

Company Number:- 4295590

**THE COMPANIES ACT 1985
and
THE COMPANIES ACT 1989
COMPANY LIMITED BY SHARES
WRITTEN RESOLUTIONS
of
ABCELLUTE LIMITED
(Passed 01/09 2004)**

We, the undersigned, being the sole member of the Company who at the date hereof is entitled to notice of and to attend and vote at general meetings of the Company resolve as follows:

RESOLUTIONS

1. THAT the two Ordinary Shares of £1 in the capital of the Company be and are hereby sub-divided into 200 Ordinary Shares of 1 pence each having the rights and being subject to the restrictions contained in the new Articles of Association of the Company to be adopted pursuant to Resolution No 5.
2. THAT the 98 Ordinary Shares of £1 each in the authorised but unissued capital of the Company be and are hereby sub-divided into:
 - 2.1 7,200 Ordinary Shares of 1 pence each; and
 - 2.2 2,600 Preference Shares of 1 pence each,



all such shares having the rights and being subject to the restrictions contained in the new Articles of Association of the Company to be adopted pursuant to Resolution No 5.

3. THAT the Directors be and they are hereby generally and unconditionally authorised (in substitution for any previous authority conferred on them) to exercise all powers of the Company to allot relevant securities (within the meaning of Section 80 Companies Act 1985) ("**the Act**") up to an aggregate nominal amount of £98 PROVIDED THAT this authority shall expire (unless previously renewed varied or revoked by the Company in general meeting) on the date which is five years after the date of passing of this resolution save that the Company may before such expiry make an offer or agreement which would or might require relevant securities to be allotted after such expiry and the Directors may allot relevant securities in pursuance of such offer or agreement as if the authority conferred hereby had not expired.
4. THAT the Directors be and they are hereby empowered pursuant to Section 95 of the Act to allot equity securities (within the meaning of Section 94 of the Act) pursuant to the authority conferred by Resolution No.3 as if Section 89(1) of the Act did not apply to any such allotment, PROVIDED THAT this power shall expire on the date which is five years after the date of passing this resolution save that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of such offer or agreement as if the power conferred by this resolution had not expired.
5. That the Company's memorandum of association be amended by the adoption of the following words as a new sub-paragraph 3AA:
“(AA) To establish and contribute to any scheme for the purchase or subscription by trustees of shares or other securities of the Company to be held for the benefit of the employees of the Company, any subsidiary of the Company or any person allied to or associated with the Company, to lend money to those employees or to trustees on their behalf to enable them to purchase or subscribe for shares or other

securities of the Company and to formulate and carry into effect any scheme for sharing the profits of the Company with employees."

6. THAT the regulations set out in the printed document marked "A" attached hereto and for the purposes of identification signed by a Director be approved and adopted as the articles of association of the Company in substitution for and to exclusion of its existing articles of association.

N. B. Zome
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for and on behalf of

CARDIFF PARTNERSHIP FUND LIMITED

Company No. 4295590

THE COMPANIES ACTS 1985 and 1989

PRIVATE COMPANY LIMITED BY SHARES

NEW

ARTICLES OF ASSOCIATION

(adopted by special resolution passed on 1 September 2004)

of

ABCELLUTE LIMITED



COMPANIES HOUSE

21/09/04

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1. **PRELIMINARY**

1.1 The regulations contained in Table A in the Schedule to the Companies (Table A to F) Regulations 1985 in force at the time of adoption of these Articles such Table hereinafter called "**Table A**" shall apply to the Company, save in so far as they are expressly excluded or varied by these Articles and such regulations (save as so excluded or varied) and these Articles shall together constitute the regulations of the Company.

1.2 The regulations of Table A numbered 4, 24, 40, 73 to 77 (inclusive), 80, 96, 101 and 118 do not apply to the Company.

2. **INTERPRETATION**

2.1 In these articles unless the context otherwise requires each of the following words and expressions shall have the following meanings:

"Acting In Concert"	the meaning set out in the City Code on Takeovers and Mergers for the time being
"Auditors"	the auditors to the Company for the time being
"Board"	the board of directors of the Company from time to time
"Business Day"	any day (other than a Saturday or Sunday) on which banks are open in London for normal banking business
"Companies Act"	the Companies Act 1985 (as amended from time to time)
"Controlling Interest"	an interest (within the meaning of schedule 13 Part I and section 324 Companies Act) in Shares in the Company conferring in aggregate more than 50% of the total voting rights normally exercisable at a general meeting of the Company
"Conversion Date"	the date and time on which Preference Shares are to be converted into Ordinary Shares in accordance with Article 4.5

“Family Member”	the wife or husband (or widow or widower), siblings, parents, children and grandchildren (including step and adopted children and grandchildren) of a member of the Company
“Family Trust”	in relation to a member of the Company, a trust which does not permit any of the settled property or the income from it to be applied otherwise than for the benefit of that member or any of his Family Members and under which no power of control over the voting powers conferred by any Shares the subject of the trust is capable of being exercised by, or being subject to the consent of, any person other than the trustees or such member or any of his Family Members
“Financial Year”	an accounting period in respect of which the Company prepares its accounts in accordance with the relevant provision of the Companies Act
“Holder”	in respect of any Share, the person or persons for the time being registered by the Company as the holder of that Share
“Independent Director”	a director of the Company who is not an Investor Director or a Manager
“Investors”	University College Cardiff Consultants Limited and Cardiff Partnership Fund Limited (together with any additional or replacement Investor from time to time)
“Investor Director”	the director appointed pursuant to Article 18
“Investor Group”	in relation to each Investor: <ul style="list-style-type: none"> (a) the Investor or any subsidiary or holding company of the Investor or subsidiary of a holding company of the Investor (each a “Relevant Person”) or (b) any partnership (or the partners in any such partnership) of which any Relevant Person

is general partner, manager, consultant or adviser or

- (c) any unit trust or other fund of which any Relevant Person is trustee, manager, consultant or adviser or
- (d) any unit trust, partnership or other fund, the managers of which are advised by any Relevant Person or
- (e) any nominee or trustee of any Relevant Person or
- (f) any person or firm, authority or organisation (whether or not incorporated) which is the successor in title to, or in whom is vested, or by whom responsibility is assumed for the whole or a substantial part of the functions, assets and liabilities of a Relevant Person

"Issue Price"	in respect of a share in the capital of the Company, the aggregate of the amount paid up (or credited as paid up) in respect of the nominal value and any share premium
"Manager"	a director of the Company appointed pursuant to Article 18.6
"non-Investor"	any Holder of Shares other than an Investor
"Ordinary Shares"	the ordinary shares of 1p each in the capital of the Company having the rights set out in Article 5
"Preference Shares"	the preference shares of 1p each in the capital of the Company having the rights set out in Article 4
"Shares"	the Ordinary Shares and/or the Preference Shares

- 2.2 Words and expressions defined in or having a meaning provided by the Companies Act (but excluding any statutory modification not in force on the date of adoption of

these articles), unless the context otherwise requires, have the same meanings when used in these Articles.

SHARE RIGHTS

3. AUTHORISED SHARE CAPITAL

3.1 The authorised share capital of the Company at the date of adoption of these Articles is £100 divided into 7,400 Ordinary Shares and 2,600 Preference Shares.

3.2 Save as may be provided by regulation 110 of Table A and subject to any contrary direction given by the Company in general meeting by special resolution all shares which are comprised in the authorised share capital of the Company from time to time which the directors propose to issue shall first be offered, at par or at a premium and upon such other terms and conditions as the directors may determine, to the members who are holders of the same class of shares as those to be issued at the time of the offer in proportion to the number of the existing shares of that class held by them respectively and at the same price. Each such offer shall be made by notice specifying the total number and class of shares being offered to the members holding shares of that class as a whole, the proportionate entitlement of the member to whom the offer is made and the price per share and shall require each member to state in writing within a period (not being less than fourteen days) specified in the notice whether he is willing to take any and, if so, what maximum number of the said shares up to his proportionate entitlement. An offer, if not accepted within the period specified as regards any shares, will be deemed to be declined as regards those shares. After the expiration of such period, those shares so deemed to be declined shall be offered in proportion as aforesaid to the persons holding shares of the same class who have, within the said period, accepted all the shares offered to them; such further offer shall be made in like terms in the same manner and limited by a like period as the original offer. Any shares not accepted pursuant to such offer or further offer as aforesaid or not capable of being offered as aforesaid except by way of fractions shall not be issued. Any shares released from the provisions of this Article by any such special resolution as aforesaid shall be under the control of the directors, who may allot, grant options over or otherwise dispose of the same to such persons, on such terms, and in such manner as they think fit. No share shall be issued at a discount or otherwise in breach of the provisions of these Articles or of the Act.

3.3 Subject to any special rights conferred upon the holders of any shares or class of shares, any share in the Company may be issued with or have attached thereto such preferred, deferred or other special rights or such restrictions, whether in regard to

dividend, voting, return of capital or otherwise as the Company may by special resolution determine.

3.4 The provisions of **Article 3.2** shall have effect subject to section 80 of the Companies Act.

3.5 In accordance with section 91(1) of the Companies Act, sections 89(1) and 90(1) to (6) (inclusive) of the Companies Act shall not apply to the Company.

4. **RIGHTS OF PREFERENCE SHARES**

The rights attaching to the Preference Shares are as follows:

4.1 as regards income:

4.1.1 the Holders of the Preference Shares shall not be entitled to participate in any dividend.

4.2 as regards capital:

on a return of capital on liquidation or otherwise the assets of the Company available for distribution among the members shall be applied first in repaying to the Holders of the Preference Shares the amounts paid up on such shares, but the Preference Shares shall not entitle the Holders thereof to any further or other right of participation in the assets of the Company;

4.3 as regards issue of further Preference Shares:

the Company shall not be entitled to issue any further shares ranking as regards participation in the profits and assets of the Company either in priority to or pari passu with the preference shares save with the consent or sanction of the holders of the Preference Shares given in accordance with the provisions of **Article 6**;

4.4 as regards voting:

4.4.1 the Preference Shares shall entitle the Holders thereof to receive notice of, to attend and vote at any general meeting of the Company in which case each Holder of Preference Shares shall have one vote on a show of hands and on a poll, shall have one vote for each Preference Share of which he is the Holder.

4.5 **Conversion**

- 4.5.1 The Holder of Preference Shares may at any time convert some or all the Preference Shares into the same number of fully paid Ordinary Shares by notice in writing given to the Company. The conversion shall take effect immediately upon the date of delivery of that notice to the Company (unless the notice states that conversion is to be effective when any conditions specified in the notice have been fulfilled in which case conversion shall take effect when those conditions have been fulfilled) and the Company and members shall do all acts necessary to procure that conversion.
- 4.5.2 Each Holder of Preference Shares shall deliver the certificates for those Shares (or an indemnity in a form reasonably satisfactory to the Company in respect of any missing share certificate) to the Company on or before the Conversion Date. On the Conversion Date the Company shall issue to the persons entitled thereto certificates for the Ordinary Shares arising on conversion.
- 4.5.3 The Ordinary Shares arising on conversion shall rank *pari passu* in all respects with the issued Ordinary Shares and shall entitle the holders of them to all dividends and other distributions declared, made or paid by reference to a record date on or after the conversion date on the Ordinary Shares.

5. **ORDINARY SHARES**

The Ordinary Shares shall be treated *pari passu* and as if they constituted one class of share. The rights attached to the Ordinary Shares are as follows:

5.1 **Dividends**

The profits which the Company determines to distribute in respect of any Financial Year shall, subject to the approval of members of the Company in general meeting, be applied in distributing such profits amongst the holders of the Ordinary Shares then in issue.

5.2 **Capital**

On a return of capital on liquidation or capital reduction or otherwise the surplus assets of the Company remaining after the payment of its liabilities shall be applied, subject to the payment of all amounts payable to the Holders of the Preference Shares pursuant to **Article 4.2**:

5.2.1 in paying to each holder of Ordinary Shares, firstly, any dividends thereon which have been declared but are unpaid and, secondly, an amount equal to the Issue Price of each Ordinary Share held by him; and

5.2.2 thereafter, in distributing the balance of such assets amongst the holders of the Ordinary Shares.

5.3 **Voting**

5.3.1 The holders of the Ordinary Shares shall be entitled to receive notice of and to attend and speak at any general meetings of the Company and the holders of Ordinary Shares who (being individuals) are present in person or by proxy or (being corporations) are present by duly authorised representative or by proxy shall, on a show of hands, have one vote each, and, on a poll, shall have one vote for each Ordinary Share of which he is the holder.

6. **MODIFICATION OF CLASS RIGHTS**

6.1 Subject to the Act, all or any of the special rights for the time being attached to any class of Shares for the time being issued may from time to time (whether or not the Company is being wound up) be altered or abrogated with the consent in writing of the Holders of not less than three-fourths of the issued Shares of that class or with the sanction of an extraordinary resolution passed at a separate general meeting of the Holders of such Shares. To any such separate general meeting all the provisions of the regulations of the Company as to general meetings of the Company shall *mutatis mutandis* apply, but so that the necessary quorum shall be two persons at least holding or representing by proxy not less than one-third of the issued Shares of the class. If such separate meeting shall be adjourned owing to the absence of a quorum and if at the adjourned meeting a quorum shall not be present within half-an-hour from the time appointed for such adjourned meeting the Holder or Holders of Shares of the class concerned who are present in person or by proxy shall constitute a quorum. Every Holder of Shares of the class shall be entitled on a poll to one vote for every such Share held by him and any holder of shares of the class present in person or by proxy may demand a poll.

TRANSFER OF SHARES

7. **GENERAL**

7.1 No transfer of any Share shall be made or registered unless such transfer complies with the provisions of these articles and the transferee has first entered into a deed of

adherence in a form agreed by the members of the Company. Subject thereto, the Board shall sanction any transfer so made unless (i) the registration thereof would permit the registration of a transfer of shares on which the Company has a lien (ii) the transfer is to a minor or (iii) the Board is otherwise entitled to refuse to register such transfer pursuant to these Articles.

7.2 For the purposes of these articles the following shall be deemed (but without limitation) to be a transfer by a Holder of Shares in the Company:

7.2.1 any direction (by way of renunciation or otherwise) by a Holder entitled to an allotment or transfer of shares that a share be allotted or issued or transferred to some person other than himself; and

7.2.2 any sale or any other disposition of any legal or equitable interest in a share (including any voting right attached to it), (i) whether or not by the relevant Holder, (ii) whether or not for consideration, and (iii) whether or not effected by an instrument in writing.

8. **PERMITTED TRANSFERS**

Notwithstanding the provisions of any other Article, the transfers set out in this **Article 8** shall be permitted without restriction and the provisions of **Articles 9** (Voluntary Transfers) and **10** (Change of Control) shall have no application.

8.1 **Permitted transfers by Investors**

8.1.1 Any Investor who is a body corporate shall be entitled to transfer all or any of its Shares to any other body corporate which is for the time being its subsidiary or holding company or another subsidiary of its holding company (each such body corporate being a “**Related Company**”) but if a Related Company whilst it is a Holder of Shares in the Company shall cease to be a Related Company in relation to the body first holding the relevant Shares it shall, within 15 Business Days of so ceasing, transfer the Shares held by it to such body or any Related Company of such body and failing such transfer the Holder shall be deemed to have given a Transfer Notice pursuant to **Articles 9** and **11**.

8.1.2 An Investor may transfer Shares to any other member of its Investor Group.

8.2 Permitted Transfers by non-Investors

8.2.1 Subject to **Articles 8.2.2 to 8.2.6** inclusive, any Holder who is an individual may at any time transfer Shares held by him to a person or persons shown to the reasonable satisfaction of the Board to be:

8.2.1.1 a Family Member of his; or

8.2.1.2 trustees to be held under a Family Trust in relation to that individual.

8.2.2 Subject to **Article 8.2.4**, no Shares shall be transferred under **Article 8.2.1** by an individual who previously acquired those Shares by way of transfer under **Article 8.2.1** save to another individual who is a Family Member of the original Holder of such Shares or to trustees to be held under a Family Trust in relation to the original Holder of such Shares.

8.2.3 No transfer of Shares shall be made by a Holder under **Article 8.2.1** if the proposed transfer will result in 50% or more of the Shares originally held by the member being held by that Holder's Family Trust and Family Members.

8.2.4 Where Shares are held by trustees under a Family Trust:

8.2.4.1 those Shares may, on any change of trustees, be transferred by those trustees to any new trustee of that Family Trust whose identity has been approved in writing by the Investor Director;

8.2.4.2 those Shares may at any time be transferred by those trustees to the settlor of that trust or any person to whom that settlor could have transferred them under **Article 8.2.1** if he had remained the Holder of them; and

8.2.4.3 if any of those Shares cease to be held under a Family Trust (other than by virtue of a transfer made under **Articles 8.2.4.1** or **8.2.4.2**), the trustees shall be deemed to have given a Transfer Notice in respect of all the Shares then held by those trustees pursuant to **Article 11**.

8.2.5 If:

8.2.5.1 any person has acquired Shares as a Family Member of a Holder by way of one or more transfers permitted under this **Article 8.2**; and

8.2.5.2 that person ceases to be a Family Member of that Holder

that person shall forthwith transfer all the Shares then held by that person back to that Holder, for such consideration as they agree, within 15 Business Days of the cessation, or, failing such transfer within that period, shall be deemed to have given a Transfer Notice in respect of all the Shares then held by that person pursuant to **Article 11**.

8.2.6 Subject to the provisions of **Article 11**, if the personal representatives of a deceased Holder are permitted under these articles to become registered as the Holders of any of the deceased Holder's Shares and elect to do so, those Shares may at any time be transferred by those personal representatives under **Article 8.2** to any person to whom the deceased Holder could have transferred such Shares under this Article if he had remained the Holder of them. No other transfer of such Shares by personal representatives shall be permitted under this **Article 8**.

8.3 **Permitted Transfers by all Shareholders**

8.3.1 Any Holder may at any time transfer any Shares in accordance with the provisions of the Companies Act to the Company.

9. **VOLUNTARY TRANSFERS**

9.1 Except as permitted under **Article 8** any Holder who wishes to transfer Shares (the "**Vendor**") shall give notice in writing (the "**Transfer Notice**") to the Company of his wish specifying:

9.1.1 the number and class of Shares (the "**Sale Shares**") which he wishes to transfer;

9.1.2 the name of any third party to whom he proposes to sell or transfer the Sale Shares;

9.1.3 the price at which he wishes to transfer the Sale Shares (the "**Provisional Transfer Price**"); and

- 9.1.4 whether or not the Transfer Notice is conditional upon all, and not part only, of the Sale Shares so specified being sold pursuant to the offer hereinafter mentioned (a "**Total Transfer Condition**") and, in the absence of such stipulation, it shall be deemed not to be so conditional.
- 9.2 Where any Transfer Notice is deemed to have been given in accordance with these Articles, the deemed Transfer Notice shall be treated as having specified:
- 9.2.1 that all the Shares registered in the name of the Vendor shall be included for transfer;
- 9.2.2 that a Total Transfer Condition shall not apply.
- 9.3 No Transfer Notice once given or deemed to be given in accordance with these Articles shall be withdrawn unless the Vendor is obliged to procure the making of an offer under **Articles 10.1 to 10.4** and is unable to procure the making of such an offer. In that event the Vendor shall be entitled to withdraw such Transfer Notice without liability to any person, prior to completion of any transfer.
- 9.4 The Transfer Notice shall constitute the Company the agent of the Vendor for the sale of the Sale Shares at the Transfer Price.
- 9.5
- 9.5.1 The Company shall forthwith upon receipt of a Transfer Notice or, where later, upon the determination of the Transfer Price give notice in writing to each of the holders of Shares (other than the Vendor) informing them that the Sale Shares are available and of the Transfer Price. Such notice shall invite each holder to state, in writing within 20 Business Days from the date of such notice (which date shall be specified therein), whether he is willing to purchase any and, if so, how many of the Sale Shares which shall, if he so wishes, include an amount in excess of his Proportionate Entitlement as mentioned in **Article 9.5.2**. For the purposes of allocation of the Sale Shares the Sale Shares shall be treated as offered in the first instance to the Warehouse in priority to all other shareholders and, in so far as such offer shall not be accepted by the Warehouse, shall be treated as having been offered to all of the holders of Shares as if the same constituted on class of Shares:
- 9.5.2 Subject always to the order of priorities set out in **Article 9.5.1** the Sale Shares shall be treated as offered on terms that, in the event of competition,

the Sale Shares offered shall be sold to the holders accepting the offer in proportion (as nearly as may be) to their existing holdings of Shares of the class or classes to which the offer is made (the "**Proportionate Entitlement**"). It shall be open to each such holder to specify if he is willing to purchase Shares in excess of his Proportionate Entitlement ("**Excess Shares**") and, if the holder does so specify, he shall state the number of Excess Shares.

9.5.3 Within three Business Days of the expiry of the invitation made pursuant to **Article 9.5.1** (or sooner if all holders of Shares have responded to the invitation and all the Sale Shares shall have been accepted in the manner provided in **Article 9.5.1**), the Board shall allocate the Sale Shares in the following manner:

9.5.3.1 if the total number of Shares applied for is equal to or less than the available number of Sale Shares the Company shall allocate the number applied for in accordance with the applications; or

9.5.3.2 if the total number of Shares applied for is more than the available number of Sale Shares, each holder shall be allocated his Proportionate Entitlement (or such lesser number of Sale Shares for which he may have applied) in the order of priorities set out in **Article 9.5.1**; applications for Excess Shares shall be allocated in accordance with such applications or, in the event of competition, (as nearly as may be) to each holder applying for Excess Shares in the proportion which Shares held by such holder bears to the total number of Shares held by all such holders applying for Excess Shares PROVIDED THAT such holder shall not be allocated more Excess Shares than he shall have stated himself willing to take,

and in either case the Company shall forthwith give notice of each such allocation (an "**Allocation Notice**") to the Vendor and each of the persons to whom Sale Shares have been allocated (a "**Member Applicant**") and shall specify in the Allocation Notice the place and time (being not later than ten Business Days after the date of the Allocation Notice) at which the sale of the Sale Shares shall be completed.

9.6 Subject to **Article 9.7**, upon such allocations being made as set out in **Article 9.5**, the Vendor shall be bound, on payment of the Transfer Price, to transfer the Sale

Shares comprised in the Allocation Notice to the Member Applicants named therein at the time and place therein specified free from any lien, charge or encumbrance. If he makes default in so doing, the chairman for the time being of the Company or, failing him, one of the Directors, or some other person duly nominated by a resolution of the Board for that purpose, shall forthwith be deemed to be the duly appointed attorney of the Vendor with full power to execute, complete and deliver in the name and on behalf of the Vendor a transfer of the relevant Sale Shares to the Member Applicant and any Director may receive and give a good discharge for the purchase money on behalf of the Vendor and (subject to the transfer being duly stamped) enter the name of the Member Applicant in the register of members as the holder or holders by transfer of the Shares so purchased by him or them. The Board shall forthwith pay the purchase money into a separate bank account in the Company's name and shall hold such money on trust (but without interest) for the Vendor until he shall deliver up his certificate or certificates for the relevant Shares (or an indemnity, in a form reasonably satisfactory to the Board, in respect of any lost certificate) to the Company when he shall thereupon be paid the purchase money.

- 9.7 If the Vendor shall have included in the Transfer Notice a Total Transfer Condition and if the total number of Shares applied for by Member Applicants is less than the number of Sale Shares then the Allocation Notice shall refer to such provision and shall contain a further invitation, open for ten Business Days, to those persons to whom Sale Shares have been allocated to apply for further Sale Shares and completion of the sales in accordance with the preceding paragraphs of this **Article 9** shall be conditional upon the total Transfer Condition being complied with in full.
- 9.8 In the event of all the Sale Shares not being sold under the preceding paragraphs of this **Article 9** the Vendor may, at any time within three calendar months after receiving confirmation from the Company that the pre-emption provisions herein contained have been exhausted, transfer all the Sale Shares (if a Total Transfer Condition was included in the Transfer Notice) or any Sale Shares which have not been sold (if no Total Transfer Condition was so included in the Transfer Notice) to any person or persons at any price not less than the Transfer Price PROVIDED THAT:
- 9.8.1 the Transfer Notice contained a Total Transfer Condition, the Vendor shall not be entitled, save with the written consent of all the other shareholders of the Company, to sell hereunder only some of the Sale Shares comprised in the Transfer Notice to such person or persons;

- 9.8.2 any such sale shall be a bona fide sale and the Board may require to be satisfied in such manner as it may reasonably require that the Sale Shares are being sold in pursuance of a bona fide sale for not less than the Transfer Price without any deduction, rebate or allowance whatsoever to the purchaser and, if not so satisfied, may refuse to register the instrument of transfer; and
- 9.8.3 the Board shall refuse registration of the proposed transferee if such transfer obliges the Vendor to procure the making of an offer in accordance with **Articles 10.1 to 10.4**, until such time as such offer has been made and, if accepted, completed.

10. **CHANGE OF CONTROL**

Come along

- 10.1 Subject to **Article 10.2** if the effect of any transfer of Shares by a Vendor would, if completed, result in the transferee together with persons Acting In Concert or connected with that transferee obtaining a Controlling Interest, the Vendor shall procure the making, by the proposed transferee of the Vendor's Shares, of a Come Along Offer to all of the other Holders of Shares of the Company. Every Holder or recipient of such offer, on receipt of a Come Along Offer, shall be bound either to accept or reject such offer in writing (and in default of so doing shall be deemed to have rejected the offer). Until such Come Along Offer has been made and completed the Board shall not sanction the making and registration of the relevant transfer or transfers.
- 10.2 The provisions of **Article 10.1** and **10.5** shall not apply to any transfer of Shares pursuant to **Article 8**.
- 10.3 "**Come Along Offer**" means an unconditional offer, open for acceptance for not less than 20 Business Days, to purchase Shares held by the recipients of a Come Along Offer or Shares which recipients may subscribe for free from all liens, charges and encumbrances at a price per Share equal to the highest price per Share (exclusive of stamp duty, stamp duty reserve tax and commission) paid or to be paid by any transferee referred to in **Article 10.1** (or any person with whom such transferee is connected with or with whom such transferee is Acting In Concert) for Shares (inclusive of the Shares giving rise to the obligation to make the Come Along Offer) within the period of one year prior to and on the proposed date of completion of such transfer of Shares.

- 10.4 In the event of disagreement, the calculation of the relevant Come Along Offer price shall be referred to the Auditors and **Article 25** shall apply.

Drag along

- 10.5 If the Investors (whilst holding in aggregate more than 45% of the issued share capital of the Company) (in **Articles 10.5** and **10.6**, the “**Vendors**”) wish to transfer their Shares in the Company (the “**Offer**”) to any person on bona fide arms length terms (the “**Purchaser**”), then the Vendors shall also have the option to require all of the other Holders of Shares, and any persons who become Holders of Shares upon exercise of any options, warrants or other rights to subscribe for Shares which exist at the date of the Offer, to transfer all their Shares in the Company to the Purchaser at the same price per share as payable to the Investors or market value, whichever is the higher, or as the Purchaser directs, by giving notice (the “**Drag Along Notice**”) to that effect to all such other Holders (the “**Called Shareholders**”) specifying that the Called Shareholders are, or will, in accordance with this **Articles 10.5** and **10.6**, be required to transfer their Shares pursuant to **Articles 10.5** and **10.6** free from all liens, charges and encumbrances and the price (the “**Proposed Price**”) at which such Shares are proposed to be transferred.
- 10.6 If the Called Shareholders (or any of them) shall make default in transferring their Shares pursuant to **Articles 10.5** and **10.6**, the provisions of **Article 9.6** (references therein to the Vendor, Sale Shares, Allocation Notice and Member Applicant being read as references to the Holder making such default, the Shares in respect of which such default is made, the Drag Along Notice and the Purchaser respectively) shall apply to the transfer of such Shares mutatis mutandis but the Transfer Price shall be the price offered for such Shares as set out in this **Article 10.5** and the provisions of **Article 9.7** shall not apply.

11. COMPULSORY TRANSFERS

- 11.1 In this **Article 11**, a “**Transfer Event**” means, in relation to any member:

11.1.1 a member who is an individual:

11.1.1.1 becoming bankrupt; or

11.1.1.2 dying;

and the Investor Director notifying the Company within three months of the matters coming to his attention that such event is a Transfer Event in relation to that member for the purposes of this article;

11.1.2 a member making any arrangement or composition with his creditors generally and the Investor Director notifying the Company within three months of the matter coming to his attention that such event is a Transfer Event in relation to that member for the purposes of this article;

11.1.3 a member which is a body corporate:

11.1.3.1 having a receiver, manager or administrative receiver appointed over all or any part of its undertaking or assets; or

11.1.3.2 having an administrator appointed in relation to it; or

11.1.3.3 entering into liquidation (other than a voluntary liquidation for the purpose of a bona fide scheme of solvent amalgamation or reconstruction); or

11.1.3.4 having any equivalent action taken in any jurisdiction;

and the Investor Director notifying the Company within three months of the matter coming to his attention that such event is a Transfer Event in relation to that member for the purpose of this article;

11.1.4 a member who is an individual and who is or was previously a director, consultant or employee of the company ceasing to hold such office or employment and who is concerned or interested in any business which is engaged in similar activities to the business of the Company and the Investor Director notifying the Company within three months of the matter coming to his attention that such event is a Transfer Event in relation to that member for the purposes of this article;

11.1.5 a member attempting to deal with or dispose of any Share or any interest in it otherwise than in accordance with these Articles and the Investor Director notifying the Company within three months of the matter coming to his attention that such event is a Transfer Event in relation to that member; and

11.1.6 a member failing to make a transfer of Shares required by **Articles 8.1.1** or **8.2.5** and the Investor Director notifying the Company within three months of the matter coming to his attention that such event is a Transfer Event in relation to that member for the purposes of this article.

11.2 Upon the happening of any Transfer Event, the member in question and any other member who has acquired Shares from him under a permitted transfer (directly or by

means of a series of two or more permitted transfers) under **Articles 8.1, 8.2, 8.3.1 and 8.3.3** shall be deemed to have immediately given a Transfer Notice in respect of all the Shares then held by them and which in the case of a transferee of Shares were the Shares received directly or indirectly from the member who is the immediate subject of the Transfer Event (a "**Deemed Transfer Notice**"). A Deemed Transfer Notice shall supersede and cancel any then current Transfer Notice insofar as it relates to the same Shares except for Shares which have then been validly transferred pursuant to that Transfer Notice.

- 11.3 Notwithstanding any other provision of these articles, if an Investor Director so notifies the Board in relation to any Shares, any member holding Shares in respect of which a Deemed Transfer Notice is deemed given shall not be entitled to exercise any voting rights at general meetings of the Company in respect of those Shares between the date of the relevant Deemed Transfer Notice and the expiry of three months after the date of the Sale Notice given in respect of those Shares or, if earlier, the entry in the register of members of the Company of another person as the holder of those Shares.
- 11.4 The Shares the subject of any Deemed Transfer Notice shall be offered for sale in accordance with **Article 9** as if they were Sale Shares in respect of which a Transfer Notice had been given save that:
 - 11.4.1 a Deemed Transfer Notice shall be deemed to have been given on the date of the Transfer Event or, if later, the date of notification to the Company by the Investor Director that the relevant event is a Transfer Event;
 - 11.4.2 subject to **Article 11.5**, the Sale Price shall be a price per Sale Share agreed between the Vendor, the Board and the Investor Director or, in default of agreement, within 15 Business Days after the date of the Transfer Event, the Fair Value;
 - 11.4.3 a Deemed Transfer Notice shall be deemed not to contain a Total Transfer Condition and shall be irrevocable;
 - 11.4.4 the Vendor may retain any Sale Shares for which Purchasers are not found or, after the expiry of the relevant offer period and with the prior written approval of the Investor Director, sell all or any of those Sale Shares to any person (including any member) as any price per Sale Share which is not less than the Sale Price; and

- 11.4.5 the Sale Shares shall be sold together with all rights attaching thereto as at the date of the Transfer Event.
- 11.5 The Sale Price for any Sale Shares which are the subject of a Deemed Transfer Notice given as a consequence of a Transfer Event falling within **Article 11.1.4** shall:
- 11.5.1 in the case of a Good Leaver (as defined in **Article 11.6**) be their Fair Value (as defined in **Article 11.8**); and
- 11.5.2 in the case of a Bad Leaver (as defined in **Article 11.6**), be their Fair Value or, if less, their Issue Price;
- 11.6 In **Article 11.5**:
- 11.6.1 “**Good Leaver**” refers to a person who ceases to be a director, consultant or employee of the Company and is not a Bad Leaver;
- 11.6.2 “**Bad Leaver**” refers to any person who ceases to be a director, consultant or employee of the Company either before the third anniversary of the adoption of these articles or by dismissal for gross misconduct at any time and as a consequence is no longer a director, consultant or employee of the Company.
- 11.7 For the purpose of **Article 11.1.4** the date upon which a member ceases to hold office or employment as described therein shall be:
- 11.7.1 where a contract of employment, consultancy or directorship is terminated by the employer for cause (i.e for a reason other than the giving of contractual notice) by giving notice to the employee or consultant of the termination of the employment, consultancy or directorship, the date of that notice (whether or not a payment is made by the employer in lieu of all or part of the notice period required to be given by the employer in respect of such termination);
- 11.7.2 where a contract of employment, consultancy or directorship is terminated by the employee or consultant by giving notice to the employer of the termination of the employment, consultancy or directorship, the date of that notice;
- 11.7.3 save as provided in **Article 11.7.1** where an employer or employee wrongfully repudiates the contract of employment and the other accepts that

the contract of employment has been terminated, the date of such acceptance;

11.7.4 where a contract of employment is terminated under the doctrine of frustration, the date of the frustrating event; and

11.7.5 where a contract of employment, consultancy or directorship is terminated for any reason other than in the circumstances set out in **Articles 11.7.1 to 11.7.4** above, the date on which the action or event giving rise to the termination occurs.

11.8 “**Fair Value**” for the purposes of these articles means as agreed between the Board (with the approval of the Investor Director) and the Vendor or, in the absence of agreement within 15 Business Days of the Transfer Event, by the Auditors in accordance with **Article 12**.

12. **VALUATION OF SHARES**

12.1 In the event that the Auditors are required to determine the price at which Shares are to be transferred pursuant to these articles, such price shall be the amount the Auditors shall, on the application of the Board (which application shall be made as soon as practicable following the time it becomes apparent that a valuation pursuant to this **Article 12** is required), give their opinion in writing as to the price which represents a fair value for such Shares as between a willing vendor and a willing purchaser as at the date the Transfer Notice or deemed Transfer Notice is given, ignoring any discount or premium which would otherwise be applicable due to the sale of a minority or majority shareholding.

12.2 **Article 25** shall apply to any determination by the Auditors under this Article.

13. **COMPLIANCE**

13.1 For the purpose of ensuring (i) that a transfer of Shares is duly authorised under these articles or that (ii) no circumstances have arisen whereby a Transfer Notice is required to be or ought to have been given under these articles or (iii) whether an offer is required to be or ought to have been made under **Article 10.1**, the Board may require any member or the legal personal representatives of any deceased member or any person named as transferee in any transfer lodged for registration or such other person as the Board may reasonably believe to have information relevant to such purpose, to furnish to the Company such information and evidence as the Board may reasonably think fit regarding any matter which they deem relevant to

such purpose; including (but not limited to) the names, addresses and interests of all persons respectively having interests in the Shares from time to time registered in the Holder's name.

- 13.2 Failing such information or evidence being furnished to enable the Board to determine to its reasonable satisfaction that no such Transfer Notice is required to be or ought to have been given, or that no offer is required to be or ought to have been made under **Article 10.1**, or that as a result of such information and evidence the Board is reasonably satisfied that such Transfer Notice is required to be or ought to have been given, or that an offer is required to be or ought to have been made under **Article 10**:

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

13.2.2 where the purpose of the enquiry by the Board was to establish whether an offer is required to be or ought to have been made under **Article 10.1**, then the Shares held by or on behalf of the person or persons connected with each other or Acting In Concert with each other who has or have (as the case may be) obtained a Controlling Interest as is referred to in **Article 10.1**, such Shares shall cease to entitle the relevant Holder or Holders (or any proxy) to voting rights (whether on a show of hands or on a poll and whether exercisable at a general meeting of the Company or at a separate meeting of the class in question) otherwise attaching to such Shares or to any further shares issued in right of such Shares or in pursuance of an offer made to the relevant Holders to the extent that will result in such person or persons only being able to control that percentage of the voting rights attaching to the Shares that such person or persons were in a position to control prior to the obligation to procure the making of an offer arising.

GENERAL

14. GENERAL MEETINGS

- 14.1 No business shall be transacted at any general meeting unless a quorum of Holders is present at the time when the meeting proceeds to business and for its duration.
- 14.2 The quorum for general meetings shall be three members present in person or by proxy or (in the case of a member being a corporation or partnership) by their duly

appointed representatives, at least one of whom shall be an Investor and one of whom shall be a Non-Investor and one of whom shall be the Chairman.

- 14.3 A poll may be demanded at a general meeting either by the chairman of the meeting or by any Holder who is present in person, by proxy or by duly authorised representative (if a corporation) and who, in any such case, has the right to vote at the meeting, and regulation 46 of Table A shall be modified accordingly.

15. **WRITTEN RESOLUTIONS**

- 15.1 In the case of a corporation which holds a share or shares in the capital of the Company, the signature of any director or the secretary of such corporation shall be sufficient for the purposes of any resolution in writing as is referred to in regulation 53 of Table A, and regulation 53 of Table A shall be modified accordingly.

16. **RETIREMENT OF DIRECTORS**

- 16.1 The Directors shall not be liable to retire by rotation and, accordingly, the second and third sentences of regulation 79 of Table A shall not apply to the Company; in regulation 78 of Table A, the words "Subject as aforesaid" and the words "and may also determine the rotation in which any additional directors are to retire" shall be deleted.

17. **REMOVAL OF DIRECTORS**

The office of any Director shall be vacated if:

- 17.1 (in the case of an executive Director only) he shall, for whatever reason, cease to be employed by the Company; or
- 17.2 (other than in the case of an Investor Director) all the other Directors request his resignation in writing;

and the provisions of regulation 81 of Table A shall be extended accordingly.

18. **INVESTOR DIRECTOR, EXECUTIVE DIRECTORS AND CHAIRMAN**

- 18.1 The number of directors shall not be more than 10.
- 18.2 Each Investor may from time to time appoint any one person to be a director with the title of investor director (the "Investor Director" which expression shall, where the context so permits, include a duly appointed alternate of such a director) and from

time to time remove such Investor Director from office and re-appoint another person in his place.

- 18.3 Any appointment or removal of an Investor Director shall be in writing served on the Company signed by the relevant Investor and shall take effect at the time it is served on the Company or produced to a meeting of the Board, whichever is earlier. Any such appointment or removal by a corporation may be signed on its behalf by its duly authorised representative.
- 18.4 Notice of meetings of the Board shall be served on any Investor Director who is absent from the United Kingdom at the address for service of notice on each Investor as notified to the Company from time to time. The third sentence of regulation 88 shall not apply.
- 18.5 Regulation 81(e) shall not apply to the Investor Director(s).
- 18.6 Each non-Investor who is a member of the Company at the date of the adoption of these Articles may from time to time appoint any one person to be a director (a "**Manager**") and from time to time remove such director from office, provided that the maximum number of Managers shall not exceed two.

19. **ALTERNATE DIRECTORS**

- 19.1 The appointment by any Investor Director of an alternate director shall not be subject to approval by a resolution of the Board and regulation 65 of Table A shall be modified accordingly. In regulation 67 of Table A the words "but, if" and the words following them (to the end of that regulation) shall be deleted.
- 19.2 An alternate director shall not be entitled (as such) to receive any remuneration from the Company, save that he may be paid by the Company such part (if any) of the remuneration otherwise payable to his appointor as such appointor may, by notice in writing to the Company from time to time, direct, and the first sentence of regulation 66 of Table A shall be modified accordingly.
- 19.3 A Director, or any such other person as is mentioned in regulation 65 of Table A, as modified by **Article 19.1** may act as an alternate director to represent more than one Director, and an alternate director shall be entitled at any meeting of the Board (or of any committee of the Board) to one vote for every Director whom he represents (in addition to his own vote (if any) as a Director), but he shall count as only one for the purpose of determining whether a quorum is present at (and during) any such meeting.

20. **PROCEEDINGS OF DIRECTORS**

- 20.1 The quorum for meetings of the Board shall be three directors, one of whom must be an Investor Director, one of whom must be a Manager and one of whom must be an Independent Director.
- 20.2 Any Director or member of a committee of the Board may participate in a meeting of the Board or such committee by means of conference telephone or similar communications equipment whereby all persons participating in the meeting can hear and speak to each other, and any Director or member of a committee participating in a meeting in this manner shall be deemed to be present in person at such meeting.

21. **THE SEAL**

- 21.1 If the Company has a seal it shall only be used with the authority of the Board or of a committee of the Board. The Board may determine who shall sign any instrument to which the seal is affixed and, unless otherwise so determined, it shall be signed by a Director and by the secretary or a second Director. The obligation under regulation 6 of Table A relating to the sealing of share certificates shall apply only if the Company has a seal.
- 21.2 The Company may exercise the powers conferred by section 39 of the Companies Act with regard to having an official seal for use abroad, and such powers shall be vested in the Board.

22. **INDEMNITY**

- 22.1 Subject to the provisions of the Companies Act, every Director or other officer of the Company (other than the Auditors) shall be indemnified out of the assets of the Company against all costs, charges, expenses, losses or liabilities which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto, including any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in connection with any application in which relief is granted to him by any court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company. No Director or other officer shall be liable for any loss, damage or misfortune which may happen to or be incurred by the Company in the proper execution of the duties of his office or in relation thereto. This **Article 22** shall only have effect in so far as its provisions are not avoided by section 310 of the Companies Act. The Board shall have power to purchase and maintain for any Director or other officer of the Company and the Auditors insurance

against any liability which, by virtue of any rule of law, would otherwise attach to him in respect of any negligence, default, breach of duty or breach of trust of which he may be guilty in relation to the Company.

23. BORROWING POWERS

The Board may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof, and, subject to the provisions of the Companies Act, to issue debentures, debenture stock, and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party.

24. LIEN

The lien conferred by regulation 8 of Table A shall attach to all shares, whether or not fully paid up and to all shares registered in the name of any person indebted or under liability to the Company (whether he shall be the sole registered Holder of such shares or shall be one of two or more joint Holders) and shall be for all moneys owing on any account whatsoever to the Company.

25. AUDITORS DETERMINATION

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

25.2 The costs of Auditors shall be borne by the company unless the Auditors shall otherwise determine.