

Company No: 4494032

THE COMPANIES ACT 2006

COMPANY LIMITED BY SHARES

WRITTEN RESOLUTION

-of-

NUCLEUS HEALTHCARE LIMITED (the "Company")

CIRCULATION DATE: 10 SEPTEMBER 2008

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006, we, the undersigned being the members of the Company entitled to attend and vote at a general meetings of the Company, **HEREBY RESOLVE** and agree that the following resolutions ("**Resolutions**"), proposed by the directors of the Company, be passed as ordinary resolutions in respect of Resolutions 1, 2 and 3 and as special resolutions in respect of Resolutions 3, 4, 5 and 6 and that such resolutions be as valid and effectual as if they had been passed at a general meeting of the Company duly convened and held -

**ORDINARY RESOLUTIONS**

- 1 That the authorised share capital of the Company be increased from £1,000,000 to £1,710,219 20 by the creation of 14,204,384 A ordinary shares of £0 05 each ranking pari passu in all respects with the existing ordinary shares of £1 00 each in the capital of the Company
- 2 That, subject to passing Resolutions 1 and 4, the directors be and they are generally and unconditionally authorised for the purposes of section 80 of the Companies Act 1985 (Act) to exercise all the powers of the Company to allot relevant securities (within the meaning of that section) up to an aggregate nominal amount of £710,219 20, provided that this authority shall expire 5 years from the date of the passing of this resolution, but 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 notwithstanding that the authority conferred by this resolution has expired

**SPECIAL RESOLUTION**

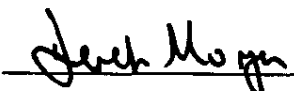
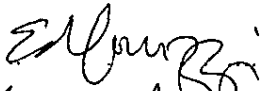
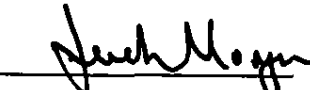

- 3 That, subject to the passing of Resolution 2, the directors be and they are empowered pursuant to section 95 of the Act to allot equity securities (within the meaning of section 94(2) of the Act) wholly for cash pursuant to the authority conferred by Resolution 2, as if section 89(1) of the Act did not apply to any such allotment, provided that this power conferred by this resolution shall expire five years from the date of the passing of 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 any such offer or agreement notwithstanding that the power conferred by this resolution has expired

- 4 That all the restrictions contained in and the provisions of Article 6 of the Articles of Association of the Company be waived in respect of the allotment of the securities referred to in Resolution 2 above
- 5 That the regulations contained in the document attached hereto and initialled by the Chairman of the Board of Directors for the purpose of identification be adopted as the Articles of Association of the Company in substitution for and to the exclusion of the existing Articles of Association of the Company
- 6 That the shareholder agreement entered into on or around 5 February 2007 and made between the Company and the signatories to these Resolutions be and is hereby terminated by way of deed

## AGREEMENT

Please read the notes at the end of this document before signifying your agreement to the Resolutions

The undersigned, the persons entitled to vote on the above Resolutions on 10 September 2008, hereby irrevocably agree to the said Resolutions -

Shareholder	Signature	Date of Signature
Anton Woodhouse		<u>10 September 2008</u>
Witness	BY DEREK MORGAN HIS	
Signature 	DULY AUTHORISED	
Name Elena Morozzi	ATTORNEY	
Address c/o MBA Solicitors Ltd		
Cardiff, CF11 9AB		
 Beverley Woodhouse	 	 <u>10 September 2008</u>
Witness	BY DEREK MORGAN HER	
Signature 	DULY AUTHORISED	
Name AS ABOVE	ATTORNEY	
Address AS ABOVE		

Derek Morgan

Jack Morgan

10 September 2008

Witness

Signature EM Morgan

Name AS ABOVE

Address AS ABOVE

Emmanuel Devaprasad Srivastava

Jack Morgan

10 September 2008

Witness

Signature EM Morgan

Name AS ABOVE

Address AS ABOVE

BY DEREK MORGAN  
HIS DULY AUTHORIZED  
ATTORNEY

James D Hull

Jack Morgan

10 September 2008

Witness

Signature EM Morgan

Name AS ABOVE

Address AS ABOVE

BY DEREK MORGAN  
HIS DULY AUTHORIZED  
ATTORNEY

Jared Torkington

Jack Morgan

10 September 2008

Witness

Signature EM Morgan

Name AS ABOVE

Address AS ABOVE

BY DEREK MORGAN  
HIS DULY AUTHORIZED  
ATTORNEY

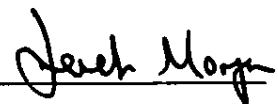
Jeremy Munro Todd Dawson

Witness

Signature 

Name AS ABOVE

Address AS ABOVE



10 September 2008

BY DEREK MORGAN  
HIS DULY AUTHORISED  
ATTORNEY

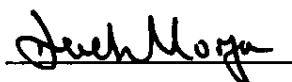
John Harris

Witness

Signature 

Name AS ABOVE

Address AS ABOVE



10 September 2008

BY DEREK MORGAN  
HIS DULY AUTHORISED  
ATTORNEY

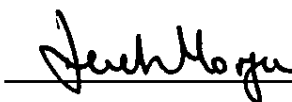
John Rankin

Witness

Signature 

Name AS ABOVE

Address AS ABOVE



10 September 2008

BY DEREK MORGAN  
HIS DULY AUTHORISED  
ATTORNEY

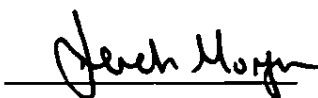
John Rhodes

Witness

Signature 

Name AS ABOVE

Address AS ABOVE



10 September 2008

BY DEREK MORGAN  
HIS DULY AUTHORISED  
ATTORNEY

Christopher Michael Graham

Witness

Signature *E. Morgan*

Name AS ABOVE

Address AS ABOVE

*Derek Morgan*

10 September 2008

BY DEREK MORGAN

HIS DULY AUTHORISED  
ATTORNEY

Colm McLister

Witness

Signature *E. Morgan*

Name AS ABOVE

Address AS ABOVE

*Derek Morgan*

10 September 2008

BY DEREK MORGAN

HIS DULY AUTHORISED  
ATTORNEY

David Pearn

Witness

Signature *E. Morgan*

Name AS ABOVE

Address AS ABOVE

*Derek Morgan*

10 September 2008

BY DEREK MORGAN

HIS DULY AUTHORISED  
ATTORNEY

Deborah Barrington-Ward

Witness

Signature

Name

Address

Keith Thomas

Witness

Signature *Enlunzzi*

Name AS ABOVE

Address AS ABOVE

*Derek Morgan*

BY DEREK MORGAN HIS  
DULY AUTHORISED  
ATTORNEY

10 September 2008

Marianne Rankin

Witness

Signature *Enlunzzi*

Name AS ABOVE

Address AS ABOVE

*Derek Morgan*

BY DEREK MORGAN  
HER DULY AUTHORISED  
ATTORNEY

10 September  
2008

Michael Davies

Witness

Signature *Enlunzzi*

Name AS ABOVE

Address AS ABOVE

*Derek Morgan*

BY DEREK MORGAN HIS  
DULY AUTHORISED ATTORNEY

10 September  
2008

Nancy Hollendonner

Witness

Signature *Enlunzzi*

Name AS ABOVE

Address AS ABOVE

*Derek Morgan*

BY DEREK MORGAN HER  
DULY AUTHORISED  
ATTORNEY

10 September 2008

Nigel Harris

Witness

Signature *[Signature]*

Name AS ABOVE

Address AS ABOVE

*[Signature]*

BY DEREK MORGAN  
HIS DULY AUTHORISED  
ATTORNEY

10 September 2008

Nimal Balaratnam

Witness

Signature *[Signature]*

Name AS ABOVE

Address AS ABOVE

*[Signature]*

BY DEREK MORGAN HIS  
DULY AUTHORISED  
ATTORNEY

10 September 2008

Penelope Bossom

Witness

Signature *[Signature]*

Name AS ABOVE

Address AS ABOVE

*[Signature]*

BY DEREK MORGAN  
HER DULY AUTHORISED  
ATTORNEY

10 September 2008

Richard Campin

Witness

Signature *[Signature]*

Name AS ABOVE

*[Signature]*

BY DEREK MORGAN  
HIS DULY AUTHORISED  
ATTORNEY

10 September 2008

Address AS ABOVE

Robert J Davies

Witness

Signature *Ed Cumzgi*

Name AS ABOVE

Address AS ABOVE

*Jack Morgan*  
BY DEREK MORGAN HIS  
DULY AUTHORISED  
ATTORNEY

10 September 2008

Stephen Parfitt

Witness

Signature *Ed Cumzgi*

Name AS ABOVE

Address AS ABOVE

*Jack Morgan*  
BY DEREK MORGAN  
HIS DULY AUTHORISED  
ATTORNEY

10 September 2008

Deborah Waters

Witness

Signature *Ed Cumzgi*

Name AS ABOVE

Address AS ABOVE

*Jack Morgan*  
BY DEREK MORGAN HER  
DULY AUTHORISED ATTORNEY

10 September 2008

Yvonne Thomas

Witness

Signature *Ed Cumzgi*

Name AS ABOVE

*Jack Morgan*  
BY DEREK MORGAN  
HER DULY AUTHORISED  
ATTORNEY

10 September 2008





## NOTES

- 1 If you agree with the Resolutions, please indicate your agreement by signing and dating this document where indicated above and returning it to the Company using one of the following methods

**By Hand** delivering the signed copy to Stephen Berry, M&A Solicitors LLP, Kenneth Pollard House, 5-19 Cowbridge Road East, Cardiff CF11 9AB

**Fax** faxing the signed copy to 029 2066 5798 marked "For the attention of the Stephen Berry"

**E-mail** by attaching a scanned copy of the signed document to an e-mail and sending it to [sberry@mandauk.com](mailto:sberry@mandauk.com) Please enter "Nucleus Written Resolution" in the e-mail subject box

- 2 If you do not agree to the Resolutions, you do not need to do anything you will not be deemed to agree if you fail to reply
- 3 In the case of joint holders of shares, only the vote of the senior holder who votes will be counted by the Company Seniority is determined by the order in which the names of the joint holders appear in the register of members
- 4 Once you have indicated your agreement to the Resolutions, you may not revoke your agreement
- 5 Unless, by 9 October 2008 sufficient agreement has been received for the Resolutions to pass, it will lapse If you agree to the Resolutions, please ensure that your agreement reaches us before or on this date
- 6 If you are signing this document on behalf of a person under a power of attorney or other authority please send a copy of the relevant power of attorney or authority when returning this document

Jwcm.

**Companies Act 1985 and Companies Act 2006**

**PRIVATE COMPANY LIMITED BY SHARES**

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**ARTICLES OF ASSOCIATION**

**of**

**NUCLEUS HEALTHCARE LIMITED**

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**(adopted by Special Resolution dated 10 September 2008)**

## 1 INTRODUCTION

1.1 The regulations contained 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 2007 and the Companies (Tables A to F) (Amendment) (No. 2) Regulations 2007 and as further amended by the Companies Act 1985 (Electronic Communications) Order 2000 ("**Table A**") shall apply to the Company. Table A shall be the Articles of Association of the Company unless it has been excluded or varied by these Articles.

1.2 In these Articles

**"Acts"** means the Companies Act 1985 and the Companies Act 2006, as amended and in force from time to time,

**"Address"** in relation to electronic communications includes any number or address used for the purpose of such communications,

**"A Ordinary Shares"** means A Ordinary Shares of 5p each in the capital of the Company,

**"Article"** means an Article contained in these Articles,

**"Board"** means the board of directors of the Company from time to time being or, as the context may require, any duly authorised committee,

**"Fair Value"** means the fair market value per Share as certified in accordance with Articles 6.9 to 6.12,

**"Family Members"** means the spouse, civil partner, widow or widower of a Shareholder and the Shareholder's children and grandchildren (including step and adopted children), and step and adopted children of the Shareholder's children (each a "**Family Member**"),

**"Family Trust"** means in relation to an individual Shareholder, a trust or settlement set up wholly for the benefit of that individual Shareholder and/or their Family Members,

**"Investor"** means Finance Wales Investments (5) Limited,

**"Investor Director"** means a director appointed to the Board by the investor or, in the event of a transfer

pursuant to Article 6 2 2, any member of the Investor Group,

**"Investor Group"**

means

(i) 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

(ii) any partnership (or the partners in any such partnership) of which any Relevant Person is general partner, manager, consultant or adviser, or

(iii) any unit trust or other fund of which any Relevant Person is trustee, manager, consultant or adviser, or

(iv) any unit trust, partnership or other fund, the managers of which are advised by any Relevant Person, or

(v) any nominee or trustee of any Relevant Person, or

(vi) 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,

**"Investor Observer"** means the observer entitled to attend meetings of the Board on behalf of the Investor in accordance with Article 16,

**"L&R"**

means L R Healthcare Limited,

**"L&R Director"**

means a director appointed to the Board by L&R,

**"L&R Group"**

means L&R or any subsidiary or holding company of L&R or subsidiary of a holding company of L&R,

**"Non-Executive Directors"**

means Anton Woodhouse, Keith Thomas, Derek Morgan and any other non-executive directors appointed to the Board from time to time,

**"Ordinary Shares"**

means the Ordinary Shares of £1 each in the capital of the Company,

**"Permitted Transfer"** means a transfer made in accordance with Article 6 2,

**"Regulation"** means a regulation in Table A,

**"shares"** means Ordinary Shares and A Ordinary Shares and/or any other equity security (as defined in section 94(2) of the Companies Act 1985) in the capital of the Company (each a "share"),

**"Shareholders"** means holders of Ordinary Shares and/or A Ordinary Shares from time to time (each a "Shareholder"), and

**"Subscription Price"** means, in relation to any share, the amount paid up, or credited as paid up thereon (including the full amount of any premium at which such share was issued whether or not such premium is applied for any purpose thereafter)

1 3 Regulations 24, 40, 41, 59 to 62 (inclusive), 64, 73 to 80 (inclusive), 87, 94 to 97 (inclusive), 101 and 118 shall not apply to the Company

## 2 **SHARE CAPITAL**

The share capital of the Company at the date of adoption of these Articles is £[ ] divided into

2 1 608,333 Ordinary Shares of £1 each, and

2 2 [ ] A Ordinary Shares of 5p each

## 3 **ALLOTMENT OF SHARES**

3 1 Shares which are comprised in the authorised share capital of the Company shall be under the control of the directors who may (subject to section 80 of the Companies Act 1985 and to the provisions of this Article 3) allot, grant options over or otherwise dispose of the same, to such persons, on such terms and in such manner as they think fit

3 2 The directors are generally and unconditionally authorised for the purposes of section 80 of the Companies Act 1985 to exercise any power of the Company to allot and grant rights to subscribe for or convert securities into shares of the Company up to the amount of the authorised share capital of the Company as at the date of adoption of these Articles at any time or times during the period of five years from the date of adoption of these Articles and the directors may, after that period, allot any shares or grant any such rights under this authority in pursuance of an offer or agreement so to do made by the Company within that period

The authority hereby given may at any time (subject to the said section 80) be renewed, revoked or varied by ordinary resolution

**3 3 Pre-emption on issue**

Any shares in the capital of the Company which are unissued shall before they are issued whether for cash or otherwise be offered to all the Shareholders in proportion, as nearly as may be, to the number of shares in the capital of the Company then held by each Shareholder

**3 4 Procedure for offering**

Any offer to subscribe for additional shares shall be made by notice specifying the number of shares offered, the proportionate entitlement of the relevant Shareholder, the price per share and limiting a period (not being less than 21 days) within which the offer, if not accepted will be deemed to be declined. After the expiration of such time the directors shall offer shares which have been declined or are deemed to have been declined to the persons who have within the said period accepted all the shares offered to them. Such further offer shall be on the same terms as the first offer and shall invite each of the Shareholders to state in writing within a period of not less than 14 days whether he is willing to take any, and if so what maximum, number of the shares so offered. At the expiration of the time limited in respect of further offer the directors shall allot the shares so offered to or amongst the persons who have notified their willingness to take such shares in the event of competition in proportion to the number of shares held by such persons respectively. The directors shall make such arrangements as they shall think fit concerning entitlements to fractions, overseas Shareholders and Shareholders unable by law or regulation to receive or accept any offer pursuant to this Article

**3 5 Allotment of shares after offers**

At the expiration of the time limited by the notice or notices the directors shall allot the shares so offered to or amongst the Shareholders who have notified their willingness to take all or any of such shares in accordance with the terms of the relevant offer. No Shareholder shall be obliged to take more than the maximum number of shares he has indicated his willingness to take

**3 6 Issue other than to Shareholders**

Any shares not accepted pursuant to the preceding provisions of this Article and any shares to which this Article does not apply shall be at the disposal of the directors who may allot, grant options over, or otherwise dispose of them to such persons at such time and generally on such terms and conditions as they determine provided that no shares shall be issued at a discount and provided further that, in the case of shares not accepted as aforesaid, 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 Shareholders

**3 7 Disapplication of statutory pre-emption provisions**

In accordance with section 91(1) of the Companies Act 1985 sections 89(1) and 90(1) to (6) (inclusive) of the Companies Act 1985 shall not apply to the Company

**3 8 No renunciation of allotment**

No shares shall be allotted on the terms that the right to take up the shares allotted may be renounced in favour of, or assigned to, another person and no person entitled to allotment of a share may direct that such share may be allotted or issued to any other person

**3 9 Waiver of variation**

By special resolution of the Company, any of the restrictions or other provisions of this Article may be waived or varied in relation to any proposed issue of shares

**4 LIEN AND FORFEITURE**

Lien to attach to all shares

4 1 In Regulation 8, the words "(not being a fully paid share)" shall be replaced with the words "(whether fully paid or not)"

4 2 The Company shall have a first and paramount lien on all shares (whether fully paid or not) registered in the name of any person who is indebted to, or is in any way liable to, the Company for that indebtedness or liability This lien will apply even if that person is a joint owner of shares and it will also bind that person's estate or trustee in bankruptcy Regulation 8 shall be modified accordingly

4 3 All shares to be sold in the enforcement of the Company's lien or rights of forfeiture shall be offered in accordance with Article 3 as if they were unissued shares of the Company Regulation 9 and 20 shall be modified accordingly

4 4 This Article 4 4 will apply if the directors make a call in respect of a Shareholder's shares and the Shareholder does not pay If the Company has to pay any costs or expenses in connection with the Shareholder's failure to pay the call, the directors may decide that the Shareholder will also be liable for those costs or expenses Regulations 18 and 21 shall be altered accordingly

**5 TRANSMITTING SHARES ON BANKRUPTCY**

This Article 5 will apply if a person becomes entitled to a share in the Company as a result of the bankruptcy of a registered Shareholder The directors may require that the person must decide whether the share is



to be transferred to themselves or to someone else. The directors shall do this by giving a written notice to the person. The person must respond to the notice, giving their decision, within 30 days of the date of the notice. If the person does not respond to the notice in time then the directors may withhold payment of all dividends or other money due to be paid to the holder of the share. They may do this from the end of the 30 day period until the requirements of the notice have been complied with. Regulation 31 shall be altered accordingly.

## 6 TRANSFER OF SHARES

6.1 If any of the Shareholders shall wish to transfer their shareholding otherwise than by a Permitted Transfer, a Compulsory Transfer or a transfer pursuant to the provisions of Article 7 (Tag Along) or Article 8 (Come Along Rights) then they shall first offer the same to the other Shareholders upon the terms contained in this Article and at a price determined in accordance with this Article.

6.2 Subject as hereinafter provided any shares may be transferred without restrictions as to price or otherwise.

6.2.1 With the consent of the Board and the Investor, by a Shareholder to any other person,

6.2.2 by the Investor to any member of the Investor Group,

6.2.3 by L&R to any member of the L&R Group, or

~~6.2.3~~ 6.2.4 by M&A Solicitors LLP to any member of M&A Solicitors LLP,

~~6.2.4~~ 6.2.5 with the consent of the Investor, by any Shareholder or by the trustees of any settlement made by a Shareholder to the Family Members of such Shareholder or to the beneficiaries of the will or intestacy of any deceased Shareholder or to trustees of a Family Trust or in the case of Shareholders who are at the date of adoption of these Articles trustees of a settlement, to the beneficiaries thereof provided always that such beneficiaries are limited to Family Members,

all and any such transfers being a "**Permitted Transfer**" for the purposes of this Article.

6.3 Any transfer or purported transfer of a share or any beneficial interest therein (other than a Permitted Transfer, a Compulsory Transfer, a transfer pursuant to the provisions of Article 7 (Tag Along) or Article 8 (Come Along Rights), upon transmission of a share pursuant to Regulation 29, upon the death of a Shareholder or upon a person becoming entitled to a share in consequence of the bankruptcy of a Shareholder) made otherwise than in accordance with the following provisions of this Article shall be null and void and of no effect.

- 6 4 Any Shareholder ("**the Proposing Transferor**") proposing to transfer any shares or the beneficial interest therein (save where such transfer is a Permitted Transfer, a Compulsory Transfer or a transfer pursuant to the provisions of Article 7 (Tag Along) or Article 8 (Come Along Rights)) shall give notice in writing ("**a Transfer Notice**") to the Company that he desires to transfer the same specifying the identity of the proposed transferee (if any) and specifying the price per share that he has agreed to sell for or (if no proposed transferee is named) the price per share at which he is willing to sell them
- 6 5 The Transfer Notice shall constitute the Company the agent of the Proposing Transferor for the sale of all (but not some only) of the shares comprised in the Transfer Notice together with all rights then attached thereto to any Shareholder or Shareholders willing to purchase the same ("**Purchasing Members**") at the price specified therein or at the Fair Value certified in accordance with Article 6 9 to 6 12
- 6 6 The shares comprised in any Transfer Notice shall be offered to the Shareholders holding the shares of the same class (other than the Proposing Transferor and any other Shareholder in respect of whose shares a Transfer Notice shall have been served or deemed served) as nearly as may be in proportion to the number of shares of that class held by them respectively. Such offer shall be made by notice in writing ("**the Offer Notice**") within seven days after the receipt by the Company of the Transfer Notice. The Offer Notice shall
- 6 6 1 state the identity of the Proposing Transferor, the number and class of shares comprised in the Transfer Notice, the price per share specified in the Transfer Notice and inform the Shareholders that shares are offered to them in accordance with the provisions of this Article 6 6,
- 6 6 2 contain a statement to the effect that the shares are offered in the first instance in the proportion referred to in the first sentence of this Article 6 6 invite each Shareholders to state in his reply whether he wishes to purchase more or less shares than his proportionate entitlement and if so what number,
- 6 6 3 contain a statement of the right of each Shareholder to request a certificate of Fair Value under Article 6 9 to 6 12 (inclusive) the form of such statement to be near as circumstances permit to that of the first sentence of that Article,
- 6 6 4 state the period in which the offer may be accepted if no such certificate of Fair Value is requested (not being less than twenty-one days or more than forty-two days after the date of the Offer Notice), and

- 6 6 5 contain a statement to the effect that if a certificate of Fair Value is requested, the offer will remain open for acceptance until the expiry of a period of fourteen days commencing on the date of the notice of the certified Fair Value given to Shareholders pursuant to Article 6 10 or until the expiry of the period referred to in Article 6 6 4 whichever is the later
- 6 7 An offer shall be deemed to be accepted on the day on which the acceptance is received by the Company and may, if so specified in the acceptance, be accepted by a Shareholder in respect of a lesser number of shares than his full proportionate entitlement
- 6 8 If all the Shareholders do not accept the offer in respect of their respective proportions in full, the shares not so accepted shall be used to satisfy any claims for additional shares (notified in response to the invitation referred to in Article 6 6 2) as nearly as may be in proportion to the number of shares already held by the Shareholders claiming additional shares, provided that no Shareholder shall be obliged to take more shares than he shall have applied for. If any shares shall not be capable of being offered to the Shareholders in proportion to their existing holdings, except by way of fractions, the same shall be offered to the Shareholders, or some of them, in such proportions as the directors may think fit
- 6 9 Not later than eight days after the date of the Offer Notice, the directors may (if no proposed transferee is named in the Transfer Notice) serve a notice in writing requesting that a person nominated (from the panel of expert share valuers maintained by the Law Society for England and Wales) by the President for the time being of the Law Society of England and Wales on the application of the directors on behalf of the Company shall be instructed to give such certificate and any following reference in these Articles to "**the valuer**" shall include any person so nominated
- 6 10 Forthwith upon receipt of such notice the Company shall instruct the valuer to certify as aforesaid and the costs of producing such certificate shall be borne by the Shareholder or Shareholders demanding such valuation and if more than one proportionately to their respective shareholdings
- 6 11 The Fair Value of each share comprised in the Transfer Notice shall be its value as a rateable proportion of the total sum for all the issued shares of the Company which a willing buyer would offer to a willing seller and shall not be discounted or enhanced by reference to the number of shares comprised in the Transfer Notice. In certifying the Fair Value as aforesaid the valuer shall be entitled to obtain professional valuations in respect of any of the Company's assets and shall act as experts and not as arbitrators or arbiters and accordingly any provisions of law or statute relating to arbitration shall not apply

- 6 12 Forthwith upon receipt of the certificate of the valuer, the Company shall by notice in writing inform all Shareholders of the certified Fair Value of the share
- 6 13 If the Proposing Transferor is unwilling to accept the Fair Value as so ascertained, he may by notice in writing withdraw the Transfer Notice within 7 days of receipt of the certificate of the valuer
- 6 14 Otherwise if Purchasing Members shall be found for all the shares comprised in the Transfer Notice within the appropriate period specified in Article 6 6 4, the Company shall not later than seven days after the expiry of such appropriate period give notice in writing ("**Sale Notice**") to the Proposing Transferor specifying the Purchasing Members and the number of shares to be purchased by each Purchasing Member and the Proposing Transferor shall be bound upon payment of the price due in respect of all the shares comprised in the Transfer Notice to transfer the shares to the Purchasing Members
- 6 15 If in any case the Proposing Transferor after having become bound as aforesaid makes default in transferring any shares the Company may receive the purchase money on his behalf, and may authorise some person to execute a transfer of such shares on behalf of and as attorney for the Proposing Transferor in favour of the Purchasing Members The receipt of the Company for the purchase money shall be a good discharge to the Purchasing Members The Company shall pay the purchase money into a separate bank account and shall hold the same on trust for the Proposing Transferor
- 6 16 If the Company shall not give a Sale Notice to the Proposing Transferor within the time specified for that purpose in Article 6 6 4 he shall, during the period of sixty days next following the expiry of the time so specified, be at liberty to transfer all (but not some only) of the shares comprised in the Transfer Notice to any person or persons PROVIDED THAT the price per share obtained upon such share transfer shall in no circumstances be less than the price per share specified in the Transfer Notice or as certified in accordance with Article 6 9 whichever shall be higher and the Proposing Transferor shall upon request furnish such information to the directors as they shall require in relation the price per share obtained as aforesaid
- 6 17 A Shareholder who purports to transfer any share in the Company in breach of the foregoing provisions of these Articles shall be bound to give a Transfer Notice in respect of the shares which he has transferred or purported to transfer in breach of these Articles
- 6 18 In the event of any Shareholder failing to serve a Transfer Notice within thirty days of being bound to do so shall be deemed to have given a Transfer Notice upon being called upon to do so by the directors and to have specified therein as the price per share

the Fair Value of each share to be certified in accordance with Article 6 9

- 6 19 The directors may, in their discretion and without assigning any reason therefore decline to register any transfer which would otherwise be permitted under the foregoing provisions of this Article 6 if it is a transfer of a share on which the Company has a lien or a transfer of a share (not being a fully paid share) to a person of whom they shall not approve. The directors may also refuse to register a transfer

6 19 1 if it is not lodged at the registered office accompanied by the certificate for the shares to which it relates or a suitable indemnity if the certificate therefore shall be lost or destroyed together with such other evidence as the directors may reasonably require to show the right of the transferor to make the transfer, and

6 19 2 is in favour of more than four transferees

- 6 20 The directors shall register any Permitted Transfer and any transfer of shares made pursuant to and in accordance with the provisions of this Article 6

- 6 21 For the purpose of ensuring that a transfer of shares is permitted pursuant to the provisions of these Articles or that no circumstances have arisen whereby a transfer notice may be required to be given, the directors may from time to time require any Shareholder or the legal personal representatives of any deceased Shareholder or any person named as transferee in any transfer lodged for registration to furnish to the any such information and evidence as the directors acting reasonable and in good faith think fit regarding any matter relevant to such purpose. Failing such information or evidence being furnished to the satisfaction of the directors within reasonable time after request, the directors shall be entitled to refuse to register the transfer in question or (in case no transfer is in question) to require by notice in writing that a Transfer Notice be given in respect of the shares concerned. In any case where the directors have duly required by notice in writing a Transfer Notice to be given in respect of any shares and such Transfer Notice is not duly given within a period of thirty days from such notice such transfer notice shall be deemed to have been given at the end of the period of thirty days and such Transfer Notice shall be deemed to specify as the price per share the Fair Value of each share to be certified in accordance with Article 6 9 and the provisions of Articles 6 10 to 6 15 (inclusive) shall mutatis mutandis apply

## **7 COMPULSORY TRANSFERS**

- 7 1 The provisions of this clause shall apply to any Leaver and any Leaver's shares

- 7 2 In this clause

- 7 2 1 a **"Relevant Employee"** shall mean
  - 7 2 1 1 an employee of the Company, and/or
  - 7 2 1 2 a director of the Company (but not the Investor Director or any Non-Executive Director),
- 7 2 2 a **"Leaver"** shall mean
  - 7 2 2 1 any Shareholder who ceases to be a Relevant Employee,
  - 7 2 2 2 any Shareholder who is a Family Member of any person who ceases to be a Relevant Employee,
  - 7 2 2 3 any Shareholder who is a trustee of a Family Trust of any person who ceases to be a Relevant Employee,
  - 7 2 2 4 any person who becomes entitled to shares
    - 7 2 2 4 1 on the death of a Shareholder, or
    - 7 2 2 4 2 on the bankruptcy of a Shareholder (if an individual) or the receivership, administrative receivership, administration, liquidation or other arrangement for the winding-up (whether solvent or insolvent) of a Shareholder (if a Company), or
  - 7 2 2 5 any Shareholder holding shares as a nominee for any person who ceases, or who has ceased, to be a Relevant Employee, and
- 7 2 3 **"Leaving Date"** shall mean the date on which the Shareholder becomes a Leaver for the purposes of this clause
- 7 3 Within the period commencing on the relevant Leaving Date and expiring at midnight on the first anniversary of such date, the Board may immediately serve a notice on the Leaver notifying him that he is, with immediate effect, deemed to have served one or more Transfer Notices in respect of all of his shares
- 7 4 The provisions of Article 6 (Transfer of Shares) shall apply to any such Transfer Notice provided that for these purposes

- 7 4 1 the shares comprised in any Transfer Notice shall comprise all of the shares held by the Leaver,
- 7 4 2 the price payable per share shall be determined by Article 7 5, and
- 7 4 3 references to **receipt of the Transfer Notice** in Article 6 6 shall be replaced by the **date of determination of the Fair Value** if a Fair Value falls to be determined
- 7 5 The price payable for the shares shall be
  - 7 5 1 in the case of a Good Leaver, the Subscription Price or, if higher, the Fair Value, or
  - 7 5 2 in the case of a Bad Leaver, the Subscription Price, or, if lower, the Fair Value
- 7 6 For the purpose of Article 7 5
  - 7 6 1 a Relevant Employee who is a Leaver shall be deemed to be a Good Leaver in circumstances where the relevant person ceases to be employed by the Company or entitled to hold shares in the Company and as a consequence is no longer a director or Shareholder of the Company and is not a Bad Leaver,
  - 7 6 2 a Relevant Employee who is a Leaver shall be deemed to be a Bad Leaver in circumstances where the relevant person ceases to be a director or employee of the Company either before the second anniversary of the date of adoption of these Articles or by dismissal for gross misconduct at any time or becomes bankrupt and as a consequence is no longer a director or employee of the Company unless otherwise agreed in writing by the Investors, and
  - 7 6 3 a Shareholder (who is not a Relevant Employee) shall be deemed a Good Leaver save where the Shareholder is a Leaver as a result of any of the matters set out in Article 7 2 2 4 2 in which case such Shareholder shall be a Bad Leaver
- 7 7 Any Shareholder holding shares as a result of a Permitted Transfer who ceases to be a permitted transferee in relation to such person ("**Transferor**"), including without limitation any Shareholder who ceases to be the spouse of a Relevant Employee and any Shareholder who ceases to be a Group Company in relation to the body first holding the relevant shares, shall, within 21 days of so ceasing transfer the shares held by it to the Transferor or to some other person to whom the Transferor would be entitled to transfer such shares pursuant to these Articles and failing such transfer shall be deemed to have given a Transfer Notice in accordance with Article 6 4

## 8 TAG-ALONG OPTION

8 1 Notwithstanding anything in these Articles, no sale or transfer of any shares to any person or persons (whether or not then a Shareholder of the Company) conferring the right to vote at general meetings of the Company which would result if made and registered in a person having a Controlling Interest in the Company immediately prior to such sale or transfer ceasing to have such a Controlling Interest (for the purpose of this Article the "**Specified Shares**") shall be made or registered unless, before the transfer is lodged for registration, the proposed transferees or their nominees has or have made an offer (stipulated to be open for acceptance for not less than 30 days) to purchase all the other shares at the Specified Price, which offer every Shareholder shall be bound within 30 days of the making of such offer to him either to accept or reject in writing (and in default of so doing shall be deemed to have rejected the offer)

8 2 For the purpose of this Article

8 2 1 the expression a "**Controlling Interest**" shall mean shares conferring in the aggregate 50 per cent or more of the total voting rights conferred by all the shares in the capital of the Company for the time being in issue and conferring the right to vote at all general meetings,

8 2 2 the expressions "transfer", "transferor" and "transferee" shall include respectively the renunciation of a renounceable letter of allotment, the original allottee and the renouncee under any such letter of allotment, and

8 2 3 the "**Specified Price**" shall mean a price per share proportionate to the highest amount offered or paid or payable per share by the proposed transferor or transferees or his or their nominees to the holders of the Specified Shares at any time in the twelve months immediately preceding the making of the offer referred to in Article 8 1 plus an amount equal to the relevant proportion of any other consideration (in cash or otherwise) received or receivable by the holders of the Specified Shares which having regard to the substance of the transaction as a whole can reasonable be regarded as an addition to the price paid or payable for the Specified Shares. In the event of disagreement, the calculation of the Specified Price shall be referred to an umpire (as an expert and not as arbitrator) nominated by and acting at the joint expense of the parties concerned (or, in the event of disagreement, as to nomination appointed by the President for the time being of the Institute of Chartered Accountants in England and Wales) whose decision shall be final and binding



## 9 COME ALONG RIGHTS

If any one or more Shareholders including the Investor (together the "**Selling Members**") wish to transfer any interest in more than 50% of the issued share capital of the Company where that transfer would result in a person or persons who was not on the date of adoption of these Articles a Shareholder or Shareholder obtaining a controlling Interest in the Company the Selling Members shall have the option (the "**Come Along Option**") to require all other Shareholders to transfer all their shares to the proposed transferee or as it shall direct in accordance with this Article

- 9 1 For the purpose of this Article the expression "**a Controlling Interest**" shall mean shares conferring in the aggregate 50% or more of the total voting rights conferred by all the shares in the capital of the Company for the time being in issue and conferring the right to vote at all general meetings
- 9 2 All other regulations of the Company relating to the transfer of shares and the right to registration of transfers shall be read subject to the provisions of this Article Notwithstanding anything in this Article no transfer of any share shall after registration of such transfer be deemed to be invalid by reason only that it was made in contravention of the foregoing provisions, if the directors shall prior to the registration thereof have obtained from the transferor and transferee a statutory declaration that so far as the transferor and the transferee are respectively aware the transfer is not being made directly or indirectly in pursuance of any arrangement for the sale or acquisition of a Controlling Interest in the Company and will not result in such Controlling Interest being acquired by any person or persons who was or were not a permitted transferee For the purposes of this Article a person shall not be regarded as a permitted transferee if he is acting in concert (as that expression is defined in the City Code on Takeovers and Mergers) with some person who is not himself a permitted transferee for the purposes hereof
- 9 3 The Selling Members shall exercise the Come Along Option by giving notice to that effect (a "**Come Along Notice**") to all other Shareholders (the "**Called Members**") at any time before the transfer A Come Along Notice shall specify that the Called Members are required to transfer all their shares (the "**Called Shares**"), the price at which the Called Shares are to be transferred and the proposed date of transfer
- 9 4 A Come Along Notice is irrevocable but the Come Along Notice and all obligations thereunder will lapse if for any reason there is not a change of control caused by a transfer of shares by the Selling Members to the proposed transferee within 60 days after the date of the Come Along Notice
- 9 5 The sale and purchase price per share for which the Called Members shall be obliged to sell the Called Shares shall be proportionate to the highest amount offered or paid or payable per share by the proposed transferee or transferees or his or their

nominees to the Selling Members at any time in the twelve months immediately preceding the serving of the Come Along Notice plus an amount equal to the relevant proportion of any other consideration (in cash or otherwise) received or receivable by the Selling Members which having regard to the substance of the transaction as a whole can reasonably be regarded as an addition to the price paid or payable for the Selling Members' Shares. In the event of disagreement, the calculation of the price shall be referred to an umpire (as an expert and not as arbitrator) nominated by and acting at the joint expense of the parties concerned (or, in the event of disagreement, as to nomination appointed by the President for the time being of the Institute of chartered Accountants in England and Wales) whose decision shall be final and binding.

9.6 Completion of the sale of the Called Shares shall take place on the same date as the date proposed for completion of the sale of the Selling Members' shares unless

9.6.1 all of the Called Members and the Selling Members agree otherwise, or

9.6.2 that date is less than seven days after the come Along Notice, in which case the date for completion of the sale of the Called Shares shall be the seventh day after the Come Along Notice, or

9.6.3 if the price per share is to be determined by an umpire then the proceeds of sale or a reasonable proportion thereof shall be paid to an escrow account pending the determination of the price by such umpire

## 10 PROXIES

10.1 The appointment of a proxy shall be executed by or on behalf of the appointer and in any common form or in such other form as the directors may approve and shall be deemed to include authority to vote on any amendment of a resolution put to the meeting for which it is given as the proxy thinks fit. The instrument of proxy shall, unless the contrary is stated in it, be valid for any adjournment of the meeting as well as for the meeting to which it relates.

10.2 The appointment of a proxy must,

10.2.1 In the case of an appointment which is not contained in an electronic communication, be received at the office not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote, together with any authority under which it is made or a copy of the authority, certified notarially or in some other manner approved by the directors.

- 10 2 2 In the case of an appointment contained in an electronic communication, where an address has been specified or agreed by the directors for the purpose of receiving electronic communications, be received at such address not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote Any authority pursuant to which an appointment contained in an electronic communication is made or a copy of the authority, be certified notarially or in some other manner approved by the directors, must be received at the office not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote, or
- 10 2 3 In the case of an appointment which is not contained in an electronic communication, be received at the meeting or adjourned meeting at which the person named in the appointment proposes to vote, together with any authority under which it is made or a copy for the authority, certified notarially or in some other manner approved by the directors, and an appointment of a proxy which is not received in a manner so permitted shall be invalid

## **11 GENERAL MEETINGS AND RESOLUTIONS**

- 11 1 Every notice convening a general meeting shall comply with the relevant provisions the Acts as to giving information to Shareholders in regard to their right to appoint proxies, and notices and other communications relating to any general meeting which any Shareholder is entitled to receive shall be sent to the directors and to the auditors from time to time of the Company
- 11 2 No business shall be transacted at any general meeting unless a quorum is present Subject to article 11 3 below, a quorum shall be two persons entitled to vote upon the business to be transacted, each being a Shareholder or a proxy for a Shareholder or a duly authorised representative of a corporation, of whom one shall be the Investor or a duly authorised representative of the Investor
- 11 3 If an for so long as the Company has only one Shareholder entitled to vote upon the business to be transacted, that Shareholder present in person or by proxy or (if that Shareholder is a corporation) by a duly authorised representative shall be a quorum
- 11 4 If a quorum is not present within half an hour from the time appointed for a general meeting the general meeting shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such other time and place as the directors may determine and if at the adjourned general

meeting a quorum is not present within half an hour from the time appointed therefore such adjourned general meeting shall be dissolved

- 11 5 If and for so long as the Company has only one Shareholder entitled to vote upon the business to be transacted and that Shareholder takes any decision which is required to be taken in general meeting or by means of a written resolution, that decision shall be as valid and effectual as if agreed by the Company in general meeting, subject as provided in article 11 6 below
- 11 6 Any decision taken by a sole Shareholder pursuant to article 11 6 above shall be recorded in writing and delivered by that Shareholder to the Company for entry in the Company's minute book
- 11 7 A Shareholder present at a meeting by proxy shall be entitled to speak at the meeting and shall be entitled to one vote on a show of hands In any case where the same person is appointed proxy for more than one Shareholder he shall on a show of hands have as many votes as the number of Shareholders for whom he is proxy Regulation 54 in Table A shall be modified accordingly

## **12 APPOINTING AND REMOVING DIRECTORS**

- 12 1 The maximum and minimum number of directors may be decided by ordinary resolution of the Company from time to time If no resolution is made, there shall be no maximum number of directors and the minimum number of directors shall be one, when the minimum number of directors is one, a sole director shall have authority to exercise all the powers and discretions granted to the directors by Table A and by these Articles A sole director may do this by written resolution Regulations 89 and 90 shall be altered accordingly
- 12 2 The directors do not need to retire by rotation
- 12 3 No person can be appointed a director at any general meeting unless -
  - 12 3 1 they are recommended by the directors, or
  - 12 3 2 they are proposed by a person qualified to vote at the general meeting In that case, the Shareholder proposing the director must, not less than 14 and no more than 35 clear days before the date of the meeting, give notice to the Company of their intention to propose the person for appointment and also send to the Company a notice signed by that person indicating his willingness to be appointed

Subject to this, the Company may by ordinary resolution appoint any person to be a director, either to fill a vacancy or as an additional director

- 12 4 The directors may appoint a person who is willing to act to be a director, either to fill a vacancy or as an additional director, provided that the appointment does not cause the number of directors to exceed any number determined in accordance with article 12 1 above as the maximum number of directors and from time to time in force
- 12 5 There shall be no restrictions (other than those imposed by law or by Table A) on who may be appointed a director of the Company. A person of any age may be appointed and no director will be required to vacate his office because he has reached a particular age
- 12 6 The Company may by special resolution remove any director at any time. However, a removal of a director will not affect any claims that the director may have against the Company for breach of contract or otherwise

### **13 INVESTOR DIRECTOR**

- 13 1 The Investor shall, for as long as it holds shares in the capital of the Company representing 10% or more of the entire issued share capital, be entitled to appoint one person to be a director of the Company
- 13 2 Any Investor Director may at any time be removed from office only by the relevant Investor
- 13 3 Any appointment or removal of an Investor Director pursuant to this Article shall be in writing and served on the Company at its registered office, marked for the attention of the secretary. Any such appointment or removal shall take effect when received by the Company or at such later time as shall be specified in such notice
- 13 4 Any Investor Director shall not be appointed or removed otherwise than pursuant to this Article, save as provided by law

### **14 L&R DIRECTOR**

- 14 1 L&R shall, for as long as it holds shares in the capital of the Company representing 10% or more of the entire issued share capital, be entitled to appoint one person to be a director of the Company
- 14 2 Any L&R Director may at any time be removed from office only by L&R
- 14 3 Any appointment or removal of an L&R Director pursuant to this Article shall be in writing and served on the Company at its registered office, marked for the attention of the secretary. Any such appointment or removal shall take effect when received by the Company or at such later time as shall be specified in such notice

- 14 4 Any L&R Director shall not be appointed or removed otherwise than pursuant to this Article, save as provided by law

**15 DR EMMANUEL SRIVASTAVA**

- 15 1 Dr Emmanuel Srivastava shall, for as long as he holds shares in the capital of the Company representing 10% or more of the entire issued share capital, be entitled to be appointed as a director of the Company
- 15 2 Dr Emmanuel Srivastava may only be removed from office by way of his resignation and shall resign in the event that his shareholding in the Company falls below 10% (unless otherwise determined by the Investor)
- 15 3 Any appointment of or resignation by Dr Emmanuel Srivastava pursuant to this Article shall be in writing and served on the Company at its registered office, marked for the attention of the secretary. Any such appointment or resignation shall take effect when received by the Company or at such later time as shall be specified in such notice
- 15 4 Dr Emmanuel Srivastava shall not be appointed or removed otherwise than pursuant to this Article, save as provided by law

**16 OBSERVERS**

The Investor and L&R shall each be entitled to send an observer to any meetings of the Board (whether or not an Investor Director or an L&R Director has been appointed)

**17 ALTERNATE DIRECTORS**

- 17 1 An alternate director appointed under Regulation 65 can represent more than one director. At any meeting of the directors (or of any committee of the directors), the alternate director shall be entitled to one vote for every director that he represents, as well as his own vote as a director, if he has one. However, an alternate director shall only count as one for the purpose of determining whether a quorum is present, irrespective of how many directors he represents
- 17 2 Alternate directors will not be entitled to be paid any remuneration by the Company. However, the person who has appointed the alternate director may, by giving written notice to the Company, direct that any payment due from the Company to them should be paid to the alternate director and the first sentence of Regulation 66 is altered accordingly
- 17 3 If something happens which could cause an alternate director, if he was a director, to vacate the office of director, then the appointment of that alternate director will automatically terminate

**18 DIRECTORS' APPOINTMENTS AND INTERESTS**

Subject to the provisions of the Acts, the directors may appoint one or more of their number to the office of managing director or to any other executive office under the Company and may enter into an agreement or arrangement with any director for his employment by the Company or for the provision by him of any services outside the scope of the ordinary duties of a director. Any such appointment, agreement or arrangement (including the terms and the remuneration) must be made with prior written approval of the Investors. Any appointment of a director to an executive office shall terminate (unless the terms of his appointment provide otherwise) if he ceases to be a director but without prejudice to any claim for damages for breach of the contract of service between the director and Company.

## **19 POWERS AND PROCEEDINGS OF DIRECTORS**

19 1 This Article 19 1 applies if a meeting of the directors (or of a committee of directors) considers any proposal where a director has an interest which conflicts, or could conflict, with the interests of the Company. If this Article applies, the director must disclose that interest to the meeting in accordance with section 317 of the Companies Act 1985. As long as the director does this, he may vote at the meeting and may be counted in determining that a quorum is present at the meeting. A disclosure made by a director which complies with section 317 of the Companies Act 1985 will be sufficient disclosure for the purposes of Regulations 85 and 86.

19 2 The quorum at any meeting of the directors (including adjourned meetings) shall be two directors, of whom one shall be the Investor Director (or his alternate) or the Investor Observer if appointed. No business shall be conducted at any meeting of the directors unless a quorum is present at the beginning of the meeting and also when that business is voted on. If a quorum is not present within 30 minutes of the time specified for the relevant meeting in the notice of the meeting then the meeting shall be adjourned for 7 business days at the same time and place.

19 3 If the Company is a member of another corporation then any director

19 3 1 is authorised to act as the Company's representative at any meeting of such a corporation or at any meeting of a class of members of that corporation,

19 3 2 may sign any written resolution of the members of that corporation, or

19 3 3 may act as a signatory to conclude any particular business in relation to that corporation as if the Board had given its consent.

19 4 The directors may exercise all the powers of the Company to pay or provide pensions, annuities, gratuities, superannuation and other allowances and benefits to -

- 19 4 1 current and former directors,
- 19 4 2 current and former employees, and
- 19 4 3 dependants and relatives of current and former directors and employees of the Company or any subsidiary or associated company. The directors may retain any benefits received by any of them as a result of their exercise of these powers

19 5 If a director performs special services for the Company which are outside the normal scope of his duties, then that director may receive extra remuneration. The amount of the remuneration will be decided by the directors and will be charged as part of the Company's ordinary revenue expenses. However, the directors do not need to give extra remuneration to any director who performs special services without being requested to do so by the directors

19 6 A meeting of the Board or of a committee may be held by means of video-conference, telephone or similar communications equipment. However, everybody who participates in the meeting must be able to hear each other. Any person participating in a meeting held in this manner shall be deemed to be present in person at the meeting. They will therefore count towards the quorum and be entitled to vote in any resolutions proposed to be passed at the meeting

## 20 **BORROWING**

The directors may exercise all the powers of the Company to -

- 20 1 borrow money without limit as to amount on such terms and in such manner as they think fit,
- 20 2 grant any mortgage, charge or standard security over all or any part of its undertaking, property and uncalled capital, and
- 20 3 subject (in the case of any security convertible into shares) to section 80, to issue debentures, debenture stock, and other securities of the Companies Act 1985 whether outright or as security for any debt, liability or obligation of the Company or of any third party

## 21 **NOTICES**

- 21 1 In Regulation 112 the words "first class" shall be inserted before the words "post in a pre-paid envelope"
- 21 2 Where notice is communicated electronically the notice shall be deemed to be given at the time it is correctly transmitted to the person to whom it is addressed

## 22 **COMPANY SEAL**



- 22 1 Where a Company has a seal it shall only be used with the authority of the directors or of a committee of directors. The directors 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 second director. The obligation under Regulation 5 in Table A relating to the sealing of share certificates shall only apply if the Company has a seal.
- 22 2 The Company is authorised under section 39 of the Companies Act 1985 to have one or more official seals which can be used outside the United Kingdom and this power may be exercised by the directors.

## **23 OFFICER'S INDEMNITY**

- 23 1 Insofar as the following provisions are not avoided by the Acts -
- 23 1 1 every director or other officer of the Company shall be indemnified out of the assets of the Company against all losses or liabilities which he may sustain or incur in or in relation to the performance of the duties of his office, including any liability incurred by him in defending any proceedings, either civil or criminal, in which judgment is given in his favour or in which he is acquitted or in connection with an application under Sections 144 or 727 of the Act in which relief is granted to him by the Court, and
- 23 1 2 no director or their officer shall be liable to the Company or any third party for any loss or damage suffered by the Company arising out of that person's performance of their duties of office.

## **24 CLINICAL BOARD**

- 24 1 The Company shall at all times maintain a Clinical Board whose duties shall be to ensure the clinical excellence of the procedures conducted under the auspices of the Company and shall determine any moral ethical or clinical matters requiring a decision by the Company.
- 24 2 Any member of the Clinical Board must be a qualified Doctor of Medicine or a qualified Nurse, unless otherwise approved by the Investor.
- 24 3 New additional or replacement members of the Clinical Board shall be appointed by the Clinical Board.

John.

**Companies Act 1985 and Companies Act 2006**

**PRIVATE COMPANY LIMITED BY SHARES**

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**ARTICLES OF ASSOCIATION**

**of**

**NUCLEUS HEALTHCARE LIMITED**

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**(adopted by Special Resolution dated 10 September 2008)**

## 1 INTRODUCTION

1.1 The regulations contained 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 2007 and the Companies (Tables A to F) (Amendment) (No 2) Regulations 2007 and as further amended by the Companies Act 1985 (Electronic Communications) Order 2000 ("**Table A**") shall apply to the Company. Table A shall be the Articles of Association of the Company unless it has been excluded or varied by these Articles.

1.2 In these Articles

**"Acts"** means the Companies Act 1985 and the Companies Act 2006, as amended and in force from time to time,

**"Address"** in relation to electronic communications includes any number or address used for the purpose of such communications,

**"A Ordinary Shares"** means A Ordinary Shares of 5p each in the capital of the Company,

**"Article"** means an Article contained in these Articles,

**"Board"** means the board of directors of the Company from time to time being or, as the context may require, any duly authorised committee,

**"Fair Value"** means the fair market value per Share as certified in accordance with Articles 6.9 to 6.12,

**"Family Members"** means the spouse, civil partner, widow or widower of a Shareholder and the Shareholder's children and grandchildren (including step and adopted children), and step and adopted children of the Shareholder's children (each a "**Family Member**"),

**"Family Trust"** means in relation to an individual Shareholder, a trust or settlement set up wholly for the benefit of that individual Shareholder and/or their Family Members,

**"Investor"** means Finance Wales Investments (5) Limited,

**"Investor Director"** means a director appointed to the Board by the investor or, in the event of a transfer

pursuant to Article 6 2 2, any member of the Investor Group,

**"Investor Group"** means

(i) 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

(ii) any partnership (or the partners in any such partnership) of which any Relevant Person is general partner, manager, consultant or adviser, or

(iii) any unit trust or other fund of which any Relevant Person is trustee, manager, consultant or adviser, or

(iv) any unit trust, partnership or other fund, the managers of which are advised by any Relevant Person, or

(v) any nominee or trustee of any Relevant Person, or

(vi) 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,

**"Investor Observer"** means the observer entitled to attend meetings of the Board on behalf of the Investor in accordance with Article 16,

**"L&R"** means L R Healthcare Limited,

**"L&R Director"** means a director appointed to the Board by L&R,

**"L&R Group"** means L&R or any subsidiary or holding company of L&R or subsidiary of a holding company of L&R,

**"Non-Executive Directors"** means Anton Woodhouse, Keith Thomas, Derek Morgan and any other non-executive directors appointed to the Board from time to time,

**"Ordinary Shares"** means the Ordinary Shares of £1 each in the capital of the Company,

**"Permitted Transfer"** means a transfer made in accordance with Article 6 2,

**"Regulation"** means a regulation in Table A,

**"shares"** means Ordinary Shares and A Ordinary Shares and/or any other equity security (as defined in section 94(2) of the Companies Act 1985) in the capital of the Company (each a **"share"**),

**"Shareholders"** means holders of Ordinary Shares and/or A Ordinary Shares from time to time (each a **"Shareholder"**), and

**"Subscription Price"** means, in relation to any share, the amount paid up, or credited as paid up thereon (including the full amount of any premium at which such share was issued whether or not such premium is applied for any purpose thereafter)

1 3 Regulations 24, 40, 41, 59 to 62 (inclusive), 64, 73 to 80 (inclusive), 87, 94 to 97 (inclusive), 101 and 118 shall not apply to the Company

## 2 **SHARE CAPITAL**

The share capital of the Company at the date of adoption of these Articles is £[ ] divided into

2 1 608,333 Ordinary Shares of £1 each, and

2 2 [ ] A Ordinary Shares of 5p each

## 3 **ALLOTMENT OF SHARES**

3 1 Shares which are comprised in the authorised share capital of the Company shall be under the control of the directors who may (subject to section 80 of the Companies Act 1985 and to the provisions of this Article 3) allot, grant options over or otherwise dispose of the same, to such persons, on such terms and in such manner as they think fit

3 2 The directors are generally and unconditionally authorised for the purposes of section 80 of the Companies Act 1985 to exercise any power of the Company to allot and grant rights to subscribe for or convert securities into shares of the Company up to the amount of the authorised share capital of the Company as at the date of adoption of these Articles at any time or times during the period of five years from the date of adoption of these Articles and the directors may, after that period, allot any shares or grant any such rights under this authority in pursuance of an offer or agreement so to do made by the Company within that period

The authority hereby given may at any time (subject to the said section 80) be renewed, revoked or varied by ordinary resolution

**3 3 Pre-emption on issue**

Any shares in the capital of the Company which are unissued shall before they are issued whether for cash or otherwise be offered to all the Shareholders in proportion, as nearly as may be, to the number of shares in the capital of the Company then held by each Shareholder

**3 4 Procedure for offering**

Any offer to subscribe for additional shares shall be made by notice specifying the number of shares offered, the proportionate entitlement of the relevant Shareholder, the price per share and limiting a period (not being less than 21 days) within which the offer, if not accepted will be deemed to be declined. After the expiration of such time the directors shall offer shares which have been declined or are deemed to have been declined to the persons who have within the said period accepted all the shares offered to them. Such further offer shall be on the same terms as the first offer and shall invite each of the Shareholders to state in writing within a period of not less than 14 days whether he is willing to take any, and if so what maximum, number of the shares so offered. At the expiration of the time limited in respect of further offer the directors shall allot the shares so offered to or amongst the persons who have notified their willingness to take such shares in the event of competition in proportion to the number of shares held by such persons respectively. The directors shall make such arrangements as they shall think fit concerning entitlements to fractions, overseas Shareholders and Shareholders unable by law or regulation to receive or accept any offer pursuant to this Article

**3 5 Allotment of shares after offers**

At the expiration of the time limited by the notice or notices the directors shall allot the shares so offered to or amongst the Shareholders who have notified their willingness to take all or any of such shares in accordance with the terms of the relevant offer. No Shareholder shall be obliged to take more than the maximum number of shares he has indicated his willingness to take

**3 6 Issue other than to Shareholders**

Any shares not accepted pursuant to the preceding provisions of this Article and any shares to which this Article does not apply shall be at the disposal of the directors who may allot, grant options over, or otherwise dispose of them to such persons at such time and generally on such terms and conditions as they determine provided that no shares shall be issued at a discount and provided further that, in the case of shares not accepted as aforesaid, 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 Shareholders

**3 7 Disapplication of statutory pre-emption provisions**

In accordance with section 91(1) of the Companies Act 1985 sections 89(1) and 90(1) to (6) (inclusive) of the Companies Act 1985 shall not apply to the Company

**3 8 No renunciation of allotment**

No shares shall be allotted on the terms that the right to take up the shares allotted may be renounced in favour of, or assigned to, another person and no person entitled to allotment of a share may direct that such share may be allotted or issued to any other person

**3 9 Waiver of variation**

By special resolution of the Company, any of the restrictions or other provisions of this Article may be waived or varied in relation to any proposed issue of shares

**4 LIEN AND FORFEITURE**

Lien to attach to all shares

4 1 In Regulation 8, the words "(not being a fully paid share)" shall be replaced with the words "(whether fully paid or not)"

4 2 The Company shall have a first and paramount lien on all shares (whether fully paid or not) registered in the name of any person who is indebted to, or is in any way liable to, the Company for that indebtedness or liability This lien will apply even if that person is a joint owner of shares and it will also bind that person's estate or trustee in bankruptcy Regulation 8 shall be modified accordingly

4 3 All shares to be sold in the enforcement of the Company's lien or rights of forfeiture shall be offered in accordance with Article 3 as if they were unissued shares of the Company Regulation 9 and 20 shall be modified accordingly

4 4 This Article 4 4 will apply if the directors make a call in respect of a Shareholder's shares and the Shareholder does not pay If the Company has to pay any costs or expenses in connection with the Shareholder's failure to pay the call, the directors may decide that the Shareholder will also be liable for those costs or expenses Regulations 18 and 21 shall be altered accordingly

**5 TRANSMITTING SHARES ON BANKRUPTCY**

This Article 5 will apply if a person becomes entitled to a share in the Company as a result of the bankruptcy of a registered Shareholder The directors may require that the person must decide whether the share is

to be transferred to themselves or to someone else. The directors shall do this by giving a written notice to the person. The person must respond to the notice, giving their decision, within 30 days of the date of the notice. If the person does not respond to the notice in time then the directors may withhold payment of all dividends or other money due to be paid to the holder of the share. They may do this from the end of the 30 day period until the requirements of the notice have been complied with. Regulation 31 shall be altered accordingly.

## 6 TRANSFER OF SHARES

6.1 If any of the Shareholders shall wish to transfer their shareholding otherwise than by a Permitted Transfer, a Compulsory Transfer or a transfer pursuant to the provisions of Article 7 (Tag Along) or Article 8 (Come Along Rights) then they shall first offer the same to the other Shareholders upon the terms contained in this Article and at a price determined in accordance with this Article.

6.2 Subject as hereinafter provided any shares may be transferred without restrictions as to price or otherwise.

6.2.1 With the consent of the Board and the Investor, by a Shareholder to any other person,

6.2.2 by the Investor to any member of the Investor Group,

6.2.3 by L&R to any member of the L&R Group, or

~~6-2-3~~ 6.2.4 by M&A Solicitors LLP to any member of M&A Solicitors LLP,

~~6-2-4~~ 6.2.5 with the consent of the Investor, by any Shareholder or by the trustees of any settlement made by a Shareholder to the Family Members of such Shareholder or to the beneficiaries of the will or intestacy of any deceased Shareholder or to trustees of a Family Trust or in the case of Shareholders who are at the date of adoption of these Articles trustees of a settlement, to the beneficiaries thereof provided always that such beneficiaries are limited to Family Members,

all and any such transfers being a "Permitted Transfer" for the purposes of this Article.

6.3 Any transfer or purported transfer of a share or any beneficial interest therein (other than a Permitted Transfer, a Compulsory Transfer, a transfer pursuant to the provisions of Article 7 (Tag Along) or Article 8 (Come Along Rights), upon transmission of a share pursuant to Regulation 29, upon the death of a Shareholder or upon a person becoming entitled to a share in consequence of the bankruptcy of a Shareholder) made otherwise than in accordance with the following provisions of this Article shall be null and void and of no effect.



- 6 4 Any Shareholder ("**the Proposing Transferor**") proposing to transfer any shares or the beneficial interest therein (save where such transfer is a Permitted Transfer, a Compulsory Transfer or a transfer pursuant to the provisions of Article 7 (Tag Along) or Article 8 (Come Along Rights)) shall give notice in writing ("**a Transfer Notice**") to the Company that he desires to transfer the same specifying the identity of the proposed transferee (if any) and specifying the price per share that he has agreed to sell for or (if no proposed transferee is named) the price per share at which he is willing to sell them
- 6 5 The Transfer Notice shall constitute the Company the agent of the Proposing Transferor for the sale of all (but not some only) of the shares comprised in the Transfer Notice together with all rights then attached thereto to any Shareholder or Shareholders willing to purchase the same ("**Purchasing Members**") at the price specified therein or at the Fair Value certified in accordance with Article 6 9 to 6 12
- 6 6 The shares comprised in any Transfer Notice shall be offered to the Shareholders holding the shares of the same class (other than the Proposing Transferor and any other Shareholder in respect of whose shares a Transfer Notice shall have been served or deemed served) as nearly as may be in proportion to the number of shares of that class held by them respectively Such offer shall be made by notice in writing ("**the Offer Notice**") within seven days after the receipt by the Company of the Transfer Notice The Offer Notice shall
- 6 6 1 state the identity of the Proposing Transferor, the number and class of shares comprised in the Transfer Notice, the price per share specified in the Transfer Notice and inform the Shareholders that shares are offered to them in accordance with the provisions of this Article 6 6,
- 6 6 2 contain a statement to the effect that the shares are offered in the first instance in the proportion referred to in the first sentence of this Article 6 6 invite each Shareholders to state in his reply whether he wishes to purchase more or less shares than his proportionate entitlement and if so what number,
- 6 6 3 contain a statement of the right of each Shareholder to request a certificate of Fair Value under Article 6 9 to 6 12 (inclusive) the form of such statement to be near as circumstances permit to that of the first sentence of that Article,
- 6 6 4 state the period in which the offer may be accepted if no such certificate of Fair Value is requested (not being less than twenty-one days or more than forty-two days after the date of the Offer Notice), and

- 6 6 5 contain a statement to the effect that if a certificate of Fair Value is requested, the offer will remain open for acceptance until the expiry of a period of fourteen days commencing on the date of the notice of the certified Fair Value given to Shareholders pursuant to Article 6 10 or until the expiry of the period referred to in Article 6 6 4 whichever is the later
- 6 7 An offer shall be deemed to be accepted on the day on which the acceptance is received by the Company and may, if so specified in the acceptance, be accepted by a Shareholder in respect of a lesser number of shares than his full proportionate entitlement
- 6 8 If all the Shareholders do not accept the offer in respect of their respective proportions in full, the shares not so accepted shall be used to satisfy any claims for additional shares (notified in response to the invitation referred to in Article 6 6 2) as nearly as may be in proportion to the number of shares already held by the Shareholders claiming additional shares, provided that no Shareholder shall be obliged to take more shares than he shall have applied for. If any shares shall not be capable of being offered to the Shareholders in proportion to their existing holdings, except by way of fractions, the same shall be offered to the Shareholders, or some of them, in such proportions as the directors may think fit
- 6 9 Not later than eight days after the date of the Offer Notice, the directors may (if no proposed transferee is named in the Transfer Notice) serve a notice in writing requesting that a person nominated (from the panel of expert share valuers maintained by the Law Society for England and Wales) by the President for the time being of the Law Society of England and Wales on the application of the directors on behalf of the Company shall be instructed to give such certificate and any following reference in these Articles to "**the valuer**" shall include any person so nominated
- 6 10 Forthwith upon receipt of such notice the Company shall instruct the valuer to certify as aforesaid and the costs of producing such certificate shall be borne by the Shareholder or Shareholders demanding such valuation and if more than one proportionately to their respective shareholdings
- 6 11 The Fair Value of each share comprised in the Transfer Notice shall be its value as a rateable proportion of the total sum for all the issued shares of the Company which a willing buyer would offer to a willing seller and shall not be discounted or enhanced by reference to the number of shares comprised in the Transfer Notice. In certifying the Fair Value as aforesaid the valuer shall be entitled to obtain professional valuations in respect of any of the Company's assets and shall act as experts and not as arbitrators or arbiters and accordingly any provisions of law or statute relating to arbitration shall not apply

- 6 12 Forthwith upon receipt of the certificate of the valuer, the Company shall by notice in writing inform all Shareholders of the certified Fair Value of the share
- 6 13 If the Proposing Transferor is unwilling to accept the Fair Value as so ascertained, he may by notice in writing withdraw the Transfer Notice within 7 days of receipt of the certificate of the valuer
- 6 14 Otherwise if Purchasing Members shall be found for all the shares comprised in the Transfer Notice within the appropriate period specified in Article 6 6 4, the Company shall not later than seven days after the expiry of such appropriate period give notice in writing ("**Sale Notice**") to the Proposing Transferor specifying the Purchasing Members and the number of shares to be purchased by each Purchasing Member and the Proposing Transferor shall be bound upon payment of the price due in respect of all the shares comprised in the Transfer Notice to transfer the shares to the Purchasing Members
- 6 15 If in any case the Proposing Transferor after having become bound as aforesaid makes default in transferring any shares the Company may receive the purchase money on his behalf, and may authorise some person to execute a transfer of such shares on behalf of and as attorney for the Proposing Transferor in favour of the Purchasing Members The receipt of the Company for the purchase money shall be a good discharge to the Purchasing Members The Company shall pay the purchase money into a separate bank account and shall hold the same on trust for the Proposing Transferor
- 6 16 If the Company shall not give a Sale Notice to the Proposing Transferor within the time specified for that purpose in Article 6 6 4 he shall, during the period of sixty days next following the expiry of the time so specified, be at liberty to transfer all (but not some only) of the shares comprised in the Transfer Notice to any person or persons PROVIDED THAT the price per share obtained upon such share transfer shall in no circumstances be less than the price per share specified in the Transfer Notice or as certified in accordance with Article 6 9 whichever shall be higher and the Proposing Transferor shall upon request furnish such information to the directors as they shall require in relation the price per share obtained as aforesaid
- 6 17 A Shareholder who purports to transfer any share in the Company in breach of the foregoing provisions of these Articles shall be bound to give a Transfer Notice in respect of the shares which he has transferred or purported to transfer in breach of these Articles
- 6 18 In the event of any Shareholder failing to serve a Transfer Notice within thirty days of being bound to do so shall be deemed to have given a Transfer Notice upon being called upon to do so by the directors and to have specified therein as the price per share

the Fair Value of each share to be certified in accordance with Article 6 9

6 19 The directors may, in their discretion and without assigning any reason therefore decline to register any transfer which would otherwise be permitted under the foregoing provisions of this Article 6 if it is a transfer of a share on which the Company has a lien or a transfer of a share (not being a fully paid share) to a person of whom they shall not approve The directors may also refuse to register a transfer

6 19 1 if it is not lodged at the registered office accompanied by the certificate for the shares to which it relates or a suitable indemnity if the certificate therefore shall be lost or destroyed together with such other evidence as the directors may reasonably require to show the right of the transferor to make the transfer, and

6 19 2 is in favour of more than four transferees

6 20 The directors shall register any Permitted Transfer and any transfer of shares made pursuant to and in accordance with the provisions of this Article 6

6 21 For the purpose of ensuring that a transfer of shares is permitted pursuant to the provisions of these Articles or that no circumstances have arisen whereby a transfer notice may be required to be given, the directors may from time to time require any Shareholder or the legal personal representatives of any deceased Shareholder or any person named as transferee in any transfer lodged for registration to furnish to the any such information and evidence as the directors acting reasonable and in good faith think fit regarding any matter relevant to such purpose Failing such information or evidence being furnished to the satisfaction of the directors within reasonable time after request, the directors shall be entitled to refuse to register the transfer in question or (in case no transfer is in question) to require by notice in writing that a Transfer Notice be given in respect of the shares concerned In any case where the directors have duly required by notice in writing a Transfer Notice to be given in respect of any shares and such Transfer Notice is not duly given within a period of thirty days from such notice such transfer notice shall be deemed to have been given at the end of the period of thirty days and such Transfer Notice shall be deemed to specify as the price per share the Fair Value of each share to be certified in accordance with Article 6 9 and the provisions of Articles 6 10 to 6 15 (inclusive) shall mutatis mutandis apply

## **7 COMPULSORY TRANSFERS**

7 1 The provisions of this clause shall apply to any Leaver and any Leaver's shares

7 2 In this clause

- 7 2 1 a **"Relevant Employee"** shall mean
  - 7 2 1 1 an employee of the Company, and/or
  - 7 2 1 2 a director of the Company (but not the Investor Director or any Non-Executive Director),
- 7 2 2 a **"Leaver"** shall mean
  - 7 2 2 1 any Shareholder who ceases to be a Relevant Employee,
  - 7 2 2 2 any Shareholder who is a Family Member of any person who ceases to be a Relevant Employee,
  - 7 2 2 3 any Shareholder who is a trustee of a Family Trust of any person who ceases to be a Relevant Employee,
  - 7 2 2 4 any person who becomes entitled to shares
    - 7 2 2 4 1 on the death of a Shareholder, or
    - 7 2 2 4 2 on the bankruptcy of a Shareholder (if an individual) or the receivership, administrative receivership, administration, liquidation or other arrangement for the winding-up (whether solvent or insolvent) of a Shareholder (if a Company), or
  - 7 2 2 5 any Shareholder holding shares as a nominee for any person who ceases, or who has ceased, to be a Relevant Employee, and
- 7 2 3 **"Leaving Date"** shall mean the date on which the Shareholder becomes a Leaver for the purposes of this clause
- 7 3 Within the period commencing on the relevant Leaving Date and expiring at midnight on the first anniversary of such date, the Board may immediately serve a notice on the Leaver notifying him that he is, with immediate effect, deemed to have served one or more Transfer Notices in respect of all of his shares
- 7 4 The provisions of Article 6 (Transfer of Shares) shall apply to any such Transfer Notice provided that for these purposes

- 7 4 1 the shares comprised in any Transfer Notice shall comprise all of the shares held by the Leaver,
  - 7 4 2 the price payable per share shall be determined by Article 7 5, and
  - 7 4 3 references to **receipt of the Transfer Notice** in Article 6 6 shall be replaced by the **date of determination of the Fair Value** if a Fair Value falls to be determined
- 7 5 The price payable for the shares shall be
- 7 5 1 in the case of a Good Leaver, the Subscription Price or, if higher, the Fair Value, or
  - 7 5 2 in the case of a Bad Leaver, the Subscription Price, or, if lower, the Fair Value
- 7 6 For the purpose of Article 7 5
- 7 6 1 a Relevant Employee who is a Leaver shall be deemed to be a Good Leaver in circumstances where the relevant person ceases to be employed by the Company or entitled to hold shares in the Company and as a consequence is no longer a director or Shareholder of the Company and is not a Bad Leaver,
  - 7 6 2 a Relevant Employee who is a Leaver shall be deemed to be a Bad Leaver in circumstances where the relevant person ceases to be a director or employee of the Company either before the second anniversary of the date of adoption of these Articles or by dismissal for gross misconduct at any time or becomes bankrupt and as a consequence is no longer a director or employee of the Company unless otherwise agreed in writing by the Investors, and
  - 7 6 3 a Shareholder (who is not a Relevant Employee) shall be deemed a Good Leaver save where the Shareholder is a Leaver as a result of any of the matters set out in Article 7 2 2 4 2 in which case such Shareholder shall be a Bad Leaver
- 7 7 Any Shareholder holding shares as a result of a Permitted Transfer who ceases to be a permitted transferee in relation to such person ("**Transferor**"), including without limitation any Shareholder who ceases to be the spouse of a Relevant Employee and any Shareholder who ceases to be a Group Company in relation to the body first holding the relevant shares, shall, within 21 days of so ceasing transfer the shares held by it to the Transferor or to some other person to whom the Transferor would be entitled to transfer such shares pursuant to these Articles and failing such transfer shall be deemed to have given a Transfer Notice in accordance with Article 6 4

## 8 TAG-ALONG OPTION

8 1 Notwithstanding anything in these Articles, no sale or transfer of any shares to any person or persons (whether or not then a Shareholder of the Company) conferring the right to vote at general meetings of the Company which would result if made and registered in a person having a Controlling Interest in the Company immediately prior to such sale or transfer ceasing to have such a Controlling Interest (for the purpose of this Article the "**Specified Shares**") shall be made or registered unless, before the transfer is lodged for registration, the proposed transferees or their nominees has or have made an offer (stipulated to be open for acceptance for not less than 30 days) to purchase all the other shares at the Specified Price, which offer every Shareholder shall be bound within 30 days of the making of such offer to him either to accept or reject in writing (and in default of so doing shall be deemed to have rejected the offer)

8 2 For the purpose of this Article

8 2 1 the expression a "**Controlling Interest**" shall mean shares conferring in the aggregate 50 per cent or more of the total voting rights conferred by all the shares in the capital of the Company for the time being in issue and conferring the right to vote at all general meetings,

8 2 2 the expressions "transfer", "transferor" and "transferee" shall include respectively the renunciation of a renounceable letter of allotment, the original allottee and the renouncee under any such letter of allotment, and

8 2 3 the "**Specified Price**" shall mean a price per share proportionate to the highest amount offered or paid or payable per share by the proposed transferor or transferees or his or their nominees to the holders of the Specified Shares at any time in the twelve months immediately preceding the making of the offer referred to in Article 8 1 plus an amount equal to the relevant proportion of any other consideration (in cash or otherwise) received or receivable by the holders of the Specified Shares which having regard to the substance of the transaction as a whole can reasonable be regarded as an addition to the price paid or payable for the Specified Shares. In the event of disagreement, the calculation of the Specified Price shall be referred to an umpire (as an expert and not as arbitrator) nominated by and acting at the joint expense of the parties concerned (or, in the event of disagreement, as to nomination appointed by the President for the time being of the Institute of Chartered Accountants in England and Wales) whose decision shall be final and binding

## 9 COME ALONG RIGHTS

If any one or more Shareholders including the Investor (together the "**Selling Members**") wish to transfer any interest in more than 50% of the issued share capital of the Company where that transfer would result in a person or persons who was not on the date of adoption of these Articles a Shareholder or Shareholder obtaining a controlling Interest in the Company the Selling Members shall have the option (the "**Come Along Option**") to require all other Shareholders to transfer all their shares to the proposed transferee or as it shall direct in accordance with this Article

9 1 For the purpose of this Article the expression "**a Controlling Interest**" shall mean shares conferring in the aggregate 50% or more of the total voting rights conferred by all the shares in the capital of the Company for the time being in issue and conferring the right to vote at all general meetings

9 2 All other regulations of the Company relating to the transfer of shares and the right to registration of transfers shall be read subject to the provisions of this Article Notwithstanding anything in this Article no transfer of any share shall after registration of such transfer be deemed to be invalid by reason only that it was made in contravention of the foregoing provisions, if the directors shall prior to the registration thereof have obtained from the transferor and transferee a statutory declaration that so far as the transferor and the transferee are respectively aware the transfer is not being made directly or indirectly in pursuance of any arrangement for the sale or acquisition of a Controlling Interest in the Company and will not result in such Controlling Interest being acquired by any person or persons who was or were not a permitted transferee For the purposes of this Article a person shall not be regarded as a permitted transferee if he is acting in concert (as that expression is defined in the City Code on Takeovers and Mergers) with some person who is not himself a permitted transferee for the purposes hereof

9 3 The Selling Members shall exercise the Come Along Option by giving notice to that effect (a "**Come Along Notice**") to all other Shareholders (the "**Called Members**") at any time before the transfer A Come Along Notice shall specify that the Called Members are required to transfer all their shares (the "**Called Shares**"), the price at which the Called Shares are to be transferred and the proposed date of transfer

9 4 A Come Along Notice is irrevocable but the Come Along Notice and all obligations thereunder will lapse if for any reason there is not a change of control caused by a transfer of shares by the Selling Members to the proposed transferee within 60 days after the date of the Come Along Notice

9 5 The sale and purchase price per share for which the Called Members shall be obliged to sell the Called Shares shall be proportionate to the highest amount offered or paid or payable per share by the proposed transferee or transferees or his or their



nominees to the Selling Members at any time in the twelve months immediately preceding the serving of the Come Along Notice plus an amount equal to the relevant proportion of any other consideration (in cash or otherwise) received or receivable by the Selling Members which having regard to the substance of the transaction as a whole can reasonably be regarded as an addition to the price paid or payable for the Selling Members' Shares. In the event of disagreement, the calculation of the price shall be referred to an umpire (as an expert and not as arbitrator) nominated by and acting at the joint expense of the parties concerned (or, in the event of disagreement, as to nomination appointed by the President for the time being of the Institute of chartered Accountants in England and Wales) whose decision shall be final and binding.

9.6 Completion of the sale of the Called Shares shall take place on the same date as the date proposed for completion of the sale of the Selling Members' shares unless

9.6.1 all of the Called Members and the Selling Members agree otherwise, or

9.6.2 that date is less than seven days after the come Along Notice, in which case the date for completion of the sale of the Called Shares shall be the seventh day after the Come Along Notice, or

9.6.3 if the price per share is to be determined by an umpire then the proceeds of sale or a reasonable proportion thereof shall be paid to an escrow account pending the determination of the price by such umpire

## 10 PROXIES

10.1 The appointment of a proxy shall be executed by or on behalf of the appointer and in any common form or in such other form as the directors may approve and shall be deemed to include authority to vote on any amendment of a resolution put to the meeting for which it is given as the proxy thinks fit. The instrument of proxy shall, unless the contrary is stated in it, be valid for any adjournment of the meeting as well as for the meeting to which it relates.

10.2 The appointment of a proxy must,

10.2.1 In the case of an appointment which is not contained in an electronic communication, be received at the office not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote, together with any authority under which it is made or a copy of the authority, certified notarially or in some other manner approved by the directors.

- 10 2 2 In the case of an appointment contained in an electronic communication, where an address has been specified or agreed by the directors for the purpose of receiving electronic communications, be received at such address not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote Any authority pursuant to which an appointment contained in an electronic communication is made or a copy of the authority, be certified notarially or in some other manner approved by the directors, must be received at the office not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote, or
- 10 2 3 In the case of an appointment which is not contained in an electronic communication, be received at the meeting or adjourned meeting at which the person named in the appointment proposes to vote, together with any authority under which it is made or a copy for the authority, certified notarially or in some other manner approved by the directors, and an appointment of a proxy which is not received in a manner so permitted shall be invalid

## **11 GENERAL MEETINGS AND RESOLUTIONS**

- 11 1 Every notice convening a general meeting shall comply with the relevant provisions the Acts as to giving information to Shareholders in regard to their right to appoint proxies, and notices and other communications relating to any general meeting which any Shareholder is entitled to receive shall be sent to the directors and to the auditors from time to time of the Company
- 11 2 No business shall be transacted at any general meeting unless a quorum is present Subject to article 11 3 below, a quorum shall be two persons entitled to vote upon the business to be transacted, each being a Shareholder or a proxy for a Shareholder or a duly authorised representative of a corporation, of whom one shall be the Investor or a duly authorised representative of the Investor
- 11 3 If an for so long as the Company has only one Shareholder entitled to vote upon the business to be transacted, that Shareholder present in person or by proxy or (if that Shareholder is a corporation) by a duly authorised representative shall be a quorum
- 11 4 If a quorum is not present within half an hour from the time appointed for a general meeting the general meeting shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such other time and place as the directors may determine and if at the adjourned general

meeting a quorum is not present within half an hour from the time appointed therefore such adjourned general meeting shall be dissolved

- 11 5 If and for so long as the Company has only one Shareholder entitled to vote upon the business to be transacted and that Shareholder takes any decision which is required to be taken in general meeting or by means of a written resolution, that decision shall be as valid and effectual as if agreed by the Company in general meeting, subject as provided in article 11 6 below
- 11 6 Any decision taken by a sole Shareholder pursuant to article 11 6 above shall be recorded in writing and delivered by that Shareholder to the Company for entry in the Company's minute book
- 11 7 A Shareholder present at a meeting by proxy shall be entitled to speak at the meeting and shall be entitled to one vote on a show of hands In any case where the same person is appointed proxy for more than one Shareholder he shall on a show of hands have as many votes as the number of Shareholders for whom he is proxy Regulation 54 in Table A shall be modified accordingly

## **12 APPOINTING AND REMOVING DIRECTORS**

- 12 1 The maximum and minimum number of directors may be decided by ordinary resolution of the Company from time to time If no resolution is made, there shall be no maximum number of directors and the minimum number of directors shall be one, when the minimum number of directors is one, a sole director shall have authority to exercise all the powers and discretions granted to the directors by Table A and by these Articles A sole director may do this by written resolution Regulations 89 and 90 shall be altered accordingly
- 12 2 The directors do not need to retire by rotation
- 12 3 No person can be appointed a director at any general meeting unless -
  - 12 3 1 they are recommended by the directors, or
  - 12 3 2 they are proposed by a person qualified to vote at the general meeting In that case, the Shareholder proposing the director must, not less than 14 and no more than 35 clear days before the date of the meeting, give notice to the Company of their intention to propose the person for appointment and also send to the Company a notice signed by that person indicating his willingness to be appointed

Subject to this, the Company may by ordinary resolution appoint any person to be a director, either to fill a vacancy or as an additional director

- 12 4 The directors may appoint a person who is willing to act to be a director, either to fill a vacancy or as an additional director, provided that the appointment does not cause the number of directors to exceed any number determined in accordance with article 12 1 above as the maximum number of directors and from time to time in force
- 12 5 There shall be no restrictions (other than those imposed by law or by Table A) on who may be appointed a director of the Company. A person of any age may be appointed and no director will be required to vacate his office because he has reached a particular age
- 12 6 The Company may by special resolution remove any director at any time. However, a removal of a director will not affect any claims that the director may have against the Company for breach of contract or otherwise

### **13 INVESTOR DIRECTOR**

- 13 1 The Investor shall, for as long as it holds shares in the capital of the Company representing 10% or more of the entire issued share capital, be entitled to appoint one person to be a director of the Company
- 13 2 Any Investor Director may at any time be removed from office only by the relevant Investor
- 13 3 Any appointment or removal of an Investor Director pursuant to this Article shall be in writing and served on the Company at its registered office, marked for the attention of the secretary. Any such appointment or removal shall take effect when received by the Company or at such later time as shall be specified in such notice
- 13 4 Any Investor Director shall not be appointed or removed otherwise than pursuant to this Article, save as provided by law

### **14 L&R DIRECTOR**

- 14 1 L&R shall, for as long as it holds shares in the capital of the Company representing 10% or more of the entire issued share capital, be entitled to appoint one person to be a director of the Company
- 14 2 Any L&R Director may at any time be removed from office only by L&R
- 14 3 Any appointment or removal of an L&R Director pursuant to this Article shall be in writing and served on the Company at its registered office, marked for the attention of the secretary. Any such appointment or removal shall take effect when received by the Company or at such later time as shall be specified in such notice

- 14 4 Any L&R Director shall not be appointed or removed otherwise than pursuant to this Article, save as provided by law

**15 DR EMMANUEL SRIVASTAVA**

- 15 1 Dr Emmanuel Srivastava shall, for as long as he holds shares in the capital of the Company representing 10% or more of the entire issued share capital, be entitled to be appointed as a director of the Company
- 15 2 Dr Emmanuel Srivastava may only be removed from office by way of his resignation and shall resign in the event that his shareholding in the Company falls below 10% (unless otherwise determined by the Investor)
- 15 3 Any appointment of or resignation by Dr Emmanuel Srivastava pursuant to this Article shall be in writing and served on the Company at its registered office, marked for the attention of the secretary. Any such appointment or resignation shall take effect when received by the Company or at such later time as shall be specified in such notice
- 15 4 Dr Emmanuel Srivastava shall not be appointed or removed otherwise than pursuant to this Article, save as provided by law

**16 OBSERVERS**

The Investor and L&R shall each be entitled to send an observer to any meetings of the Board (whether or not an Investor Director or an L&R Director has been appointed)

**17 ALTERNATE DIRECTORS**

- 17 1 An alternate director appointed under Regulation 65 can represent more than one director. At any meeting of the directors (or of any committee of the directors), the alternate director shall be entitled to one vote for every director that he represents, as well as his own vote as a director, if he has one. However, an alternate director shall only count as one for the purpose of determining whether a quorum is present, irrespective of how many directors he represents
- 17 2 Alternate directors will not be entitled to be paid any remuneration by the Company. However, the person who has appointed the alternate director may, by giving written notice to the Company, direct that any payment due from the Company to them should be paid to the alternate director and the first sentence of Regulation 66 is altered accordingly
- 17 3 If something happens which could cause an alternate director, if he was a director, to vacate the office of director, then the appointment of that alternate director will automatically terminate

**18 DIRECTORS' APPOINTMENTS AND INTERESTS**

Subject to the provisions of the Acts, the directors may appoint one or more of their number to the office of managing director or to any other executive office under the Company and may enter into an agreement or arrangement with any director for his employment by the Company or for the provision by him of any services outside the scope of the ordinary duties of a director. Any such appointment, agreement or arrangement (including the terms and the remuneration) must be made with prior written approval of the Investors. Any appointment of a director to an executive office shall terminate (unless the terms of his appointment provide otherwise) if he ceases to be a director but without prejudice to any claim for damages for breach of the contract of service between the director and Company.

## **19 POWERS AND PROCEEDINGS OF DIRECTORS**

19 1 This Article 19 1 applies if a meeting of the directors (or of a committee of directors) considers any proposal where a director has an interest which conflicts, or could conflict, with the interests of the Company. If this Article applies, the director must disclose that interest to the meeting in accordance with section 317 of the Companies Act 1985. As long as the director does this, he may vote at the meeting and may be counted in determining that a quorum is present at the meeting. A disclosure made by a director which complies with section 317 of the Companies Act 1985 will be sufficient disclosure for the purposes of Regulations 85 and 86.

19 2 The quorum at any meeting of the directors (including adjourned meetings) shall be two directors, of whom one shall be the Investor Director (or his alternate) or the Investor Observer if appointed. No business shall be conducted at any meeting of the directors unless a quorum is present at the beginning of the meeting and also when that business is voted on. If a quorum is not present within 30 minutes of the time specified for the relevant meeting in the notice of the meeting then the meeting shall be adjourned for 7 business days at the same time and place.

19 3 If the Company is a member of another corporation then any director

19 3 1 is authorised to act as the Company's representative at any meeting of such a corporation or at any meeting of a class of members of that corporation,

19 3 2 may sign any written resolution of the members of that corporation, or

19 3 3 may act as a signatory to conclude any particular business in relation to that corporation as if the Board had given its consent.

19 4 The directors may exercise all the powers of the Company to pay or provide pensions, annuities, gratuities, superannuation and other allowances and benefits to -

- 19 4 1 current and former directors,
- 19 4 2 current and former employees, and
- 19 4 3 dependants and relatives of current and former directors and employees of the Company or any subsidiary or associated company. The directors may retain any benefits received by any of them as a result of their exercise of these powers

19 5 If a director performs special services for the Company which are outside the normal scope of his duties, then that director may receive extra remuneration. The amount of the remuneration will be decided by the directors and will be charged as part of the Company's ordinary revenue expenses. However, the directors do not need to give extra remuneration to any director who performs special services without being requested to do so by the directors.

19 6 A meeting of the Board or of a committee may be held by means of video-conference, telephone or similar communications equipment. However, everybody who participates in the meeting must be able to hear each other. Any person participating in a meeting held in this manner shall be deemed to be present in person at the meeting. They will therefore count towards the quorum and be entitled to vote in any resolutions proposed to be passed at the meeting.

## 20 **BORROWING**

The directors may exercise all the powers of the Company to -

- 20 1 borrow money without limit as to amount on such terms and in such manner as they think fit,
- 20 2 grant any mortgage, charge or standard security over all or any part of its undertaking, property and uncalled capital, and
- 20 3 subject (in the case of any security convertible into shares) to section 80, to issue debentures, debenture stock, and other securities of the Companies Act 1985 whether outright or as security for any debt, liability or obligation of the Company or of any third party.

## 21 **NOTICES**

- 21 1 In Regulation 112 the words "first class" shall be inserted before the words "post in a pre-paid envelope"
- 21 2 Where notice is communicated electronically the notice shall be deemed to be given at the time it is correctly transmitted to the person to whom it is addressed.

## 22 **COMPANY SEAL**





- 22 1 Where a Company has a seal it shall only be used with the authority of the directors or of a committee of directors. The directors 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 second director. The obligation under Regulation 5 in Table A relating to the sealing of share certificates shall only apply if the Company has a seal.
- 22 2 The Company is authorised under section 39 of the Companies Act 1985 to have one or more official seals which can be used outside the United Kingdom and this power may be exercised by the directors.

## **23 OFFICER'S INDEMNITY**

- 23 1 Insofar as the following provisions are not avoided by the Acts -
- 23 1 1 every director or other officer of the Company shall be indemnified out of the assets of the Company against all losses or liabilities which he may sustain or incur in or in relation to the performance of the duties of his office, including any liability incurred by him in defending any proceedings, either civil or criminal, in which judgment is given in his favour or in which he is acquitted or in connection with an application under Sections 144 or 727 of the Act in which relief is granted to him by the Court, and
- 23 1 2 no director or their officer shall be liable to the Company or any third party for any loss or damage suffered by the Company arising out of that person's performance of their duties of office.

## **24 CLINICAL BOARD**

- 24 1 The Company shall at all times maintain a Clinical Board whose duties shall be to ensure the clinical excellence of the procedures conducted under the auspices of the Company and shall determine any moral ethical or clinical matters requiring a decision by the Company.
- 24 2 Any member of the Clinical Board must be a qualified Doctor of Medicine or a qualified Nurse, unless otherwise approved by the Investor.
- 24 3 New additional or replacement members of the Clinical Board shall be appointed by the Clinical Board.