than the E Sale Shares, the E Sale Shares shall be allocated to such Shareholders pro rata according to the relevant number of shares applied for by them in the offer
- 12 9 No offeree of the E Sale Shares shall be obliged to take more than the maximum number of E Sale Shares that he has indicated to the Company he is willing to purchase. An allocation of E Sale Shares made by the Company pursuant to Article 12 8 shall constitute the acceptance by the persons to whom they are allocated of the offer to purchase those E Sale Shares on the terms offered to them
- 12 10 The Company shall forthwith upon allocating any E Sale Shares give notice in writing (an **E Sale Notice**) to the E Share Vendor and to each person to whom E Sale Shares have been so allocated (the **E Proposed Transferee**), of the number of E Sale Shares allocated to each person and the aggregate price payable therefore. Completion of the sale and purchase of those E Sale Shares in accordance with the E Sale Notice shall take place within 7 days after the date of the E Sale Notice whereupon the E Share Vendor shall, upon payment of the price due in respect thereof, transfer those E Sale Shares specified in the E Sale Notice to the E Proposed Transferees and deliver the relative share certificates
- 12 11 If in any case the E Share Vendor having become bound as aforesaid makes default in transferring the E Sale Shares, the Company may receive such purchase money and may nominate a director to execute an instrument of transfer of such shares in the name and on behalf of the E Share Vendor and thereafter when such instrument has been duly stamped the Company shall cause the name of the E Proposed Transferee to be entered in the Register of Members as the holder of such shares and where applicable shall hold the purchase money in trust without interest for the E Share Vendor (the Company being entitled to any interest earned on such monies). The receipt of the Company for the purchase money shall be a good discharge to the E Proposed Transferee (who shall not be bound to see to the application thereof) and

after his name has been entered in the Register of Members in purported exercise of the aforesaid powers the validity of the proceedings shall not be questioned by any person

### **13. DRAG-ALONG RIGHTS**

- 13 1 In this Article 13 a **Qualifying Offer** shall mean a bona fide offer at arms length in writing by or on behalf of any person (the **Offeror**) which would result in a Sale which is made at any time following the date of adoption of these Articles
- 13 2 If at any time as permitted by the transfer pre-emption provisions contained in Article 11, where Shell is the Shareholder holding the most Ordinary Shares (the **Accepting Shareholder**) and wishes to accept the Qualifying Offer in respect of its entire holding (individually or together with the Founders representing at least 25% of the total issued share capital of the Company) then the provisions of Articles 13 3 and 13 4 shall apply
- 13 3 The Accepting Shareholder shall give written notice to the remaining Shareholders (the **Other Shareholders**) of its wish to accept the Qualifying Offer in respect of its entire shareholding and each Other Shareholder shall become bound to transfer to the Offeror (or his nominee) such number of his Ordinary Shares as is equal to the proportion which he holds of the aggregate number of shares held by the Other Shareholders with full title guarantee on the date specified by the Accepting Shareholder being not less than twenty five Business Days after service of such notice, at the price specified in the Qualifying Offer
- 13 4 If any Other Shareholder shall not, within five Business Days of being required to do so, execute and deliver transfers in respect of the shares held by him and deliver the share certificate(s) in respect of the same (or a suitable indemnity in lieu thereof), then the Accepting Shareholder shall be entitled to, and shall be entitled to authorise and instruct a Director to execute the necessary transfer(s) and indemnities on the Other Shareholders' behalf and, against receipt by the Company (on trust for such Shareholder) of the consideration payable for the relevant Ordinary Shares, deliver such transfer(s) and certificate(s) or indemnities to the Offeror (or his nominee) and register such Offeror (or his nominee) as the holder thereof and, after such registration, the validity of such proceedings shall not be questioned by any person

### **14. PROCEEDINGS AT GENERAL MEETINGS**

- 14 1 At least one 'A' Shareholder and one 'B' Shareholder shall be a quorum except that if within half an hour from the time appointed for a general meeting of the Company a quorum is not present, or if during a meeting a quorum ceases to be present for a period exceeding 30 minutes, the meeting shall stand adjourned to the same day in the next week, at the same time and place, or to such other time and place as the members present may decide and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the member or members present shall constitute a quorum
- 14 2 A resolution put to the vote of a meeting shall be decided on a show of hands unless, before or on the declaration of the result of the show of hands, a poll is duly demanded Subject to the provisions of the Act, a poll may be demanded at any general meeting by the Chairman or by any member present in person or by proxy and entitled to vote or by a duly authorised representative of a corporation which is a member entitled to vote.
- 14 3 The instrument appointing a proxy and any authority under which it is executed or a copy of such authority certified notariaily or in some other way approved by the Directors must be delivered to the registered office of the Company not less than 48 hours before the time appointed for the holding of the meeting or to the place of the

meeting at any time before the time appointed for the holding of the meeting and Regulation 62 shall be modified accordingly

14 4 When a poll has been demanded it shall be taken forthwith

14 5 The Chairman of the meeting shall not, in the case of an equality of votes, whether on a show of hands or on a poll, be entitled to exercise any second or casting vote

## **15. DIRECTORS**

15 1 The A Shareholder shall be entitled to appoint three persons as directors to the Board and it shall be entitled to remove any such person appointed by it and to appoint another person in their place

15 2 For so long as either of the Founders together hold 20% or more of the issued voting share capital, they shall be entitled to appoint two persons as directors and to remove such persons without cost to the Company. If they hold less than 20% but 10% or more of the issued voting Share capital they shall retain the right to appoint and remove one Director only and shall arrange for any other Director(s) appointed by them to resign without cost to the Company and if the Founders together hold less than 10% of the issued voting share capital of the Company they shall not have the right to appoint a director and shall arrange for any Director(s) appointed by them to resign without cost to the Company

15 3 Subject to Article 15 1, any Shareholder (other than the A Shareholder or the B Shareholders or the E Shareholder) holding twenty percent (20%) of the issued share capital of the Company from time to time shall have the right to appoint a Director and it shall be entitled to remove such persons appointed by them or any of them from office and to appoint another person or persons in their place and to maintain such person or persons as a Director and shall arrange for the resignation of their appointees upon their removal without cost to the Company. Such right extends to each twenty percent (20%) block of the issued share capital of the Company from time to time held by such Shareholder

15 4 In relation to the rights contained in this Article 15, the following provisions shall have effect:

- (a) any appointment of any Director shall be effected by notice in writing delivered to the registered office of the Company or the relevant Group Company which notice shall take effect at the time it is served on the Company or the relevant Group Company and such notice shall be signed by the person or persons entitled to exercise the right who may in like manner at any time and from time to time remove from office any Director and appoint any person in place of any Director so removed or otherwise vacating office,
- (b) each such appointment and removal shall take effect forthwith upon such notice being received by the Company and the provisions of Regulation 76 shall be read subject to this Article 15,
- (c) a Director for the time being holding office pursuant to this Article 15 shall not be required to hold any share qualification, and
- (d) a Director (and, where applicable, their alternates), shall be entitled to disclose to the Shareholders as appropriate such information concerning the Company and any Group Company as they think fit, on the basis that they will ensure that any information which is by its nature confidential shall remain confidential

- 15 5 The board of Directors shall hold board meetings no less than four times a year. The Directors appointed by the A Shareholders shall be entitled to call further Board Meetings upon reasonable notice.

**16. NUMBER OF DIRECTORS**

The minimum number of Directors shall be two.

**17. ALTERNATE DIRECTORS**

- 17 1 A Director appointed by the A Shareholder (but not their alternate director) may appoint any other director or any other person who, in their reasonable opinion, is suitably qualified and experienced and is willing to act, to be their alternate director and may remove from office an alternate director so appointed by them.
- 17 2 A Director appointed by the B Shareholder (but not their alternate director) may appoint any person reasonably acceptable to Shell to be their alternate director and may remove from office an alternate director so appointed by them.
- 17 3 A person who holds office only as an alternate director shall, if his appointer is not present, be counted in the quorum.
- 17 4 Any Director who is appointed an alternate director shall be entitled to vote at a meeting of the Directors on behalf of the Director so appointing him as distinct from the vote to which he is entitled in his own capacity as a Director and shall also be considered as two Directors for the purpose of making a quorum of Directors unless he is the only Director present.

**18. RETIREMENT BY ROTATION**

Directors shall not be liable to retire by rotation and the words "by rotation or otherwise" and "and deemed to have been reappointed" in Regulation 67, and the last sentence of Regulation 84 shall not apply to the Company.

**19. PROCEEDINGS OF DIRECTORS**

- 19 1 The quorum necessary for the transaction of business by the Directors shall be 2, including at least 1 Director appointed by the A Shareholders and at least 1 Director appointed by the B Shareholders except that where a meeting duly convened upon prior notice in accordance with Article 88 of Table A cannot be held because one of the B Directors was not in attendance the meeting shall automatically be reconvened for the same time on the same day of the next week and shall be quorate whether or not one of the B Directors is personally present provided that the B Directors have received written notice at their UK address reasonably in advance of the reconvened meeting and of the place where it is intended it shall be held. In the absence of his appointer, an Alternate Director present at a meeting of Directors may be counted in reckoning whether a quorum is present.
- 19 2 A Director who to his knowledge is in any way, whether directly or indirectly, interested in a contract or proposed contract (within the meaning of section 317 of the Act) with the Company shall declare the nature of his interest at a meeting of the Directors in accordance with that section. Subject where applicable to such disclosure, a Director shall be entitled to vote in respect of any such contract or proposed contract in which he is interested and if he shall do so his vote shall be counted and he shall be taken into account in ascertaining whether a quorum is present.
- 19 3 Without prejudice to the first sentence of Regulation 88, a meeting of the Directors or of a committee of the Directors may consist of a conference between the Directors who are not all in one place, but of whom each is able (directly or by telephonic communication) to

speak to each of the others, and to be heard by each of the others simultaneously, and the word "meeting" in these Articles and in Table A shall be construed accordingly. Notice of all meetings will be provided to all Directors and the third sentence of Regulation 88 will be amended accordingly.

- 19.4 Meetings will be treated as taking place where the largest group of the participants are or, if there is not such group, where the Chairman is, unless the Directors decide otherwise.
- 19.5 Subject to the relevant legislation, a resolution in writing or contained in an electronic communication which is signed by or on behalf of all the Directors who would be entitled to receive notice of and vote on the resolution at a meeting of Directors or a committee of Directors is a valid and effective as a resolution passed by those Directors at a meeting of Directors or (as the case may be) a committee of Directors which is properly called and held. The resolution may be passed using several copies of a document. Regulation 93 shall be modified accordingly.
- 19.6 The Chairman of meetings of the Directors shall not, in the case of an equality of votes, be entitled to exercise any second or casting vote and Regulation 88 is amended accordingly.

## **20. COMMITTEES**

The Directors may delegate any of their powers to committees consisting of such person or persons (not all of whom need to be directors) as they think fit. No such delegation shall be made except on the basis that the provisions of Article 19 apply in their entirety to the proceedings of the committee, and for the purposes of Article 19.1 committee members who are not directors or alternate directors shall be disregarded. A majority of the A Directors or a majority of B Directors may at any time by notice in writing, signed by them and left at the registered office annul any such delegation with immediate effect, but no person dealing in good faith and without notice of such annulment shall be affected thereby. Regulation 72 shall be modified accordingly.

## **21. INDEMNITY**

Every Director, alternate director, Secretary and other officer shall, to the extent permitted by the Act, be indemnified out of the assets of the Company against all costs, charges, expenses, losses and liabilities which they may sustain or incur in or about the execution of their respective offices or otherwise in relation thereto (including, without limitation, any liability which any of them may incur in defending proceedings, civil or criminal, which relate to anything done or omitted or alleged to have been done or omitted by such person as an officer or employee of the Company and in which judgment is given in his favour or in which he is acquitted or in connection with any application under any statute for relief from liability in respect of any such act or omission in which relief is granted to him by the Court). The Directors shall have power to purchase and maintain insurance for or for the benefit of any persons who are or were at any time directors, officers, employees or Auditors of the Company, or any other company which is its holding company or in which the Company or such holding company or any of the predecessors of the Company or of such holding company has an interest whether direct or indirect or which is in any way allied to or associated with the Company, or of any subsidiary undertaking of the Company or of any such other company, or who are or were at any time trustees of any pension fund in which any employees of the Company or of any such other company or subsidiary undertaking are interested, including (without prejudice to the generality of the foregoing) insurance against any liability incurred by such persons in respect of any act or omission in the actual or purported execution and/or discharge of their duties and/or in the exercise or purported exercise of their powers and/or otherwise in relation to their duties, power of offices in relation to the Company or any such other company, subsidiary undertaking or pension fund.