THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES ARTICLES OF ASSOCIATION
OF
RALPH & RUSSO LIMITED
(Adopted by special resolution passed on 18 November 2020)

AGREED TERMS

1. INTERPRETATION

1.1 In these Articles, the following words have the following meanings:

A Share: an A ordinary share of £0.00001 in the capital of the Company,

Act: the Companies Act 2006 as amended from time to time,

Appointor: has the meaning given in Article 11.1,

Articles: the Company's articles of association for the time being in force,

Asset Sale: means the disposal by the Company of all or substantially all of its undertaking and assets,

Business Day: a day other than a Saturday, Sunday or public holiday in England when banks in the City of London are open for business,

Common Control: means in relation to a company ("**first company**"), any other company in relation to which a majority of shares are held by the same person(s) holding a majority of shares in the first company,

Conflict: a situation in which a director has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company,

Continuing Shareholders: has the meaning given in Article 17.3,

Controlling Interest: an interest in shares giving to the holder or holders control of the Company within the meaning of section 1124 of the Corporation Tax Act 2010,

Completion: 27 May 2014, being the date the Investor subscribed for the A Shares,

Deed of Adherence: a deed of adherence under which the party agrees to adhere to the terms of the investment agreement dated 27 May 2014 and the form of which is set out in the investment agreement,

Eligible director: any director of the Company who would be entitled to vote on the matter at a meeting of directors,

Fair Value: as determined in accordance with Article 17.5,

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Founders: each of Tamara Ralph and Michael Russo,

Founder Director: any director(s) of the Company nominated by the Founders (acting jointly)

holding company: has the meaning given in Article 1.5,

Interested director: has the meaning given in Article 8.1,

Investor: John Caudwell,

Model Articles: the model articles for private companies limited by shares contained in Schedule 1 of the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the date of adoption of these Articles and reference to a numbered "Model Article" is a reference to that article of the Model Articles,

New Securities means any shares or other securities convertible into, or carrying the right to subscribe for those shares, issued by the Company after Completion,

Ordinary Share: an ordinary share of £0.00001 in the capital of the Company,

Permitted Group: in relation to a company, any wholly owned subsidiary of that company, any company of which it is a subsidiary (its holding company) and any other subsidiaries of any such holding company and in relation to such companies any other company which is under Common Control, and each company in a Permitted Group is a member of the Permitted Group. Unless the context otherwise requires, the application of the definition of Permitted Group to any company at any time will apply to the company as it is at that time,

Permitted Transfer: a transfer of shares made in accordance with Article 18,

Permitted Transferee: in relation to a shareholder who is a corporate undertaking, any member of the same Permitted Group as that shareholder and in relation to a shareholder who is an individual, a spouse, civil partner, child, grandchild, or trustee of a family trust,

Purchase Notice: has the meaning given in Article 17.4(b),

Sale Shares: has the meaning given in Article 17.1,

Sale Price: has the meaning given in Article 17.1(c),

Seller: has the meaning given in Article 17.1,

Shares: the shares in the capital of the Company,

Shareholder: means the shareholders of the Company,

Share Sale means the sale of (or the grant of a right to acquire or to dispose of) any of the shares in the capital of the Company (in one transaction or as a series of transactions) which will result in the Founders together no longer holding a Controlling Interest in the Company and in respect of which any of the Tagging Shareholders have exercised their tag along rights in accordance with Article 19, except where following completion of the sale the shareholders and the proportion of shares held by each of them are the same as the shareholders and their shareholdings in the Company immediately prior to the sale,

Starting Price: £616.6749 being the price per share paid by the Investor for the subscription of the A Shares on Completion,

subsidiary: has the meaning given in Article 1.5,

Third Completion: has the meaning given to it in the subscription agreement relating to La Perla's investment in the Company entered into on or about the date of adoption of these Articles,

Tagging Seller: has the meaning given in Article 19.2,

Transfer Notice: an irrevocable notice in writing given by any Shareholder to the Company where that Shareholder desires, or is required by these Articles, to transfer or offer for transfer (or enter into an agreement to transfer) any Shares,

Valuers: an independent firm of accountants appointed by the Board or, in the absence of agreement between the members of the Board on the identity of the expert within 15 Business Days of a details of a suggested expert being served, an independent firm of accountants appointed by the President, for the time being, of the Institute of Chartered Accountants in England and Wales (in each case acting as an expert and not as an arbitrator),

Writing or written: the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise.

1.2 Save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Act shall have those meanings in these Articles.

1.3 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles.

1.4 A reference in these Articles to an "Article" is a reference to the relevant Article of these Articles unless expressly provided otherwise.

1.5 A reference to a **holding company** or a **subsidiary** means a holding company or a subsidiary (as the case may be) as defined in section 1159 of the Act and for the purposes only of the membership requirement contained in sections 1159(1)(b) and (c), a company shall be treated as a member of another company even if its shares in that other company are registered in the name of:

(a) another person (or its nominee), by way of security or in connection with the taking of security, or

(b) its nominee.

1.6 Unless expressly provided otherwise, a reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time.

1.7 A reference to a statute or statutory provision shall include all subordinate legislation made from time to time under that statute or statutory provision.

1.8 Any words following the terms **including, include, in particular, for example** or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms.

1.9 Where the context permits, **other** and **otherwise** are illustrative and shall not limit the sense of the words preceding them.

2. ADOPTION OF THE MODEL ARTICLES

2.1 The Model Articles shall apply to the Company, except in so far as they are modified or excluded by these Articles or are inconsistent with these Articles, and, subject to any such modifications, exclusions or inconsistencies, shall together with these Articles constitute the Articles of association of the Company to the exclusion of any other Articles or regulations set out in any statute or in any statutory instrument or other subordinate legislation.

2.2 Model Articles 6(2), 7, 8, 9(1), 11 to 14 (inclusive), 16, 17, 22, 26(5), 27 to 29 (inclusive), 36, 39, 43, 44(2), 49 and 50 to 53 (inclusive) shall not apply to the Company.

2.3 Model Articles 31(l)(a) to (c) (inclusive) shall be amended by the deletion, in each case, of the words "either" and "or as the directors may otherwise decide" Model Article 31(d) shall be amended by the deletion of the words "either" and "or by such other means as the directors decide".

DIRECTORS

3. DIRECTORS' MEETINGS

3.1 Any decision of the directors must be taken at a meeting of directors in accordance with these Articles or must be a decision taken in accordance with Article 4.

3.2 Subject as provided in these Articles, the directors may participate in directors' meetings for the despatch of business, adjourn and otherwise regulate their meetings as they think fit.

3.3 Meetings of the directors shall take place at least 4 times each year.

3.4 All decisions made at any meeting of the directors or of any committee of the directors shall be made only by resolution and resolutions at any meeting of the directors or committee of the directors shall be decided by a majority of votes.

4. UNANIMOUS DECISIONS OF DIRECTORS

A decision of the directors is taken in accordance with this Article when all Eligible directors indicate to each other by any means that they share a common view on a matter. Such a decision may take the form of a resolution in writing, where each Eligible director has signed one or more copies of it, or to which each Eligible director has otherwise indicated agreement in writing.

5. NUMBER OF DIRECTORS

The number of directors shall not be less than 2, inclusive of the two Founder Directors. No shareholding qualification for directors shall be required.

6. CALLING A DIRECTORS' MEETING

Any director may call a meeting of directors by giving not less than seven Business Days' notice of the meeting (or such shorter period of notice as agreed in writing by at least two directors of the Company) to each director or by authorising the Company secretary (if any) to give such notice.

7. QUORUM FOR DIRECTORS' MEETINGS

7.1 The quorum at any meeting of the directors (including adjourned meetings) shall be two directors, which must include the Founder Directors.

7.2 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.

7.3 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 2 Business Days at the same time and place.

7.4 The post of chairman of the directors will be held such person as the directors of the Company resolve to nominate. The chairman shall not have a casting vote.

8. DIRECTORS' INTERESTS

8.1 The directors may, in accordance with the requirements set out in this Article, authorise any Conflict proposed to them by any director which would, if not so authorised, involve a director (the **Interested director**) breaching his duty under section 175 of the Act to avoid conflicts of interest.

8.2 Any authorisation under this Article will be effective only if:

(a) to the extent permitted by the Act, the matter in question shall have been proposed by any director for consideration in the same way that any other matter may be proposed to the directors under the provisions of these Articles or in such other manner as the directors may determine,

(b) any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested director, and

(c) the matter was agreed to without the Interested director voting or would have been agreed to if the Interested director's vote had not been counted.

8.3 Any authorisation of a Conflict under this Article may (whether at the time of giving the authorisation or subsequently):

(a) extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised,

(b) provide that the Interested director be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the directors or otherwise) related to the Conflict,

(c) provide that the Interested director will or will not be an Eligible director in respect of any future decision of the directors in relation to any resolution related to the Conflict,

(d) impose upon the Interested director such other terms for the purposes of dealing with the Conflict as the directors think fit,

(e) provide that, where the Interested director obtains, or has obtained (through his involvement in the Conflict and otherwise than through his position as a director of the Company) information that is confidential to a third party, he will not be obliged to disclose that information to the Company, or to use it in relation to the Company's affairs where to do so would amount to a breach of that confidence, and

(f) permit the Interested director to absent himself from the discussion of matters relating to the Conflict at any meeting of the directors and be excused from reviewing papers prepared by, or for, the directors to the extent they relate to such matters.

8.4 Where the directors authorise a Conflict, the Interested director will be obliged to conduct himself in accordance with any terms and conditions imposed by the directors in relation to the Conflict.

8.5 The directors may revoke or vary such authorisation at any time but this will not affect anything done by the Interested director prior to such revocation or variation in accordance with the terms of such authorisation.

8.6 A director, notwithstanding his office, may be a director or other officer of, employed by, or otherwise interested (including by the holding of shares) in, the shareholder who appointed him as a director of the Company, or any other member of such shareholder's Permitted Group, and no authorisation under Article 8.1 shall be necessary in respect of any such interest.

8.7 A director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director), to account to the Company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the directors in accordance with these Articles or by the Company in general meeting (subject in each case to any terms and conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.

8.8 Subject to sections 177(5) and 177(6) of the Act, a director who is in any way, whether directly or indirectly, interested in a proposed transaction or arrangement with the Company shall declare the nature and extent of his interest to the other directors before the Company enters into the transaction or arrangement in accordance with the Act.

8.9 Subject to sections 182(5) and 182(6) of the Act, a director who is in any way, whether directly or indirectly, interested in a transaction or arrangement that has been entered into by the Company shall declare the nature and extent of his interest to the other directors as soon as is reasonably practicable in accordance with the Act, unless the interest has already been declared under Article 8.8.

8.10 Subject, where applicable, to any terms and conditions imposed by the directors in accordance with Article 8.3, and provided a director has declared the nature and extent of his interest in accordance with the requirements of the Act, a director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company:

(a) may be a party to, or otherwise interested in, any such transaction or arrangement with the Company, or in which the Company is otherwise (directly or indirectly) interested,

(b) shall be an Eligible director for the purposes of any proposed decision of the directors (or committee of directors) in respect of such transaction or arrangement or proposed transaction or arrangement in which he is interested,

(c) shall be entitled to vote at a meeting of directors (or of a committee of directors) or participate in any unanimous decision, in respect of such transaction or arrangement or proposed transaction or arrangement in which he is interested,

(d) may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a director,

(e) may be a director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is otherwise (directly or indirectly) interested, and

(f) shall not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or a person connected with him (as defined in section 252 of the Act)) derives from any such contract, transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such contract, transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act.

9. RECORDS OF DECISIONS TO BE KEPT

Where decisions of the directors are taken by electronic means, such decisions shall be recorded by the directors in a form that enables the Company to retain a copy of such decisions.

10. APPOINTMENT AND REMOVAL OF DIRECTORS AND OBSERVER

10.1 The Founders shall for so long as they each hold Shares be entitled to appoint two people to act as Founder Directors.

10.2 Any Founder Director may at any time be removed from office by the Founders (acting jointly). If any Founder Director shall die or be removed from or vacate office for any cause, the Founders shall appoint (acting jointly) in his place another person as a replacement Founder Director.

10.3 For so long as the Investor holds 5% or more of the issued share capital of the Company, the Investor shall have the right to appoint a representative to attend as an observer (**Observer**) at each and any meeting of the Board and of each and any committee of the Board who will be entitled to speak at any such meetings but will have no vote and no authority to bind the Company in any way.

10.4 Any Observer may at any time be removed by the Investor. If any Observer shall die or be removed for any cause, the Investor shall appoint in his place another person as a replacement Observer.

10.5 For so long as the La Perla Fashion Investment BV or a Permitted Transferee of La Perla Fashion Investment BV remains a Shareholder holding not less than 5% of the issued share capital of the Company, La Perla Fashion Investment BV or its Permitted Transferee (as applicable) shall have the right to appoint a person as a director (the "Investor Director") to the Board and to each and any committee of the Board. Appointment and removal of an Investor Director shall be by written notice to the Company signed by or on behalf of La Perla Fashion Investment BV or its Permitted Transferee, which notice shall take effect on delivery at the registered office or at any meeting of the Board.

10.6 Appointment and removal of an Investor Director in accordance with Article 10.5 shall be by written notice from La Perla Fashion Investment BV or a Permitted Transferee of La Perla Fashion Investment BV to the Company which shall take effect on delivery at the Company's registered office or at any meeting of the Board or committee thereof.

10.7 The Company shall send to the Investor Director (in electronic form if so required):

(a) reasonable advance notice of each meeting of the Board and each committee thereof;

(b) a written agenda for each Board meeting and each committee meeting, accompanied by the relevant papers; and

(c) as soon as practicable after each meeting of the Board (or committee of the Board) a copy of the minutes.

11. ALTERNATE DIRECTORS

11.1 Any director (other than an alternate director) (the **Appointor**) may appoint any person (whether or not a director) other than an existing director representing the other class of shares, to be an alternate director to exercise the Appointor's powers, and carry out the Appointor's responsibilities, in relation to the taking of decisions by the directors, in the absence of the Appointor. In these Articles, where the context so permits, the term "Investor Director" shall include an alternate director appointed by an Investor Director. A person may be appointed an alternate director by more than one director provided that each of his Appointors represents the same class of shares but not otherwise.

11.2 Any appointment or removal of an alternate director must be effected by notice in writing to the Company (and to the alternate, on removal) signed by the Appointor, or in any other manner approved by the directors.

11.3 The notice must:

(a) identify the proposed alternate, and

(b) in the case of a notice of appointment, contain a statement signed by the proposed alternate that he is willing to act as the alternate of the director giving the notice.

11.4 An alternate director has the same rights, in relation to any decision of the directors, as the alternate's Appointor.

11.5 Except as the Articles specify otherwise, alternate directors:

(a) are deemed for all purposes to be directors,

(b) are liable for their own acts and omissions,

(c) are subject to the same restrictions as their Appointors, and

(d) are not deemed to be agents of or for their Appointors,

and, in particular (without limitation), each alternate director shall be entitled to receive notice of all meetings of directors and of all meetings of committees of directors of which his Appointor is a member.

11.6 A person who is an alternate director but not a director may, subject to him being an Eligible director:

(a) be counted as participating for the purposes of determining whether a quorum is present at a meeting of directors (but only if that person's Appointor is an Eligible director and is not participating), and

(b) Participate in a unanimous decision of the directors (but only if his Appointor is an Eligible director in relation to that decision, and does not himself participate).

11.7 A director who is also an alternate director is entitled, in the absence of his Appointor(s), to a separate vote on behalf of each Appointor (provided that an Appointor is an Eligible director in relation to that decision), in addition to his own vote on any decision of the directors.

11.8 An alternate director may be paid expenses and may be indemnified by the Company to the same extent as if he were a director but shall not be entitled to receive from the Company any remuneration in his capacity as an alternate director except such part (if any) of the remuneration otherwise payable to the alternate's Appointor as the Appointor may by notice in writing to the Company from time to time direct.

11.9 An alternate director's appointment as an alternate (in respect of a particular Appointor) terminates:

(a) when the alternate's Appointor revokes the appointment by notice to the Company and the alternate in writing specifying when it is to terminate, or

(b) on the occurrence, in relation to the alternate, of any event which, if it occurred in relation to the alternate's Appointor, would result in the termination of the Appointor's appointment as a director, or

(c) when the alternate director's Appointor ceases to be a director for whatever reason.

SHARES

12. SHARE CAPITAL

12.1 Except as otherwise provided in these Articles, the Ordinary Shares and the A Shares shall rank *pari passu* in all respects but shall constitute separate classes of shares. However, as regards voting:

(a) the Ordinary Shares shall confer on each holder thereof the right to receive notice of and to attend, speak and vote at all general meetings of the Company and at a poll to exercise one vote per Ordinary Share, and

(b) the A Shares shall not confer on the holders thereof any right to vote whatsoever, but such holders shall be entitled to receive notice of, and attend, general meetings of the Company.

13. DIVIDENDS

13.1 In respect of any Financial Year, its Available Profits will be applied as set out in this Article 13.

13.2 Every dividend shall be distributed to the Shareholders pro rata according to the numbers of shares held by them respectively and shall accrue on a daily basis assuming a 365 day year. All dividends are expressed net and shall be paid in cash.

14. ANTI-DILUTION PROTECTION

14.1 If New Securities are proposed to be issued by the Company at a price per New Security which equates to less than the Starting Price (a **Qualifying Issue**) (which in the event that the New Security is not issued for cash shall be a price certified by the Valuers as being the current cash value of the new consideration for the allotment of the New Securities) then the Company shall, unless and to the extent that the Investor shall have specifically waived its rights in this respect, offer in writing (such offer, unless waived, to remain open for acceptance for not less than 15 Business Days) to the Investor the right to subscribe for all such New Securities proposed to be issued at the Qualifying Issue price. If the offer to subscribe for such New Securities is not accepted within 15 Business Days of being served on the Investor, the Company may issue such New Securities to a third party purchaser at the Qualifying Issue price per New Security.

14.2 If New Securities are proposed to be issued by the Company at a price per New Security which is equal to or more than the Starting Price (which in the event that the New Security is not issued for cash shall be a price certified by the Valuers as being the current cash value of the new consideration for the allotment of the New Securities) then the Company shall offer in writing (such offer, unless waived, to remain open for acceptance for not less than 15 Business Days) to all Shareholders the right to subscribe for Shares in the same proportion of Shares in issue immediately prior to the issue of the New Securities and each holder of Shares shall receive its Relevant Proportion (as defined below) in the form of the same class of Shares that they hold immediately prior to such issuance.

14.3 If the Company proposes to issue New Securities pursuant to Article 14.2 to any person:

(a) the Company shall procure that each existing holder of Shares (each a **Securities Holder**) shall have the right to subscribe for the New Securities on the same terms and in proportion to his existing holding of Shares bears to all of the Shares in issue (the **Relevant Proportion**) at the date of the Issue Notice (defined below),

(b) the Company shall serve notice (an **Issue Notice**) on each Securities Holder specifying

(i) the terms of the issue of New Securities, including the issue, exercise or conversion price (if applicable) for each New Security (or the means by which the price will be calculated),

(ii) the total number of New Securities to be issued,

(iii) the date on which the subscription monies for the New Securities shall be paid to the Company (such date not to be less than 10 Business Days after the issue of the Allocation Notice referred to below), and

(iv) the number of New Securities for which the relevant Securities Holder may subscribe.

14.4 Within 15 Business Days after the date of any Issue Notice (the **Take-Up Deadline**), a Securities Holder may exercise its right to subscribe for his/her Relevant Proportion only by giving written notice to the Company, provided that, if a Securities Holder has not given notice before the Take-Up Deadline, the Securities Holder shall have no further right to subscribe for the New Securities under this Article 14 unless the Company otherwise approves.

14.5 As soon as reasonably practicable and in any event within five Business Days after the Take-Up Deadline, the Company shall send to each Securities Holder a notice (an **Allocation Notice**) setting out the number of New Securities that each Securities Holder is entitled to subscribe for, being their Relevant Proportion.

14.6 Each Securities Holder who has exercised his/her right to subscribe for New Securities shall pay to the Company the subscription monies for the New Securities allocated to it in accordance with the instructions in the Issue Notice, subject to receipt of the subscription monies in cleared funds, the Company shall issue the relevant New Securities to the relevant Securities Holders and issue certificates (where required by law) for the New Securities and update the register of security holders for the New Securities so subscribed for by the existing Securities Holders.

14.7 The Company may issue New Securities that are not subscribed for by the Securities Holders in accordance with this Article 14 to any person or persons determined by the Company within three months of the Take-Up Deadline:

(a) for an issue price per New Security not less than the price specified in the Issue Notice, and

(b) on terms not more beneficial to the subscriber as reasonably determined by the Company than those set out in the Issue Notice.

15. VARIATION OF RIGHTS

15.1 Whenever the share capital of the Company is divided into different classes of shares, the special rights attached to any such class may only be varied or abrogated (either whilst the Company is a going concern or during or in contemplation of a winding- up) with the consent in writing of the holders of more than 75 per cent in nominal value of the issued shares of that class save that the special rights attaching to the A Shares may only be varied or abrogated with the consent of the Investor.

15.2 Without prejudice to the generality of Article 17.1, the special rights attaching to the A Shares shall be deemed to be varied by the creation of a new class of shares which has preferential rights to the A Shares.

16. SHARE TRANSFERS: GENERAL

16.1 In these Articles, reference to the **transfer** of a share includes the transfer, assignment or other disposal of a beneficial or other interest in that share, or the creation of a trust over that share (excluding, for the avoidance of doubt, the creation of a security interest or encumbrance over that share), and reference to a share includes a beneficial or other interest in a share.

16.2 No share shall be transferred unless the transfer is made in accordance with these Articles.

16.3 Subject to Article 16.4, the directors must register any duly stamped transfer made in accordance with these Articles and shall not have any discretion to register any transfer of shares which has not been made in compliance with these Articles.

16.4 The directors may, as a condition to the registration of any transfer of shares in the Company (whether to a Permitted Transferee or otherwise) require the transferee to execute and deliver to the Company a deed under which the transferee agrees to be bound by the terms of any shareholders' agreement (or similar document) in force between the Shareholders in such form as the directors may reasonably require (but not so as to oblige the transferee to have any obligations or liabilities greater than those of the proposed transferor under any such agreement or other document). If any such condition is imposed in accordance with this Article 16.4, the transfer may not be registered unless that deed has been executed and delivered to the Company's registered office by the transferee.

17. PRE-EMPTION RIGHTS ON THE TRANSFER OF SHARES

17.1 Except where the provisions of Article 18 (*Permitted Transfers*), Article 19 (*Tag Along*) and Article 20 (*Drag Along*), apply, a Shareholder (**Seller**) wishing to transfer its shares (**Sale Shares**) must give a Transfer Notice to the Company giving details of the proposed transfer including:

(a) the identity of the proposed buyer,

(b) the number and class of Shares which he/she wishes to transfer, and

(c) the price (in cash) at which it proposes to sell the Sale Shares (which will be deemed to be Fair Value of the Sale Shares if no cash price is agreed between the Seller and the Board) (**Sale Price**).

17.2 A Transfer Notice constitutes the Company the agent for the Seller for the sale of the Sale Shares at the Sale Price.

17.3 As soon as practicable following the later of:

(a) receipt of the Transfer Notice, and

(b) in the case where the Sale Price has not been specified or the Transfer Notice is deemed to have been served, the determination of the Sale Price under the Articles,

the Board shall offer the Sale Shares for sale to the other Shareholders (**Continuing Shareholders**) in the manner set out in Article 19.4 below. Each offer must be in writing and give details of the number and the Sale Price of the Sale Shares offered.

17.4 The offer and allocation of the Sale Shares will be as follows:

(a) the Sale Shares will be offered to the Continuing Shareholders pro rata according to the number of Shares held by such Continuing Shareholders,

(b) within 2 Business Days of receipt (or deemed receipt) of an offer from the Board to purchase such Sale Shares, the Continuing Shareholder shall be entitled (but not obliged) to give notice in writing to the Company that it wishes to apply for the relevant number of Sale Shares at the Sale Price (**Purchase Notice**),

(c) Every Continuing Shareholder who gives a Purchase Notice will be bound to buy the number of Sale Shares stated in the Purchase Notice at the Sale Price when it gives a Purchase Notice to the Company under Article 17.4(b),

(d) if, at the expiry of the period specified in Article 17.4(b), the Continuing Shareholder has not given a Purchase Notice, the Seller may transfer all its Sale Shares to the buyer identified in the Transfer Notice at a price not less than the Sale Price provided that it does so within two months of the expiry of the period specified in Article 17.4(b).

17.5 If the Sale Price of any Transfer Notice which is served or deemed to be served is Fair Value, then upon service of the Transfer Notice or, in the case of the deemed service of a Transfer Notice, on the date on which the Board first has actual knowledge of the facts giving rise to such deemed service, the Board shall either:

(a) appoint Valuers to certify the Fair Value of the Sale Shares, or

(b) if the Fair Value has been certified by the Valuers within the proceeding 12 weeks, specify that the Fair Value of the Sale Shares will be calculated by dividing any Fair Value so certified by the number of Sale Shares to which it related and multiplying such Fair Value by the number of Sale Shares the subject of the Transfer Notice.

18. PERMITTED TRANSFERS

18.1 Any Shareholder may at any time transfer all (but not some only) of its shares in the Company to a Permitted Transferee without being required to follow the steps set out in Article 19, subject always to prior written Notice having been given to the Company and any such Permitted Transferee having entered into a Deed of Adherence.

18.2 A Shareholder holding shares in the Company as a result of a Permitted Transfer made after the date of adoption of these Articles by a Shareholder under the provisions of this Article 18.2 may at any time transfer all (but not some only) of its shares back to the Shareholder from whom it received those Shares or to another Permitted Transferee of such Shareholder, without being required to follow the steps set out in Article 19.

18.3 If a Permitted Transfer has been made to a Permitted Transferee, that Permitted Transferee shall within five Business Days of ceasing to be a member of the Permitted Group transfer all of the shares in the Company held by it to:

(a) the Shareholder from whom it received those Shares, or

(b) another Permitted Transferee of that Shareholder,

(which in either case is not in liquidation), without any price or other restriction. If the Permitted Transferee fails to make a transfer in accordance with Article 18.3, the Company

may execute a transfer of the Shares on behalf of the Permitted Transferee and register the Shareholder as the holder of such Shares.

19. TAG ALONG

19.1 The provisions of Article 19.2 to Article 19.5 shall apply if the Founders (acting jointly) (**Seller**) propose to transfer their Shares to a bona fide purchaser on arm's length terms (**Proposed Transfer**) and such transfer would, if carried out, result in the Founders together no longer holding a Controlling Interest in the Company.

19.2 Before making a Proposed Transfer, the Seller shall procure that the Buyer makes an offer (**Offer**) to all Shareholders other than the Seller (together, the **Tagging Sellers**) to purchase all of the Shares held by the Tagging Sellers for a consideration in cash per Share that is at least equal to the price per Share offered by the Buyer in the Proposed Transfer (**Specified Price**).

19.3 The Offer shall be made by written notice (**Offer Notice**), at least 30 Business Days before the proposed transfer date (**Transfer Date**). To the extent not described in any accompanying documents, the Offer Notice shall set out:

(a) the identity of the Buyer,

(b) the Specified Price and other terms and conditions of payment,

(c) the Transfer Date, and

(d) the number of Shares proposed to be purchased by the Buyer (**Offer Shares**).

19.4 If the Buyer fails to make the Offer in accordance with Article 19.2 and Article 19.3, the Seller shall not be entitled to complete the Proposed Transfer and the Company shall not register any transfer of Shares effected in accordance with the Proposed Transfer.

19.5 If the Offer is accepted by the Tagging Sellers (or any of them) in writing within 21 Business Days of receipt of the Offer Notice, the completion of the Proposed Transfer shall be conditional on completion of the purchase of all the Offer Shares held by the Tagging Sellers that have accepted the Offer.

20. DRAG ALONG

20.1 If the Founders wish to transfer such amount of their Shares which together represent 75% or more of the issued share capital in the Company for the time being to a bona fide purchaser on arm's length terms (**Proposed Buyer**) the Founders may (acting jointly) require all other Shareholders (**Called Shareholders**) to sell and transfer all of their shares (**Called Shares**) to the Proposed Buyer (or as the Proposed Buyer directs) in accordance with the provisions of this Article (**Drag Along Option**).

20.2 The Founders may jointly exercise the Drag Along Option by giving written notice to that effect to each Called Shareholder (a **Drag Along Notice**) at any time before the transfer of their Shares to the Proposed Buyer. The Drag Along Notice shall specify:

(a) that the Called Shareholders are required to transfer all of the Called Shares held by them pursuant to this Article 20,

(b) the person to whom the Called Shares are to be transferred,

(c) the purchase price payable for the Called Shares which shall, for each Called Share, be an amount at least equal to the price per Share offered by the Proposed Buyer for the Ordinary Shares, and

(d) the proposed date of the transfer.

20.3 Once issued, a Drag Along Notice shall be irrevocable. However, a Drag Along Notice shall lapse if, for any reason, the Founders have not sold their Shares to the Proposed Buyer within 60 Business Days of serving the Drag Along Notice. The Seller may serve further Drag Along Notices following the lapse of any particular Drag Along Notice.

20.4 No Drag Along Notice shall require the Called Shareholders to agree to any terms except those specifically set out in this Article 20.

20.5 Completion of the sale of the Called Shares shall take on such date as agreed in writing by the parties. On or before the completion date, the Called Shareholders shall execute and deliver stock transfer forms for the Called Shares, together with the relevant share certificate(s) (or a suitable indemnity for any lost share certificate(s)) to the Company. On the completion date, the Company shall pay the Called Shareholders, on behalf of the Proposed Buyer, the amounts due pursuant to Article 20.2 to the extent that the Proposed Buyer has put the Company in the requisite funds. The Company's receipt for the price shall be a good discharge to the Proposed Buyer. The Company shall hold the amounts due to the Called Shareholders in trust for the Called Shareholders without any obligation to pay interest.

20.6 To the extent that the Proposed Buyer has not, on the completion date, put the Company in funds to pay the purchase price due in respect of the Called Shares, the Called Shareholders shall be entitled to the return of the stock transfer forms and share certificate(s) (or suitable indemnity) for the relevant Called Shares and the Called Shareholders shall have no further rights or obligations under this Article 20 in respect of the Called Shares held by them.

20.7 If the Called Shareholders do not, on or before the completion date, execute and deliver (in accordance with Article 20.5) transfer(s) in respect of all of the Called Shares held by them, such Called Shareholder shall be deemed to have irrevocably appointed any person nominated for the purpose by the Seller to be its agent to execute all necessary transfer(s) on its behalf, against receipt by the Company (on trust for such holder) of the purchase price payable for the Called Shares held by it, and to deliver such transfer(s) to the Proposed Buyer (or as he may direct) as the holder thereof. After the Proposed Buyer (or its nominee) has been registered as the holder of the Called Shares, the validity of such proceedings shall not be questioned by any such person. Failure to produce a share certificate shall not impede the registration of shares under this Article 20.7.

DECISION MAKING BY SHAREHOLDERS

21. QUORUM FOR GENERAL MEETINGS

No Business other than, subject to Article 24, the appointment of the chairman of the meeting shall be transacted by any general meeting unless a quorum is present at the commencement of the meeting and also when that Business is voted on.

22. CHAIRING GENERAL MEETINGS

The chairman of the board of directors shall chair general meetings If the chairman is unable to attend any general meeting, the Shareholder who appointed him shall be entitled to appoint

another of its nominated directors present at the meeting to act as chairman at the meeting, and the appointment of the chairman of the meeting must be the first Business of the meeting.

23. VOTING

At a general meeting, on a show of hands every shareholder who is present in person or by proxy and entitled to vote shall have one vote, unless the proxy is himself a Shareholder entitled to vote, on a poll every shareholder present in person or by proxy shall have one vote for each share of which he is the holder, and on a vote on a written resolution every shareholder has one vote for each share of which he is the holder.

24. POLL VOTES

24.1 A poll may be demanded at any general meeting by a qualifying person (as defined in section 318 of the Act) present and entitled to vote at the meeting.

24.2 Article 44(3) of the Model Articles shall be amended by the insertion of the words "A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made" as a new paragraph at the end of that Article.

25. PROXIES

25.1 Article 45(1)(d) of the Model Articles shall be deleted and replaced with the words "is delivered to the Company in accordance with the Articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which right to vote is to be exercised and in accordance with any instructions contained in the notice of general meeting (or adjourned meeting) to which they relate".

25.2 Article 45(1) of the Model Articles shall be amended by the insertion of the words "and a proxy notice which is not delivered in such manner shall be invalid" as a new paragraph at the end of that Article.

26. NOTICES

26.1 Any notice shall be in writing and shall be conclusively deemed to have been duly given:

(a) when hand delivered to the relevant party,

(b) when received when sent by facsimile, e-mail or any other form of electronic communication at the relevant address,

(c) two Business Days after dispatch if sent to an address in the United Kingdom by post,

(d) five Business Days after dispatch if sent by reputable international overnight courier addressed to the relevant party provided that delivery in at least five (5) Business Days was guaranteed at the time of sending and the sending Party receives a confirmation of delivery from the courier service provider, or

(e) by airmail (registered or certified) 15 Business Days after sending.

26.2 In proving service of a notice it shall be sufficient to prove that personal delivery was made, or that the relevant notice or other written communication was properly addressed stamped and

posted or in the case of a facsimile, e-mail or other form of electronic communication evidence that the relevant communication was properly sent.

27. INDEMNITY AND INSURANCE

27.1 Subject to Article 27.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:

(a) each relevant officer of the Company shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer in the actual or purported execution and/or discharge of his duties, or in relation to them, including any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which the court grants him, in his capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company's affairs, and

(b) the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in Article 27.1(a) and otherwise may take action to enable any such relevant officer to avoid incurring such expenditure.

27.2 This Article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Act or by any other provision of law.

27.3 The directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant officer in respect of any relevant loss.

27.4 In this Article:

(a) a "relevant officer " means any director or other officer of the Company but excluding in each case any person engaged by the Company as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor, and

(b) a "relevant loss" means any loss or liability which has been or may be incurred by a relevant officer in connection with that relevant officer's duties or powers in relation to the Company or any pension fund of the Company.

LIQUIDATION PREFERENCE

27.5 On a distribution of assets on a liquidation or a return of capital (the surplus assets of the Company remaining after payment of its liabilities shall be applied (to the extent that the Company is lawfully permitted to do so):

(a) first in paying to the Investor, in priority to any other classes of Shares, an amount per share held equal to the Starting Price (provided that if there are insufficient surplus assets to pay the amounts per share equal to the Starting Price, the remaining surplus assets shall be distributed to the Investor),

(b) the balance of the surplus assets (if any) shall be distributed among the Shareholders pro rata to the number of Shares held (as if the Shares together constituted one and the same class).

28. EXIT PROVISIONS

28.1 On a Share Sale or in the event that a sale of Shares causes the Drag Along provisions in Article 20 to be triggered, the proceeds of such sale (the **Proceeds of Sale**) shall be distributed in the order of priority set out in Article 27.5 and the directors shall not register any transfer of Shares if the Proceeds of Sale are not so distributed save in respect of any Shares not sold in connection with that Share Sale provided that if the Proceeds of Sale are not settled in their entirety upon completion of the Share Sale:

(a) the directors shall not be prohibited from registering the transfer of the relevant Shares so long as the Proceeds of Sale that are settled have been distributed in the order of priority set out in Article 27.5, and

(b) the Shareholders shall take any action required by the Investors to ensure that the Proceeds of Sale in their entirety are distributed in the order of priority set out in Article 27.5.

28.2 On an Asset Sale the surplus assets of the Company remaining after payment of its liabilities shall be distributed (to the extent that the Company is lawfully permitted to do so) in the order of priority set out in Article 27.5 provided always that if it is not lawful for the Company to distribute its surplus assets in accordance with the provisions of these Articles, the Shareholders shall take any action required by the Investors (including, but without prejudice to the generality of this Article 28.2, actions that may be necessary to put the Company into voluntary liquidation so that Article 27.5 applies).

28.3 On an IPO:

(a) the Company shall issue to the Investor such number (if any) of Ordinary Shares such that the proportion which the Shares held by the Investor bears to the issued Shares following the completion of all such issues and the conversion of all A Shares shall be equal to the proportion that the proceeds the Investor would have been entitled to receive on a Share Sale on that date would bear to the valuation of the Company at that date (assuming that the valuation of the Company was equal to the Pre-New Money Valuation), and

(b) the additional Ordinary Shares issued in accordance with Article 28.3(a) shall be paid up by the automatic capitalisation of any amount standing to the credit of the share premium account or any other available reserve of the Company as determined by the directors and those additional Ordinary Shares shall be issued at par fully paid. The capitalisation shall be automatic and shall not require any action on the part of the Shareholders and the directors shall allot the Ordinary Shares arising on the capitalisation to the Investor entitled to them in accordance with this Article. If the Company is not legally permitted to carry out the capitalisation the Investor shall be entitled to subscribe in cash at par for that number of additional Ordinary Shares as would otherwise have been issued pursuant to paragraph (a). To the extent that there is insufficient share capital to effect the said issue the directors shall procure (so far as they are able) that the Company's share capital is increased to the extent necessary to permit the issue required and all Shareholders shall vote in favour of the necessary resolutions to effect the increase.