

Company no. 5833659

**The Companies Act 2006**

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**Company limited by shares**

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**Written resolution**

of

**Adconion Media Group Limited  
(the "Company")**

(passed on 5 March 2010)

Pursuant to a **written resolution** of the Company duly circulated on 18 February 2010, the following resolution was passed on 5 March 2010 as a **special resolution** of the Company

**Special Resolution**

**That**

- (a) the draft articles of association attached to this resolution be and they are adopted by the Company in substitution for, and to the exclusion of, its existing articles of association, and
- (b) the pre-emption provisions contained in articles 8.3 to 8.5 of the articles of association of the Company to be adopted by the Company pursuant to paragraph (a) above shall not apply to the issue by the Company of up to 857,143 C ordinary shares of £0.01 in the capital of the Company



Director/Secretary

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## **Articles of Association**

Adconion Media Group Limited

Company number                    5833659

Date of incorporation            31 May 2006

Adopted by written resolution on 30 July 2007

and as amended by written resolutions dated 31 October 2007,  
13 February 2008, 3 July 2009 and 5 March 2010

### **Osborne Clarke**

2 Temple Back East  
Temple Quay  
Bristol  
BS1 6EG  
Telephone +44 (0) 117 917 3000  
Fax            +44 (0) 117 917 3005

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## **Definitions**

In these Articles the following definitions shall apply

**"1985 Act"** means the Companies Act 1985

**"2006 Act"** means the Companies Act 2006

**"Acts"** means the Companies Acts and, where the context admits or requires, every other statute, order, regulation or other subordinate legislation from time to time in force in the United Kingdom concerning companies and affecting the Company

**"Additional Shares"** means shares in the Company's equity share capital (as that term is defined in section 548 of the 2006 Act) but excluding any Authorised Share Options and any shares which the Company is required to issue by reason of a right specifically attached to shares under these Articles

**"A Ordinary Shares"** means the A Ordinary Shares of 1 penny each in the capital of the Company

**"Asset Sale"** means the disposal by the Company of all or substantially all of its undertaking and assets

**"Auditors"** means the auditors of the Company from time to time

**"Authorised Share Options"** means the options granted or to be granted by the Company pursuant to an Employees' Share Scheme consisting of not more than 6,860,000 Ordinary Shares in the capital of the Company or such larger number of Ordinary Shares as an Investor Director may consent in writing to

**"Board"** means the board of Directors of the Company from time to time

**"B Ordinary Shares"** means the B Ordinary Shares of 1 penny each in the capital of the Company

**"C Ordinary Shares"** means the C Ordinary Shares of 1 penny each in the capital of the Company

**"C Ordinary Share Investment Date"** means, in relation to the

C Ordinary Shares issued pursuant to the February 2010 Fundraising, 5 March 2010,

C Ordinary Shares issued pursuant to the Warrant Agreement, 30 June 2009, and

C Ordinary Shares other than those referred to in paragraphs (a) and (b) above, 15 February 2008,

and **"relevant C Ordinary Share Investment Date"** shall be construed accordingly

**"CEO"** means, at the date of adoption of these Articles, T Tyler Moebius, and any person subsequently holding the office of CEO of the Company from time to time

**"Companies Acts"** bears the meaning set out in section 2 of the 2006 Act

**"Connected Persons"** means as defined by Section 839, ICTA

**"Controlling Interest"** means an interest in shares (as defined in sections 820 to 825 of the 2006 Act) in a company giving to the holder or holders control of the Company within the meaning of section 840 ICTA

**"February 2010 Fundraising"** means the subscription by certain investors for C Ordinary Shares pursuant to the Share Issue, as that term is defined in the letter from the Company to the holders of Shares dated 18 February 2010

**"Deemed Transfer Notice"** means a Transfer Notice deemed to have been served in accordance with these Articles

**"Directors"** means the directors of the Company from time to time, and **"Director"** shall mean any of them

**"Employees' Share Scheme"** has the meaning given to it in section 1166 of the 2006 Act

**"Employee Trust"** means a trust to be established by the Board with the prior written consent of an Investor Director to encourage or facilitate the holding of shares in the Company by bona fide full-time employees of the Company or any other Group Company or by any section of such employees

**"Equity Shares"** means the A Ordinary Shares, the B Ordinary Shares, the C Ordinary Shares, the Ordinary Shares and the Preference Shares

**"Family Members"** means, in relation to an individual, the grandparents of such individual and any and all of the descendants of such grandparents and each such person's spouses and adopted and step children

**"Family Trust"** means a trust which only permits the settled property or the income from the settled property to be applied for the benefit of

- (a) the settlor and/or a Privileged Relation of that settlor, or
- (b) any charity or charities as default beneficiaries (meaning that such charity or charities have no immediate beneficial interest in any of the settled property or the income therefrom when the trust is created but may become so interested if there are no other beneficiaries from time to time except another such charity or charities),

and under which no power of control is capable of being exercised over the votes of any shares which are the subject of the trust by any person other than the trustees or the settlor or the Privileged Relations of the settlor For purposes of this definition

**"settlor"** includes a testator or an intestate in relation to a Family Trust arising respectively under a testamentary disposition or an intestacy of a deceased Member

**"Group"** means the Company, its subsidiaries, any holding company of the Company and any subsidiary of any such holding company from time to time and **"Group Company"** shall be construed accordingly

**"ICTA"** means Income and Corporation Taxes Act 1988

**"Independent Expert"** means an umpire (acting as an expert and not as an arbitrator) nominated by 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

**"Issue or Reorganisation"** means any return of capital, issue of shares or other securities of the Company by way of capitalisation of profits or reserves or any consolidation or sub-division or any repurchase or redemption of shares or any variation in the subscription price or conversion rate applicable to any outstanding shares of the Company in each case other than shares issued as a result of the events set out in Article 17 or under Authorised Share Options

**"Investor Directors"** means such Directors of the Company nominated by Wellington and Index under Articles 13 2 and 13 3

**"Investors"** means each of Index Ventures IV (Jersey), L P , Index Ventures IV Parallel Entrepreneur Fund (Jersey), L P , Yucca Partners LP Jersey Branch, Index Ventures Growth I (Jersey), L P and Index Ventures Growth I Parallel Entrepreneur Fund (Jersey), L P (together **"Index"** and, each an **"Index Investor"**), Wellington Partners Venture III Technology Fund L P (**"Wellington"**) and Grazia Equity GmbH and their respective permitted transferees pursuant to Article 10

**"IPO"** means the becoming effective of a listing of any share capital of any Group Company on the Official List of London Stock Exchange plc or the granting of permission for any of the share capital of the Group Company to be dealt in on any recognised investment exchange (as defined by section 285 Financial Services and Markets Act 2000) including NASDAQ and NASDAQ Europe

**"Member"** means a holder of shares in the Company

**"Ordinary Shares"** means the Ordinary Shares of 1 penny pence each in the capital of the Company

**"Original Founders"** means together

- (a) Tyler Moebius and his Family Members,
- (b) the Bier Moebius Family Trust,
- (c) Alexander Loeffler,

- (d) Vernon Vennes and Lucinda Vennes and their respective Family Members,
- (e) Jeff Bier,
- (f) Tammie Mutert,
- (g) Reeve Collins, and
- (h) Mike Leo

**"Original Subscription Price"** means with respect to the A Ordinary Shares, £1 03872 per share, with respect to the B Ordinary Shares £0 66759 per share, with respect to the Preference Shares £2 164 per share and with respect to the

- (a) C Ordinary Shares issued pursuant to the February 2010 Fundraising, £3 50 per share,
- (b) C Ordinary Shares issued pursuant to the Warrant Agreement, £3 00 per share, and
- (c) C Ordinary Shares other than those referred to in paragraphs (a) and (b) above, £2 71 per share,

and **"relevant Original Subscription Price"** shall be construed accordingly

**"Participating Relevant C Ordinary Share Series"** means, for the purposes of Article 17, each Relevant C Ordinary Share Series having an Original Subscription Price greater than the consideration for the issue of the relevant Additional Shares

**"Pre-New Money Valuation"** means the result of multiplying the total number of Ordinary Shares in issue immediately after the IPO (but excluding any new Ordinary Shares issued upon the IPO) by the subscription price per share (including any premium) in respect of new Ordinary Shares issued at the time of the IPO

**"Purchaser Securities"** means equity securities issued by any purchaser to the Members in consideration of a Sale or Asset Sale

**"Preference Shares"** means the non-participating voting preference shares of 1 penny each in the capital of the Company

**"Privileged Ordinary Shares"** means the A Ordinary Shares, the B Ordinary Shares and the C Ordinary Shares

**"Privileged Shares"** means the Privileged Ordinary Shares and the Preference Shares

**"Privileged Relations"** means the spouse or widow or widower of a Member and the Member's children and grandchildren (including step and adopted children and their issue) and step and adopted children of the Member's children

**"Proceeds"** means, in relation to a Sale or Asset Sale, the consideration paid by a purchaser, including, for avoidance of doubt, any Purchaser Securities

**"Qualifying IPO"** means a fully underwritten IPO where the aggregate value of all of the Ordinary Shares issued by the Company in connection with the IPO (other than to existing shareholders on conversion of the Privileged Shares) exceeds £30 million at an issue price per Ordinary Share of at least £5.42

In the event of any Issue or Reorganisation the price per Ordinary Share set out above shall be subject to adjustment on such basis as may be agreed by the Board prior to any IPO taking effect. If the Board cannot agree such adjustment unanimously, any one Director may refer the matter to the Auditors whose determination shall, in the absence of manifest error, be final and binding on the Company and each of its Members. The Auditors' costs shall be borne by the Company or such other person(s) and in such proportions as the Auditors, acting in their absolute discretion and having regard to all the circumstances of the dispute and the merits of the submissions of each party, shall determine.

**"Relevant C Ordinary Share Series"** means, in respect of the C Ordinary Shares, those C Ordinary Shares having the same Original Subscription Price taken together, and **"each Relevant C Ordinary Share Series"** and **"a Relevant C Ordinary Share Series"** shall be construed accordingly.

**"Relevant Securities"** means all shares or other securities convertible into or carrying the right to subscribe for shares issued by the Company after the date of adoption of these Articles, but excluding any shares which the Company is required to issue by reason of a right specifically attached to shares under these Articles.

**"Sale"** means the sale of Shares as part of a single transaction or a series of related transactions which will result in the purchaser of those Shares and persons acting in concert with him together acquiring a Controlling Interest in the Company, 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.

**"Sale Shares"** means the shares specified or deemed to be specified for sale in a Transfer Notice or Deemed Transfer Notice.

**"Schirm Group"** means Schirm Associates Limited, Adinvest AG, Adinvest Holding AG, Schirm Private Equity LP and Schirm Private Equity GmbH & Co KG and **"Schirm Investor"** shall mean any of them.

**"Seller"** means the transferor of shares pursuant to a Transfer Notice or Deemed Transfer Notice.

**"Senior Managers"** means the senior managers of the Group as identified and notified in writing to such individuals from time to time by the Board acting with the prior written consent of an Investor Director and in good faith and **"Senior Manager"** shall be construed accordingly but, until so identified and notified, shall be Mathias Quadflieg, Arndt Groth, Alex Loeffler, Keith Kaplan and Tyler Moebius and in all cases for so long as any such individual is an employee or director of or a consultant to



a Group Company (and for the period of six months following the cessation of such employment, directorship or consultancy)

**"Shares"** means shares in the capital of the Company

**"Table A"** means **"Table A"** means Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 (SI 1985 No 805) as amended by the Companies (Table A to F) (Amendment) Regulations 1985 (SI 1985 No 1052), the Companies Act 1985 (Electronic Communications) Order 2000 (SI 2000 No 3373), the Companies (Table A to F) (Amendment) Regulations 2007 (SI 2007 No 2541) and the Companies (Table A to F) (Amendment) (No 2) Regulations 2007 (SI 2007 No 2826)

**"Warrant Instrument"** means the warrant instrument dated 30 June 2009 issued by the Company granting the right to subscribe for C Ordinary Shares

**"Transfer Notice"** means a notice given by any Member of the Company where such Member desires or is required by these Articles to transfer any shares

- 1 2 Whether or not persons are **'acting in concert'** will be determined by the then most recent edition of the Takeover Code issued by the Takeover Panel, but investors will not be considered to be acting in concert merely by reason of cooperating in a syndicate in the ordinary course of their businesses

## 2 Application of Table A

- 2 1 The regulations contained in or incorporated in Table A shall apply to the Company except save insofar as they are excluded or varied by these Articles or are inconsistent with these Articles and such regulations (except as so excluded varied or inconsistent) and these Articles shall be the regulations of the Company
- 2 2 Regulations 54, 60 to 63 (inclusive) 76-79 (inclusive), 82, 85, 86, 94-98 (inclusive), 99, 111, 112, 115 and 118 of Table A shall not apply to the Company

## 3 Share capital

- 3 1 The authorised share capital of the Company at the date of adoption of these revised Articles is £487,599 21 divided into

2,467,170 A Ordinary Shares of 1 penny each,

1,400,000 B Ordinary Shares of 1 penny each,

14,034,441 C Ordinary Shares of 1 penny each,

28,264,560 Ordinary Shares of 1 penny each, and

2,593,750 Preference Shares of 1 penny each

#### 4 Dividends

##### *Priority Dividend – First Distribution*

- 4.1 The first distribution made of the profits of the Company following 1 March 2010 shall be paid in the following order of priority
- (a) first, in paying to the holders of the C Ordinary Shares comprising each Relevant C Ordinary Share Series a dividend (the "**Priority Dividend**") equal to
    - (i) if the date of the payment of the distribution (the "**Distribution Date**") falls on or before the 12 month anniversary of the relevant C Ordinary Share Investment Date, an amount per relevant C Ordinary Share equal to the relevant Original Subscription Price,
    - (ii) if the Distribution Date falls after the 12 month anniversary of the relevant C Ordinary Share Investment Date but on or before the 18 month anniversary of the relevant C Ordinary Share Investment Date, an amount per relevant C Ordinary Share equal to 120 per cent of the relevant Original Subscription Price,
    - (iii) if the Distribution Date falls after the 18 month anniversary of the relevant C Ordinary Share Investment Date but on or before the 24 month anniversary of the relevant C Ordinary Share Investment Date, an amount per relevant C Ordinary Share equal to 127.5 per cent of the relevant Original Subscription Price,
    - (iv) if the Distribution Date falls after the 24 month anniversary of the relevant C Ordinary Share Investment Date but on or before the 30 month anniversary of the relevant C Ordinary Share Investment Date, an amount per relevant C Ordinary Share equal to 135 per cent of the relevant Original Subscription Price,
    - (v) if the Distribution Date falls after the 30 month anniversary of the relevant C Ordinary Share Investment Date but on or before the 36 month anniversary of the relevant C Ordinary Share Investment Date, an amount per relevant C Ordinary Share equal to 142.5 per cent of the relevant Original Subscription Price, and
    - (vi) if the Distribution Date falls after the 36 month anniversary of the relevant C Ordinary Share Investment Date, an amount per C Ordinary Share equal to 150 per cent of the relevant Original Subscription Price,
  - (b) second, the amount of any distribution declared that is in excess of the Priority Dividend applicable on the first Distribution Date shall be distributed amongst the holders of the A Ordinary Shares, the B Ordinary Shares and the Ordinary Shares (pari passu as if the same constituted one class of share) pro-rata to the number of shares held by them respectively

- 4 2 If the amount of the dividend declared on the first Distribution Date is less than the Priority Dividend applicable on the first Distribution Date, the amount of any dividend declared shall be distributed to the holders of the C Ordinary Shares pro rata to their respective maximum entitlements to the Priority Dividend on such Distribution Date as set out in Article 4 1

*Priority Dividend – subsequent distributions*

- 4 3 On each subsequent Distribution Date, the distribution of profits of the Company shall be paid in the following order of priority
- (a) first, the holders of the C Ordinary Shares comprising each Relevant C Ordinary Share Series be entitled to receive a dividend (the "**Top-up Dividend**") equal to the difference (if any) between
    - (i) the aggregate of the amount previously received by them under Articles 4 1 and 4 2 and Articles 4 3 and 4 4 and Article 6, and
    - (ii) the amount of the Priority Dividend to which they would otherwise be entitled on the relevant subsequent Distribution Date
  - (b) second, the amount of any distribution declared that, together with the aggregate of the amounts previously received by them under Articles 4 1 and 4 2 and Articles 4 3 and 4 4 and Article 6, is in excess of the Priority Dividend applicable on the relevant subsequent Distribution Date shall be distributed amongst the holders of the A Ordinary Shares, the B Ordinary Shares and the Ordinary Shares (pari passu as if the same constituted one class of share) in proportion to the number of such classes of Shares held by them respectively
- 4 4 If the amount of any dividend declared on a subsequent Distribution Date is less than the Priority Dividend applicable on that Distribution Date, the amount of any dividend declared shall be distributed to the holders of C Ordinary Shares pro rata to their respective maximum entitlements to the Priority Dividend on such Distribution Date as set out in Article 4 3
- 4 5 For the avoidance of doubt nothing in this Article 4 shall require the Company or the Directors to make any distribution of the profits of the Company

*Preference Share rights*

- 4 6 The Preference Shares shall not be entitled to participate in any distribution of the profits of the Company, but except as set out in these Articles, shall rank pari passu in all respects with the Ordinary Shares

**5 Voting**

- 5 1 Each Equity Share in the Company shall carry one vote per Share
- 5 2 Subject to the provisions of the Acts, votes on Shares may be exercised

- (a) on a show of hands by every Member who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or proxy (in which case each Member holding Shares with votes shall have one vote), and
- (b) on a poll by every Member who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or by proxy (in which case each Member holding Shares with votes shall have one vote for each such Share held)

5 3 An instrument appointing a proxy shall

- (a) be in writing under the hand of the appointor or of his attorney duly authorised in writing (or if the appointor is a corporation under its common seal or under the hand of some officer or attorney duly authorised) and shall be in any common form or in such other form as the Board may approve,
- (b) be deemed (subject to any contrary direction contained in the same) to confer authority to demand or join in demanding a poll and to vote (whether on a show of hands or a poll) on any resolution or amendment of a resolution put to the meeting for which it is given, as the proxy thinks fit and to confer the right to speak at the meeting to which it relates (including any adjournment of it),
- (c) to be valid as well for any adjournment of the meeting as for the meeting to which it relates, and
- (d) where it is stated to apply to more than one meeting, be valid for all such meetings as well as for any adjournment of any such meetings

5 4 Subject to the provisions of the Acts, the appointment of a proxy (and an power of attorney or other authority under which it is signed (or a copy of such authority certified notarially or in some other way approved by the Board)) shall be sent or supplied in hard copy form, or (subject to any conditions and limitations which the Board may specify) in electronic form, to the registered office of the Company or to such other address (including electronic address) as is specified in the notice convening the meeting (or in any instrument of proxy or any invitation to appoint a proxy sent or supplied by the Company in relation to the meeting) or as the Board shall otherwise direct to be received before the time of the meeting or adjourned meeting to which it relates or, in the case of a poll taken after the date of the meeting or adjourned meeting, before the time appointed for the poll Any instrument of proxy not so sent or supplied or received shall be invalid unless the Board at any time prior to the meeting or the chairman of the meeting at the meeting, in their or his absolute discretion, accept as valid an instrument of proxy where there has not been compliance with the provisions of this Article 5 4 and such proxy shall thereupon be valid notwithstanding such default

5 5 The validity of a vote given or poll demanded in accordance with the terms of an appointment of a proxy or the validity of anything done by a proxy acting as duly appointed chairman of a meeting, or any decision determining whether a proxy counts in a quorum at a meeting, shall not be affected notwithstanding the death or mental

disorder of the appointor or the revocation of the appointment of the proxy (or of the authority under which the appointment of the proxy was executed) or the transfer of the share in respect of which the appointment of the proxy is given, unless notice in writing of such death, mental disorder, revocation or transfer shall have been sent or supplied to the Company in any manner permitted for the sending or supplying of appointments of proxy pursuant to these Articles, and received at the registered office of the Company (or such other address (including electronic address) as has been designated for the sending or supplying of appointments of proxy), before the time of the meeting or adjourned meeting to which it relates or, in the case of a poll taken after the date of the meeting or adjourned meeting, before the time appointed for the poll

## **6 Liquidation preference**

6.1 On a return of assets on liquidation or capital reduction or otherwise (other than a conversion, redemption or purchase of Shares) (a "**Liquidation Event**"), the assets of the Company remaining after the payment of its liabilities shall be applied in the following order of priority

- (a) first, in paying to the holders of the C Ordinary Shares comprising each Relevant C Ordinary Share Series (the "**Liquidation Preference**")
  - (i) if the date of the distribution of assets (the "**Liquidation Date**") falls on or before the 12 month anniversary of the relevant C Ordinary Share Investment Date, an amount per relevant C Ordinary Share equal to the relevant Original Subscription Price less the amount of any Priority Dividend paid on such shares prior to the Liquidation Date,
  - (ii) if the Liquidation Date falls after the 12 month anniversary of the relevant C Ordinary Share Investment Date but on or before the 18 month anniversary of the relevant C Ordinary Share Investment Date, an amount per relevant C Ordinary Share equal to 120 per cent of the relevant Original Subscription Price less the amount of any Priority Dividend paid on such shares prior to the Liquidation Date,
  - (iii) if the Liquidation Date falls after the 18 month anniversary of the relevant C Ordinary Share Investment Date but on or before the 24 month anniversary of the relevant C Ordinary Share Investment Date, an amount per relevant C Ordinary Share equal to 127.5 per cent of the relevant Original Subscription Price less the amount of any Priority Dividend paid on such shares prior to the Liquidation Date,
  - (iv) if the Liquidation Date falls after the 24 month anniversary of the relevant C Ordinary Share Investment Date but on or before the 30 month anniversary of the relevant C Ordinary Share Investment Date, an amount per relevant C Ordinary Share equal to 135 per cent of the relevant Original Subscription Price less the amount of any Priority Dividend paid on such shares prior to the Liquidation Date,
  - (v) if the Liquidation Date falls after the 30 month anniversary of the relevant C Ordinary Share Investment Date but on or before the 36

month anniversary of the relevant C Ordinary Share Investment Date, an amount per relevant C Ordinary Share equal to 142.5 per cent of the relevant Original Subscription Price less the amount of any Priority Dividend paid on such shares prior to the Liquidation Date, and

- (vi) if the Liquidation Date falls after the 36 month anniversary of the relevant C Ordinary Share Investment Date, an amount per relevant C Ordinary Share equal to 150 per cent of the relevant Original Subscription Price less the amount of any Priority Dividend paid on such shares prior to the Liquidation Date,

(each such period being a "**Liquidation Period**") and if the amount of any distribution is less than the Liquidation Preference the assets shall be distributed to the holders of the C Ordinary Shares pro rata to their respective maximum entitlements to the Liquidation Preference on the relevant Liquidation Date (less the amount of any Priority Dividend paid on such shares prior to the Liquidation Date),

- (b) second, subject to Article 6 1(d), in paying to the holders of the Preference Shares an amount equal to 120 per cent of the Original Subscription Price per Preference Share and if there is a shortfall the assets shall be distributed to the holders of the Preference Shares pro rata to their respective holdings of Preference Shares,
- (c) third (or second, as the case may be) in paying to the holders of the A Ordinary Shares and the B Ordinary Shares their respective Original Subscription Prices per A Ordinary Share or B Ordinary Share (as the case may be) and if there is a shortfall the assets shall be distributed to the holders of the A Ordinary Shares and B Ordinary Shares in proportion to the amounts paid or deemed to be paid (including share premium) on such shares held by each of them respectively, and
- (d) fourth (or third, as the case may be) the balance of such assets shall be distributed amongst the holders of the A Ordinary Shares, the B Ordinary Shares and the Ordinary Shares (pari passu as if the same constituted one class of share) in proportion to the numbers of shares held by them respectively, provided that in the event that a majority of the holders of the Preference Shares elect to waive their right to the preferential payment set out in Article 6 1(b) above, following the preferential payments set out in Article 6 1(a) and 6 1(c) above all holders of Preference Shares shall participate in such distribution with the holders of the A Ordinary Shares, B Ordinary Shares and Ordinary Shares (pari passu as if the same constituted one class of share) in proportion to the numbers of shares held by each of them respectively

#### *Exit provisions*

- 6.2 Upon a Sale of the Company the Members who sell shares in such Sale will be entitled to share in the proceeds thereof as if the same had been distributed under the provisions of Article 6 1 and the Directors shall not register any transfer of shares if

the proceeds are not so distributed, provided that the date of completion of such Sale (which date, for the purposes of this Article 6 2, shall be the Liquidation Date) shall be deemed to occur on the first day of the next following Liquidation Period for the purposes of the calculation of the payment due to the holders of the C Ordinary Shares pursuant to Article 6 1(a) and provided further that if the proceeds of sale are not settled in their entirety upon completion of the 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 6 1, and
- (b) the shareholders shall take any action as may reasonably be required by the holders of C Ordinary Shares to ensure that the proceeds of sale in their entirety are distributed in the order of priority set out in Article 6 1

6 3 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 6 1 provided that

- (a) the date of completion of such Asset Sale (which date, for the purposes of this Article 6 3, shall be the Liquidation Date) shall be deemed to occur on the first day of the next following Liquidation Period for the purposes of the calculation of the payment due to the holders of the C Ordinary Shares pursuant to Article 6 1(a), and
- (b) if it is not lawful for the Company to distribute its surplus assets in accordance with the provisions of these Articles, the Members shall take any action required (including, but without prejudice to the generality of this Article 6 3, actions that may be necessary to put the Company into voluntary liquidation) so that Article 6 1 applies

6 4 In the event of a Sale or Asset Sale for which the consideration is Purchaser Securities, the value of such Purchaser Securities shall be as agreed by the Board (with the approval of an Investor Director) If the Board cannot agree such adjustment unanimously any one Director may refer the matter to the Auditors whose determination shall, in the absence of manifest error, be final and binding on the Company and each of its Members The Auditors' costs shall be borne by the Company or such other person(s) and in such proportions as the Auditors, acting in their absolute discretion and having regard to all the circumstances of the dispute and the merits of the submissions of each party, shall determine

## **7 Class rights**

7 1 Whenever the capital of the Company is divided into different classes of shares the special rights attached to any class may be varied or abrogated either whilst the Company is a going concern or during or in contemplation of a winding up, only with the consent in writing of the holders of 75 per cent of the issued shares of that class entitled at that time to vote at a general meeting of the Company

7 2 Subject to Article 7 3 below, for the purposes of Article 7 1 the C Ordinary Shares shall be deemed to constitute a single class of shares notwithstanding the differing Original Subscription Price and C Ordinary Share Investment Date applicable to each Relevant C Ordinary Share Series

7 3 Each Relevant C Ordinary Share Series shall be deemed to constitute a different class of shares for the purposes of Article 7 1 for the purposes of consenting to a variation or abrogation of the type referred to in Article 7 1 only if and to the extent that such variation or abrogation would not affect the special rights attaching to each Relevant C Ordinary Share Series on an equivalent basis

## **8 Further issues of shares**

8 1 Subject to the remaining provisions of this Article 8, the Directors are generally and unconditionally authorised for the purpose of section 80 of the 1985 Act and/or section 551 of the 2006 Act to exercise any power of the Company to

- (a) offer, allot or grant rights to subscribe for,
- (b) convert securities into, or
- (c) otherwise deal in, or dispose of,

any Shares or any other relevant securities in the Company to any persons, at any times and subject to any terms and conditions as the Directors think proper, provided that

- (i) this authority shall be limited to a maximum nominal amount of Shares equal to the amount of the authorised but unissued share capital of the Company immediately following the date of adoption of these revised Articles,
- (ii) this authority shall only apply insofar as the Company in general meeting or by a written resolution passed in accordance with part 13 of the 2006 Act has not waived or revoked it,
- (iii) this authority may only be exercised for a period of five years commencing upon the date of adoption of these revised Articles, save that the Directors may make an offer or agreement which would or might require relevant securities to be allotted after the expiry of such authority (and the Directors may allot relevant securities in pursuance of an offer or agreement as if such authority had not expired)

8 2 In accordance with section 91(1) of the 1985 Act and section 567(1) of the 2006 Act, sections 89(1) and 90(1) to (6) (inclusive) of the 1985 Act and sections 561(1) and 562(1) to (5) (inclusive) of the 2006 Act do not apply to an allotment of equity securities made by the Company

8 3 Unless otherwise directed by special resolution by the Company in general meeting or by a written resolution passed in accordance with part 13 of the 2006 Act, all Relevant Securities (other than Authorised Share Options) shall first be offered on the same



terms and at the same price as those Relevant Securities are being offered to other persons to the Members in proportion as nearly as possible to the numbers of Equity Shares held by them. Any such offer shall be open for acceptance for not less than 21 days from the date of despatch. Any such Relevant Securities not accepted in that period ("**Excess Securities**") shall be offered to the existing holders of Equity Shares in accordance with Article 8.4.

#### 8.4 ***Offer to Qualifying Members***

- (a) After the expiry of the period for the offer pursuant to Article 8.3, the Excess Securities shall forthwith be offered for subscription by the Company giving notice in writing to that effect to all holders of Equity Shares (excluding those Members who did not acquire the full number of Relevant Securities offered to them by the Company pursuant to Article 8.3 and/or who would otherwise be entitled, pursuant to Article 8.5, to subscribe only for Excess Securities having an aggregate subscription price of less than £5,000) ("**Qualifying Members**"). The notice shall specify
- (i) the number of Excess Securities on offer and the subscription price, and
  - (ii) the date by which the application to subscribe for the Excess Securities has to be received by the Company (being a date no less than 14 days and no more than 21 days after the date of the notice).

The notice shall set out the method of allocation of the Excess Securities and shall invite each Qualifying Member to apply in writing to the Company for as many of the Excess Securities (if any) as that Qualifying Member would like to purchase.

- (b) Any Index Investor (the "**Participating Issue Index Investor**") shall be entitled to apply for all or part of the Relevant Securities offered to any other Index Investor in accordance with Article 8.3 and/or all or part of the Excess Securities offered to any other Index Investor in accordance with Article 8.4 (each such Index Investor, a "**Non-Participating Issue Index Investor**") and, if such an application is made, the Directors shall allocate the number of Relevant Securities and/or Excess Securities (as the case may be) applied for by the Participating Issue Index Investor to the Participating Issue Index Investor in accordance with this Article 8 as if the Participating Issue Index Investor were the Non-Participating Issue Index Investor(s). For the avoidance of doubt any application for Relevant Securities and/or Excess Securities by a Participating Issue Index Investor pursuant to this Article 8.4(b) shall decrease by a corresponding number the number of Relevant Securities and/or Excess Securities (as the case may be) that the relevant Non-Participating Issue Index Investor(s) shall be entitled to apply for.
- (c) Any Schirm Investor (the "**Participating Issue Schirm Investor**") shall be entitled to apply for all or part of the Relevant Securities offered to any other Schirm Investor in accordance with Article 8.3 and/or all or part of the Excess Securities offered to any other Schirm Investor in accordance with Article 8.4.

(each such Schirm Investor, a “**Non-Participating Issue Schirm Investor**”) and, if such an application is made, the Directors shall allocate the number of Relevant Securities and/or Excess Securities (as the case may be) applied for by the Participating Issue Schirm Investor to the Participating Issue Schirm Investor in accordance with this Article 8 as if the Participating Issue Schirm Investor were the Non-Participating Issue Schirm Investor(s). For the avoidance of doubt any application for Relevant Securities and/or Excess Securities by a Participating Issue Schirm Investor pursuant to this Article 8 4(c) shall decrease by a corresponding number the number of Relevant Securities and/or Excess Securities (as the case may be) that the relevant Non-Participating Issue Schirm Investor(s) shall be entitled to apply for

#### 8 5 *Basis of allocation to Members*

- (a) The Excess Securities shall be allocated by the Directors in satisfaction of the applications received in accordance with the procedure set out in this Article
- (b) If the total number of Excess Securities applied for by the Qualifying Members is equal to or less than the number of Excess Securities available, the Excess Securities shall be allocated in satisfaction of the applications received. Any Excess Securities not so subscribed shall be at the disposal of the Directors who may (within the period of three months from the end of the period referred to in Article 8 3) allot, grant options over or otherwise dispose of the same to such persons at a price per share and on terms not less favourable than that at which the same were offered to such Members, and otherwise on such terms as they think proper
- (c) If the total number of Excess Securities applied for is more than the number of Excess Securities available, the Directors shall allocate Excess Securities in satisfaction of each Qualifying Member's application for Excess Securities in accordance with the following formula set out in paragraph (d) below (as nearly as may be without involving fractions). This formula shall be applied repeatedly until such time as there are no Excess Securities remaining to be allocated. Each application of the formula is herein referred to as an “**iteration**”
- (d)

$$A = \frac{B}{C} \times D$$

**A** is the number of Excess Securities to be allocated to the relevant Qualifying Member in the iteration

**B** is the number of Equity Shares held by the Qualifying Member

**C** is the number of Equity Shares held by all Qualifying Members to whom the iteration is being applied

**D** is the number of Excess Securities or, after the first iteration, the number of Excess Securities remaining unallocated by previous iterations

- (e) If, in any iteration, a Qualifying Member would be allocated all or more than all of the Excess Securities for which he applied (including allocations from previous iterations) then any excess will not be allocated to that Qualifying Member. That Qualifying Member will cease to take part in any further iterations and such Excess Securities will be available for allocation in the next iteration.

## **9 Transfer of shares**

9.1 The Directors shall refuse to register any transfer of shares made in contravention of the provisions of these Articles but (subject to Regulation 24 of Table A) shall not otherwise be entitled to refuse to register any transfer of shares. For the purpose of ensuring that a particular transfer of shares is permitted under the provisions of these Articles, the Directors may request the transferor, or the person named as transferee in any transfer lodged for registration, to furnish the Company with such information and evidence as the Directors may reasonably think necessary or relevant. Failing such information or evidence being furnished to the satisfaction of the Directors within a period of 28 days after such request the Directors shall be entitled to refuse to register the transfer in question.

9.2 The Directors may, as a condition to the registration of any transfer of shares in the Company (whether pursuant to a permitted transfer made pursuant to Article 10 or otherwise), require the transferee to execute and deliver to the Company a deed agreeing to be bound by the terms of any shareholders' agreement or similar document in force between some or all of the shareholders and the Company in any 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) and if any condition is imposed in accordance with this Article 9.2 the transfer may not be registered unless that deed has been executed and delivered to the Company's registered office by the transferee.

## **10 Permitted and mandatory transfers**

### **10.1 *Permitted transfers to members of EuroClick USA LLC***

For so long as EuroClick USA LLC shall be a member of the Company, it may transfer all or any shares held by it to the members of EuroClick USA LLC from time to time pro rata to the number of membership interests then held by such transferee in EuroClick USA LLC.

### **10.2 *Permitted transfers to relations and family trusts***

Any Member may at any time during his lifetime or, under the provisions of his will or laws as to intestacy his legal personal representatives may, transfer all or any shares held by him to a Privileged Relation or to trustees to be held upon a Family Trust of which he is the settlor. If following such a transfer to a Privileged Relation the transferee ceases to be a Privileged Relation, it must forthwith transfer the relevant

shares to the original Member or give a Transfer Notice to the Company in accordance with Article 11.1, failing which it shall be deemed to have given a Transfer Notice

**10.3 Permitted transfers by family trusts**

Where any shares are held by trustees upon a Family Trust such shares may be transferred without restriction as to price or otherwise

- (a) on any change of trustees, to the new trustees of that Family Trust, or
- (b) at any time to the settlor or to another Family Trust of which he is the settlor or to any Privileged Relation of the settlor

**10.4 Permitted transfers by corporate Members**

- (a) Notwithstanding any other provisions of these Articles other than Article 10.9, a transfer of any shares in the Company held by any Member which is a company may be made to its holding company or to its subsidiary or to any subsidiary of that holding company (a "**member of the same group**"), and any such transfer shall be registered by the Directors. If any such transferee ceases to be a member of the same group as the original transferor it shall forthwith transfer the relevant shares back to the original transferor, or another member of the same group as the original transferor, failing which it shall be deemed to have given a Transfer Notice
- (b) Notwithstanding any other provisions of these Articles other than Article 10.9, a transfer of any shares in the Company held by a Schirm Investor which is a company or partnership may be made to the shareholders or partners of such company or partnership

**10.5 Permitted transfers by Investment Managers and Investment Funds**

Notwithstanding any other provision of these Articles other than Article 10.9, a transfer of any shares may be made (and any such transfers shall be registered by the Directors) between any Member (or a nominee of a Member) who is

- (a) a person whose principal business is to make, manage or advise upon investments (an "**Investment Manager**"), or
- (b) a fund, partnership, company, investment trust, syndicate or other entity whose principal business is to make investments and whose business is managed by an Investment Manager (an "**Investment Fund**"), or
- (c) a nominee of an Investment Manager of an Investment Fund,

and

- (a) where that Member is an Investment Manager or a nominee of an Investment Manager

- (i) any participant or partner in or member of any Investment Fund in respect of which the shares to be transferred are held (but only in connection with the dissolution of such Investment Fund or any distribution of assets of the Investment Fund pursuant to the operation of the Investment Fund in the ordinary course), or
  - (ii) any Investment Fund whose business is managed by the Investment Manager who is or whose nominee is the transferor, or
  - (iii) any other Investment Manager who manages the business of the Investment Fund in respect of which the shares are held,
- (b) where that Member is an Investment Fund or nominee of an Investment Fund
- (i) any participant or partner in or member of the Investment Fund which is or whose nominee is the transferor (but only in connection with the dissolution of such Investment Fund or any distribution of assets of the Investment Fund pursuant to the operation of the Investment Fund in the ordinary course), or
  - (ii) any other Investment Fund whose business is managed by the same Investment Manager as manages the Investment Fund which is or whose nominee is the transferor, or
  - (iii) the Investment Manager who manages the business of the Investment Fund which is or whose nominee is the transferor

#### 10 6 ***Permitted transfers - Transfers to and from the Employee Trust***

Any Member (or the legal personal representatives of a deceased Member) may at any time transfer shares to the trustees of the Employee Trust and the trustees of the Employee Trust may transfer any shares

- (a) upon change of trustees, to the new or remaining trustee or trustees for the time being of the Employee Trust, and
- (b) to any bona fide employees of the Company or any other Group Company on their becoming entitled to the same under the terms of the Employee Trust

#### 10 7 ***Mandatory transfer if trust ceases to be a Family Trust***

If and whenever any shares in the Company held by trustees upon a Family Trust cease to be so held upon a Family Trust (otherwise than in consequence of a transfer to the settlor or to any Privileged Relation of the settlor) or there cease to be any beneficiaries of the Family Trust other than a charity or charities a Transfer Notice (as hereinafter defined) shall be deemed to have been given in respect of all shares in the Company by the holders thereof and such shares may not otherwise be transferred

**10 8 *Bankrupt shareholder provisions***

- (a) Regulations 30 and 31 of Table A shall be applied subject to the provisions of Article 10 8(b)
- (b) A person entitled to a share in consequence of the bankruptcy of a member shall be bound at any time, if and when required in writing by the Board so to do, to give a Transfer Notice in respect of such share, and if such person fails to give a Transfer Notice, he shall be deemed to have served the Company with a Transfer Notice in respect of that share. The provisions of Article 11 shall apply to such share and the Transfer Notice (if not actually given) shall be deemed to have been received by the Company on the date on which the Directors required the Transfer Notice to be given

**10 9 *Restriction on transfers to competitors***

Notwithstanding any other provision of these Articles, except when a transfer is required to be made pursuant to Article 12 or when, as a result of a transfer, a Controlling Interest would be obtained in the Company by any person or group of persons acting in concert but in addition to the provisions of regulation 24 of Table A, the Directors may, acting in good faith, refuse to register a transfer if they determine in their reasonable opinion such transferee or any of such transferees' affiliates or its Connected Persons or any person acting in concert with it (or any nominee of the foregoing) currently competes, or is likely to compete, with the business of any Group Company as carried on from time to time in any material respect and regulation 24 of Table A shall be modified accordingly

**10 10 *Mandatory transfer on a change of control***

If there is a change in control (as control is defined in section 840 of ICTA) of any Member which is a company, it shall be bound at any time, if and when required in writing by the Directors to do so, to give (or procure the giving in the case of a nominee) a Transfer Notice in respect of all the Shares registered in its and their names and their respective nominees' names save that, in the case of a permitted transferee pursuant to these Articles, it shall first be permitted to transfer those Shares back to the original Shareholder from whom it received its Shares or to any other permitted transferee of the original Shareholder before being required to serve a Transfer Notice. This Article shall not apply to a Member that is an Investor

**11 *Pre-emption rights***

**11 1 *Transfer Notices and Sale Price***

Except where otherwise provided in these Articles or where the restrictions imposed by this Article 11 1 are waived by the Investor Directors and holders of 65 per cent of the total number of Equity Shares in issue, every Member who desires to transfer any interest in shares must serve a Transfer Notice and any Member who is required by these Articles to transfer any interest in shares will be deemed to have served a Deemed Transfer Notice. Transfer Notices and Deemed Transfer Notices shall constitute the Company the Seller's agent for the sale of the Sale Shares in one or more

lots at the discretion of the Directors at the price agreed by the Seller and the Directors (the "**Sale Price**") **provided that** the Directors shall be bound to agree a Sale Price equal to the amount (if any) offered in writing to the Seller for the Sale Shares by a bona fide third party purchaser on arms' length terms provided such offer shall be immediately capable of acceptance without condition (save in respect of the Seller's obligations under these Articles) If the Seller and the Directors are unable to agree a price within 21 days of the Transfer Notice being given or being deemed to have been given the Sale Price will instead be the price which the Independent Expert shall certify to be in his opinion a fair value of the Sale Shares In arriving at his opinion the Independent Expert will value the Sale Shares as at the date the Transfer Notice is given, or is deemed to have been given, on a going concern and arm's length basis as between a willing seller and a willing buyer, ignoring any reduction in value which may be ascribed to the Sale Shares by virtue of the fact that they represent a minority interest and on the assumption that the Sale Shares are capable of transfer without restriction The decision of the Independent Expert as to the Sale Price shall be final and binding

**11 2    *Right of Seller to reject partial sales***

A Transfer Notice (but not a Deemed Transfer Notice) may contain a condition (a "**Total Transfer Condition**") that unless all the Sale Shares are sold by the Company pursuant to this Article none shall be sold Any such provision shall be binding on the Company

**11 3    *Certification of the Sale Price and right of Seller to cancel***

If the Independent Expert is asked to certify the fair value his certificate shall be delivered to the Company As soon as the Company receives the certificate it shall deliver a copy of it to the Seller The Seller shall be entitled by notice in writing given to the Company within seven days of the service upon him of the copy certificate to cancel the Company's authority to sell the Sale Shares unless the shares are to be sold pursuant to a Deemed Transfer Notice The cost of obtaining the certificate shall be paid by the Seller unless the Sale Price determined by the Independent Expert is 10 per cent or more higher than the highest price offered in writing by the Directors to the Seller, in which case the Company shall bear the cost of obtaining the certificate provided that the Seller does not cancel the Company's authority to sell the Sale Shares in accordance with this Article 11 3 (and, for the avoidance of doubt, if the Seller so cancels the Company's authority the Seller shall bear such costs)

**11 4    *Pre-emptive offers - general***

Once the Sale Price has been determined then, unless the Seller has given a valid notice of cancellation, the Sale Shares shall be offered for sale in accordance with the following provisions of this Article 11

**11 5    *Offer to Members***

As soon as the Sale Shares become available they shall forthwith be offered for sale by the Company giving notice in writing to that effect to all holders of Equity Shares (other than the Seller) The notice shall specify

- (a) the number of Sale Shares on offer and the Sale Price,
- (b) whether the Sale Shares are subject to a Total Transfer Condition, and
- (c) the date by which the application to purchase the Sale Shares has to be received by the Company (being a date no less than 14 days and no more than 21 days after the date of the notice)

The notice shall set out the method of allocation of the Sale Shares and shall invite each Member to apply in writing to the Company for as many of the Sale Shares (if any) as that Member would like to purchase

#### 11.6 ***Basis of allocation to Members***

- (a) The Sale Shares shall be allocated by the Directors in satisfaction of the applications received in accordance with the procedure set out in this Article
- (b) If the total number of Sale Shares applied for by the Members is equal to or, provided that the Sale Shares are not subject to a Total Transfer Condition, less than the number of Sale Shares available, the Sale Shares shall be allocated in satisfaction of the applications received
- (c) If the total number of Sale Shares applied for is more than the number of Sale Shares available, the Directors shall allocate Sale Shares in satisfaction of each Member's application for Sale Shares in accordance with the following formula set out in paragraph (d) below. This formula shall be applied repeatedly until such time as there are no Sale Shares remaining to be allocated. Each application of the formula is herein referred to as an "iteration"
- (d)

$$A = \frac{B}{C} \times D$$

**A** is the number of Sale Shares to be allocated to the relevant Member in the iteration

**B** is the number of Equity Shares held by the Member

**C** is the number of Equity Shares held by all Members to whom the iteration is being applied

**D** is the number of Sale Shares or, after the first iteration, the number of Sale Shares remaining unallocated by previous iterations

- (e) If, in any iteration, a Member would be allocated all or more than all of the Sale Shares for which he applied (including allocations from previous iterations) then any excess will not be allocated to that Member. That Member



will cease to take part in any further iterations and the excess Sale Shares will be available for allocation in the next iteration

- (f) Any Index Investor (the “**Participating Transfer Index Investor**”) shall be entitled to apply for all or part of the Sale Shares offered to any other Index Investor (the “**Non-Participating Transfer Index Investor**”) in accordance with Article 11.5 and, if such an application is made, the Directors shall allocate the number of Sale Shares applied for by the Participating Transfer Index Investor to the Participating Transfer Index Investor in accordance with this Article 11 as if the Participating Transfer Index Investor were the Non-Participating Transfer Index Investor(s). For the avoidance of doubt any application for Sale Shares by a Participating Transfer Index Investor pursuant to this 11.6(f) shall decrease by a corresponding number the number of Sale Shares that the relevant Non-Participating Transfer Index Investor(s) shall be entitled to apply for
  - (g) Any Schirm Investor (the “**Participating Transfer Schirm Investor**”) shall be entitled to apply for all or part of the Sale Shares offered to any other Schirm Investor (the “**Non-Participating Transfer Schirm Investor**”) in accordance with Article 11.5 and, if such an application is made, the Directors shall allocate the number of Sale Shares applied for by the Participating Transfer Schirm Investor to the Participating Transfer Schirm Investor in accordance with this Article 11 as if the Participating Transfer Schirm Investor were the Non-Participating Transfer Schirm Investor(s). For the avoidance of doubt any application for Sale Shares by a Participating Transfer Schirm Investor pursuant to this 11.6(g) shall decrease by a corresponding number the number of Sale Shares that the relevant Non-Participating Transfer Schirm Investor(s) shall be entitled to apply for
- 11.7 The Company shall notify the Seller and each Member who applied for Sale Shares of the number of Sale Shares that have been allocated and the persons to whom they have been allocated. The notification shall include the place and time (being not later than 14 days after the date by which applications had to be received) at which the sale of the Sale Shares shall be completed
- 11.8 If the Sale Shares are subject to a Total Transfer Condition that has not been met the Company shall notify the Seller and the holders of Equity Shares that the relevant Transfer Notice has lapsed with immediate effect
- 11.9 ***Transfer procedure for pre-emptive offers***

If the Company finds a purchaser or purchasers for all or any of the Sale Shares under the terms of this Article the Seller shall be bound, upon receipt of the Sale Price, to transfer the Sale Shares (or such of the same for which the Company shall have found a purchaser or purchasers) to such persons. If the Seller defaults in transferring Sale Shares the Company shall, if so required by the person or persons willing to purchase such Sale Shares, receive and give a good discharge for the purchase money on behalf of the Seller and shall authorise some person to execute transfers of the Sale Shares in favour of the purchasers and (subject to the transfer being duly stamped) shall enter the

names of the purchasers in the Register of Members as the holder of such of the Sale Shares as have been transferred to them

**11 10 *Transfers free of pre-emption***

If the Company does not find purchasers for all of the Sale Shares under the terms of this Article 11, the Seller shall at any time within three months after the date of the offer by the Company to its Members be free to sell and transfer such of the Sale Shares as have not been so sold to any person at a price which is no less than the Sale Price provided that the right of Seller to transfer Sale Shares under this Article 11 10 does not apply if the Directors are of the opinion on reasonable grounds that the sale of the Sale Shares is not bona fide or the price is subject to a deduction, rebate or allowance to the transferee. If the Sale Shares were the subject of a Total Transfer Condition such a sale may only be made of all the Sale Shares and not part only

**11 11 *Effect of non-compliance***

Any purported transfer of shares otherwise than in accordance with the provisions of these Articles shall be void and have no effect.

**12 *Tag along and drag along rights***

**12 1 *Tag along in the event of a proposed change of control***

No sale or transfer of the legal or beneficial interest in any shares in the Company may be made or validly registered if, as a result of such sale or transfer and registration thereof, a Controlling Interest would be obtained in the Company by any person or group of persons acting in concert unless the proposed transferee or transferees or his or their nominees

- (a) are acting in good faith and on arms length terms,
- (b) has or have offered to purchase all the Equity Shares, and
- (c) has or have allocated the consideration payable for all the shares it is purchasing and offering to purchase in the same manner as if the consideration was to be distributed to the selling shareholders in accordance with the provisions of Article 6 on the assumption that the holders of the Preference Shares shall not waive their entitlement in accordance with Article 6 1(d) to the liquidation preference set out in Article 6 1(b), unless it is so waived

Any transfer made pursuant to an offer which complies with the requirements of this Article 12 1 shall not be subject to Article 11

**12 2 *Tag along in the event of a material disposal of shares by the CEO or Senior Managers and right of Company to repurchase***

- (a) No sale or transfer of the legal or beneficial interest in any shares in the Company may be made or validly registered if, as a result of such sale or transfer (or series of transfers) and registration thereof, a Senior Manager

would have disposed of (in aggregate, together with all other such transfers by him) Equity Shares comprising more than 10 per cent of the total number of Equity Shares in respect of which he has direct or indirect legal or beneficial ownership on the date of adoption of these Articles (or, in respect of each of Matthias Quadflieg and Arndt Groth, comprising more than 10 per cent of the total number of Equity Shares subject to options held by him on the date of adoption of these Articles) unless

- (i) the consent of the Board (including the approval of an Investor Director evidenced in writing) is obtained, or
  - (ii) the proposed transferee or transferees pursuant to this Article 12 2(a) or his or their nominees
    - (A) are acting in good faith and on arms length terms,
    - (B) has or have offered to purchase all the Equity Shares, and
    - (C) has or have allocated the maximum amount of consideration payable for all the shares it is purchasing and offering to purchase in the same manner as if such consideration was to be distributed to the selling shareholders in accordance with the provisions of Article 6 on the assumption that the holders of the Preference Shares shall not waive their entitlement in accordance with Article 6 1(d) to the liquidation preference set out in Article 6 1(b), unless it is so waived
- (b) In the event of a sale or transfer of the legal or beneficial interest in any Equity Shares which would result in (in aggregate, together with all other such transfers after the date of adoption of these Articles) a Senior Manager disposing of less than 10 per cent of the total number of Equity Shares in respect of which he has direct or indirect legal or beneficial ownership at the date of adoption of these Articles (or, in respect of each of Matthias Quadflieg and Arndt Groth, comprising less than 10 per cent of the total number of Equity Shares subject to options held by him on the date of adoption of these Articles) (the "**Manager Shares**"), the Senior Manager shall give written notice to the Company of the transfer of such shares, and the price for such Manager Shares (the "**Manager Share Sale Price**") shall be determined in accordance with the provisions of Article 11 1 and the provisions of that Article shall apply *mutatis mutandis* to the determination of the Manager Share Sale Price under this Article 12 2(b)
- (c) Following receipt of the notice referred to in Article 12 2(b), the Company shall have the option (but shall not be bound) to purchase, or procure the purchase by a Group Company of, any such Manager Shares at the Manager Share Sale Price In the event that the Company
- (i) elects to purchase or procure the purchase of none or part only of the Manager Shares, or

- (ii) has not given the Senior Manager written notice of its intention to purchase or procure the purchase of some or all of the Manager Shares at the Manager Share Sale Price,

in each case within 14 days of receipt of such notice, a Transfer Notice in respect of the Manager Shares not elected to be purchased by the Company (or such other Group Company) shall be deemed issued and the provisions of Articles 11 5 to 11 10 (inclusive) shall apply to such Deemed Transfer Notice and the Manager Shares

- (d) The restrictions set out in this Article 12 2 shall cease to apply immediately prior to, and conditionally upon, a sale or transfer giving rise to a Controlling Interest being obtained in the Company by any person or group of persons acting in concert but without prejudice to the continued application of Articles 11 and 12 1 to the relevant Equity Shares
- (e) Any transfer made pursuant to an offer to all holders of Equity Shares which complies with the requirements of Article 12 2(a) shall not be subject to Article 11
- (f) References in this Article 12 to the disposal of Equity Shares by a "Senior Manager" shall not include a disposal by a shareholder to a permitted transferee pursuant to the permitted transfer provisions of Article 10, but shall include any subsequent disposal of such Equity Shares by such permitted transferee except where the relevant Senior Manager ceases to be a Senior Manager for the purposes of these Articles

### 12 3 *Drag along*

- (a) If the holders of 70 per cent of the Equity Share capital in issue for the time being (together, the "**Selling Shareholders**") wish to transfer all their interest in Equity Shares (the "**Sellers' Shares**") to a bona fide arms length purchaser (the "**Third Party Purchaser**") and provided that the Third Party Purchaser has allocated the consideration payable for all the shares it is purchasing and offering to purchase in the same manner as if the consideration was to be distributed to the selling shareholders in accordance with the provisions of Article 6 (on the assumption that the holders of the Preference Shares shall not waive their entitlement in accordance with Article 6 1(d) to the liquidation preference set out in Article 6 1(b), unless it is so waived), the Selling Shareholders shall have the option (subject to the prior consent of an Investor Director evidenced in writing) (the "**Drag Along Option**") to require all the other holders of Equity Shares (the "**Called Shareholders**") to sell and transfer all their shares to the Third Party Purchaser or as the Third Party Purchaser shall direct in accordance with the provisions of this Article
- (b) The Selling Shareholders may exercise the Drag Along Option by giving a written notice to that effect (a "**Drag Along Notice**") at any time before the transfer of the Sellers' Shares to the Third Party Purchaser. A Drag Along Notice shall specify that the Called Shareholders are required to transfer all

their Equity Shares (the "Called Shares") pursuant to this Article, the person to whom they are to be transferred, the consideration for which the Called Shares are to be transferred (calculated in accordance with this Article) and the proposed date of transfer

- (c) Drag Along Notices shall be irrevocable but will lapse if for any reason there is not a sale of the Sellers' Shares by the Selling Shareholders to the Third Party Purchaser within 60 days after the date of service of the Drag Along Notice. The Selling Shareholders shall be entitled to serve further Drag Along Notices following the lapse of any particular Drag Along Notice
- (d) The consideration (in cash or otherwise) for which the Called Shareholders shall be obliged to sell each of the Called Shares shall be that to which they would be entitled if the total consideration proposed to be paid by the Third Party Purchaser were distributed to the holders of the Called Shares and the Sellers' Shares in accordance with the provisions of Article 6 (on the assumption that the holders of the Preference Shares shall not waive their entitlement in accordance with Article 6 1(d) to the liquidation preference set out in Article 6 1(b), unless it is so waived)
- (e) No Drag Along Notice may require a Called Shareholder to agree to any terms save those specifically provided for in this Article

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 Sellers' Shares unless

- (i) all of the Called Shareholders and the Selling Shareholders agree otherwise, or
- (ii) that date is less than 3 days after the Drag Along Notice where it shall be deferred until the third day after the Drag Along Notice
- (f) The rights of pre-emption set out in these Articles shall not arise on any transfer of shares to a Third Party Purchaser (or as they may direct) pursuant to a sale in respect of which a Drag Along Notice has been duly served
- (g) If any holder of Equity Shares does not on completion of the sale of Called Shares execute and deliver transfer(s) in respect of all the Called Shares held by them the defaulting holder shall be deemed to have irrevocably appointed any person nominated for the purpose by the Selling Shareholders to be their agent and attorney to execute all necessary transfer(s) on his behalf against receipt by the Company (on trust for such holder) of the purchase monies or any other consideration payable for the Called Shares and to deliver such transfer(s) to the Third Party Purchaser (or as they may direct) and the Directors shall forthwith register the Third Party Purchaser (or as they may direct) as the holder thereof. After the Third Party Purchaser (or their nominee) has been registered as the holder, the validity of such proceedings shall not be questioned by any such person. It shall be no impediment to registration of shares under this sub-Article that no share certificate has been produced

- (h) Upon any person, following the issue of a Drag Along Notice, becoming a member of the Company pursuant to the exercise of a pre-existing option to acquire shares in the Company ("a **New Member**"), a Drag Along Notice shall be deemed to have been served upon the New Member on the same terms as the previous Drag Along Notice who shall thereupon be bound to sell and transfer all such shares acquired by them to the Third Party Purchaser or as the Third Party Purchaser may direct and the provisions of this Article shall apply *mutatis mutandis* to the New Member save that completion of the sale of such shares shall take place forthwith upon the Drag Along Notice being deemed served on the New Member

### 13 **Appointment of Directors**

- 13 1 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
- 13 2 For so long as Wellington (and its permitted transferees pursuant to Article 10) holds at least five per cent of the fully diluted share capital of the Company and a Qualifying IPO has not occurred, Wellington shall be entitled to nominate one person to act as a non-executive Director of the Company by notice in writing addressed to the Company from time to time and the other holders of Shares shall not vote their Shares so as to remove that Director from office Wellington shall be entitled to remove their nominated Director so appointed at any time by notice in writing to the Company served at its registered office and appoint another person to act in his place
- 13 3 For so long as Index (and its permitted transferees pursuant to Article 10) holds at least five per cent of the fully diluted share capital of the Company and a Qualifying IPO has not occurred, Index shall be entitled to nominate two persons to act as a non-executive Director of the Company by notice in writing addressed to the Company from time to time and the other holders of Shares shall not vote their Shares so as to remove those Directors from office Index shall be entitled to remove their nominated Directors so appointed at any time by notice in writing to the Company served at its registered office and appoint other persons to act in their place
- 13 4 Schirm Associates Limited shall be entitled to nominate one person to act as a non-executive Director of the Company by notice in writing addressed to the Company from time to time and the other holders of Shares shall not vote their Shares so as to remove that Director from office, but provided that, if the person appointed by Schirm Associates Limited is not Dr Neil Sunderland, such appointment shall be subject to the approval of the Board Schirm Associates Limited shall be entitled to remove their nominated Director so appointed at any time by notice in writing to the Company served at its registered office and appoint another person to act in his place, but provided that, if the person appointed by Schirm Associates Limited is not Dr Neil Sunderland, such appointment shall be subject to the approval of the Board
- 13 5 Holders of in excess of 50 per cent of the total number of Ordinary Shares from time to time shall be entitled to appoint a non-executive Director of the Company (the "**Ordinary Shareholder Director**") and to remove from office any person so appointed and to appoint another person in his place and the other holders of such

Shares other than Ordinary Shares shall not vote such Shares so as to remove that Director from office

13 6 For so long as the Original Founders holds at least

- (a) if and for so long as Tyler Moebius performs a strategic role in relation to the Company, five per cent of the fully diluted share capital of the Company, or
- (b) in circumstances where Article 13 6(a) does not apply, 10 per cent of the fully diluted share capital of the Company,

and a Qualifying IPO has not occurred, the Original Founders shall be entitled to nominate one person to act as a Director of the Company by notice in writing addressed to the Company from time to time and the other holders of Shares shall not vote their Shares so as to remove that Director from office. The Original Founders shall be entitled to remove their nominated Director so appointed at any time by notice in writing to the Company served at its registered office and appoint another person to act in his place

13 7 An appointment or removal of a Director under Articles 13 2, 13 3, 13 4, 13 5 and 13 6 will take effect at and from the time when the notice is received at the registered office of the Company or produced to a meeting of the Directors of the Company

13 8 Article 13 4 shall apply only for so long as the Schirm Group, Oliver Jung and Patagorang Limited hold in aggregate at least three per cent of the fully diluted share capital of the Company and shall automatically terminate upon, but not before, a Qualifying IPO

#### 14 **Reserved matters**

14 1 Notwithstanding any other provision of these Articles

- (a) no Sale or IPO shall be effected without the consent of the holders of not less than 70 per cent of the Equity Shares then in issue, and
- (b) without the consent of the holders of not less than 65 per cent of the Equity Shares then in issue the Company shall not
  - (i) make any change to the share capital of the Company, including the grant of options over the authorised but unissued share capital of the Company or introduce any bonus or profit sharing scheme for its employees (other than in respect of any Authorised Share Options),
  - (ii) as part of a single transaction or series of related transactions sell, transfer, licence or otherwise dispose of all or any substantial part of its undertaking or business with a value equal to or more than £15 million,
  - (iii) as part of a single transaction or series of related transactions purchase, enter into an option to purchase, licence or otherwise acquire all or any

substantial part of an undertaking or business or other assets with a value equal to or more than £15 million,

- (iv) propose or pay any dividend or propose or make any other distribution (as defined under sections 209, 418 and 419 of the Income and Corporation Taxes Act 1988),
- (v) purchase or redeem any shares in the capital of the Company, or
- (vi) increase the number of Directors of the Company beyond seven

## **15 Voluntary conversion of Privileged Shares**

- 15 1 Each holder of Privileged Shares in issue from time to time may at any time by written notice to the Company convert any Privileged Shares held by it into Ordinary Shares at the rate of one Ordinary Share for each Privileged Share held
- 15 2 Forthwith after conversion takes effect the holders of the resulting Ordinary Shares shall send to the Company the certificates in respect of their holding of Privileged Shares (or an indemnity in a form reasonably satisfactory to the Board in respect of any lost certificate(s)) and the Company shall issue to such holder a certificate for the Ordinary Shares resulting from the conversion
- 15 3 The Ordinary Shares resulting from the conversion shall rank from the date of conversion pari passu in all respects with the other Ordinary Shares in the capital of the Company

## **16 Conversion of Privileged Shares on IPO**

### *Conversion*

- 16 1 If with the consent of the Board, the Company proposes to effect an IPO which does not otherwise constitute a Qualifying IPO for the purposes of these Articles (a "**Non-Qualifying IPO**") the holders of 70 per cent of the Equity Share capital in issue for the time being shall be entitled, by notice in writing to the Company, to require conversion into Ordinary Shares of all (but not some only) of the Privileged Shares then in issue and such Privileged Shares shall immediately before but conditional on such Non-Qualifying IPO convert automatically into Ordinary Shares at the rate of one Ordinary Share for each Privileged Share held
- 16 2 All of the Privileged Shares shall immediately before but conditional on a Qualifying IPO convert automatically into Ordinary Shares at the rate of one Ordinary Share for each Privileged Share held
- 16 3 Forthwith after conversion takes effect the holders of the resulting Ordinary Shares shall send to the Company the certificates in respect of their holding of Privileged Shares and the Company shall issue to such holder a certificate for the Ordinary Shares resulting from the conversion
- 16 4 The Ordinary Shares resulting from the conversion shall rank from the date of



conversion *pari passu* in all respects with the other Ordinary Shares in the capital of the Company

- 16 5 In the event of any Issue or Reorganisation the adjustment of the conversion ratio set out in Article 16 1 or 16 2 (as the case may be) shall be on such basis as may be agreed by the Board prior to any IPO taking effect. If the Board cannot agree such adjustment unanimously, any one Director may refer the matter to the Auditors whose determination shall, in the absence of manifest error, be final and binding on the Company and each of its Members. The Auditors' costs shall be borne by the Company or such other person(s) and in such proportions as the Auditors, acting in their absolute discretion and having regard to all the circumstances of the dispute and the merits of the submissions of each party, shall determine.

*Issue of Compensation Ordinary Shares on a Non-Qualifying IPO*

- 16 6 In the event of a Non-Qualifying IPO, the holders of the Privileged Shares shall be entitled to receive additional Ordinary Shares ("**Compensation Ordinary Shares**") having an aggregate value equal to the difference between
- (a) the amount which such Privileged Shareholder would be entitled to receive under Article 6 on the basis that the Non-Qualifying IPO shall be deemed, for the purposes of this Article 16 6, to constitute a Liquidation Event (on the assumption that the holders of the Preference Shares shall not waive their entitlement in accordance with Article 6 1(d) to the liquidation preference set out in Article 6 1(b), unless it is so waived) and assuming that the valuation of the Company is equal to the Pre-New Money Valuation, and
  - (b) the value of the Ordinary Shares to be received by such Privileged Shareholder on conversion pursuant to Article 16 1
- 16 7 The value of the Compensation Ordinary Shares and the Ordinary Shares referred to in Article 16 6(b) shall be as determined by the Board, having regard to the proposed subscription or purchase price for each Ordinary Share to be offered for subscription or sale pursuant to the Non-Qualifying IPO
- 16 8 The Board shall determine the number of Compensation Ordinary Shares to be issued pursuant to Article 16 6, and their distribution as between each class of Privileged Share
- 16 9 If the Board cannot agree the number, distribution or value of the Compensation Ordinary Shares unanimously, any one Director may refer the matter to the Auditors whose determination shall, in the absence of manifest error, be final and binding on the Company and each of its Members. The Auditors' costs shall be borne by the Company or such other person(s) and in such proportions as the Auditors, acting in their absolute discretion and having regard to all the circumstances of the dispute and the merits of the submissions of each party, shall determine
- 16 10 The Compensation Ordinary Shares shall be paid up by the automatic capitalisation of available reserves of the Company, unless and to the extent that the same shall be impossible or unlawful or a majority of the holders of the Privileged Shares shall agree

otherwise, in which event the Privileged Shareholders shall be entitled to subscribe for the Compensation Ordinary Shares in cash at par

## 17 Anti-dilution

- 17.1 If the Company issues any Additional Shares without consideration or for a consideration per share less than the Original Subscription Price of a Relevant C Ordinary Share Series (a "Qualifying Issue") (which in the event that the Additional Shares are not issued for cash shall be a price certified by the Auditors acting as experts and not as arbitrators as being in their opinion the current cash value of the new cash consideration for the allotment of the Additional Shares) then the Company shall, unless and to the extent that the holders of not less than 65 per cent of the C Ordinary Shares comprising each Participating Relevant C Ordinary Share Series shall have specifically waived the rights of all of the holders of that Participating Relevant C Ordinary Share Series under this Article 17.1, offer (such offer, unless waived, to remain open for acceptance for not less than 15 working days) to each holder of C Ordinary Shares of the Participating Relevant C Ordinary Share Series (the "Exercising Investor") the right to receive such number of new Ordinary Shares by applying the following formula (and rounding the product, N, down to the nearest whole share), subject to adjustment as certified in accordance with Article 17.3 (the "Anti-Dilution Shares")

$$N = \left( \frac{W}{WA} \right) - Z$$

Where

N = the number of Anti-Dilution Shares,

WA = the weighted average price per share held by the Exercising Investor as calculated by the following formula

$$WA = \frac{(OSP \times ESC) + (X \times NS)}{(ESC + NS)}$$

W = the total amount subscribed (whether in cash or by way of conversion of loan) by each Exercising Investor for C Ordinary Shares,

X = the price (if any) at which each Additional Share is to be issued pursuant to a Qualifying Issue,

Z = the number of C Ordinary Shares subscribed by each Exercising Investor plus, in each case, the number of Ordinary Shares issued on a previous occasion to that Exercising Investor pursuant to this Article 17.1,

OSP = Original Subscription Price of the relevant C Ordinary Shares,

ESC = the number of Equity Shares in issue plus the aggregate number of shares in respect of which options to subscribe have been granted (other than in respect of Authorised Share Options or pursuant to a Employees' Share Scheme), or which are subject to convertible securities (including but not limited to warrants) in each case immediately prior to a Qualifying Issue, and

NS = the number of Additional Shares issued pursuant to the Qualifying Issue

17.2 The Anti-Dilution Shares shall

- (a) be paid up by the automatic capitalisation of available reserves of the Company, unless and to the extent that the same shall be impossible or unlawful or a majority of the Exercising Investors shall agree otherwise, in which event the Exercising Investors shall be entitled to subscribe for the Anti-Dilution Shares in cash at par. In the event of any dispute between the Company and any Exercising Investor as to the effect of Article 17.1, the matter shall be referred to the Auditors for certification of the number of Anti-Dilution Shares to be issued. The Auditors shall determine, having regard to all the circumstances of the dispute and the merits of the submissions by each party, by whom and in what proportions its costs should be met. The Auditor's certification of the matter shall in the absence of manifest error be final and binding on the Company and the Exercising Investor, and
- (b) subject to the payment of any cash payable pursuant to Article 17.2(a) (if applicable), be issued, credited fully paid up in cash and shall rank *pari passu* in all respects with the existing Ordinary Shares, within 5 working days of the expiry of the offer being made by the Company to the Exercising Investor and pursuant to Article 17.2(a)

17.3 In the event of any Issue or Reorganisation the Original Subscription Price of the C Ordinary Shares shall also be subject to adjustment on such basis as may be agreed by the Company with the holders of 65 per cent of the C Ordinary Shares comprising each Relevant C Ordinary Share Series within 10 working days after any Issue or Reorganisation. If the Company and the holders of the relevant C Ordinary Shares cannot agree such adjustment in accordance with this Article 17.3 it shall be referred to the Auditors whose determination shall, in the absence of manifest error, be final and binding on the Company and each of its Members. The costs of the Auditors shall be borne by the Company

17.4 If the Company grants or issues

- (a) any options or rights to purchase or subscribe for Additional Shares ("**Options**"),
- (b) securities by their terms convertible into or exchangeable for Additional Shares ("**Convertible Shares**"), or

- (c) options or rights to purchase or subscribe for such convertible or exchangeable securities ("**Convertible Options**"),

the following provisions shall apply for all purposes of this Article

- (a) The aggregate maximum number of Additional Shares issuable upon the exercise (assuming the satisfaction of any conditions) of such Options shall be deemed to have been issued at the time such Options were issued and for a consideration equal to that, if any, received by the Company upon issuing such Options plus the minimum exercise price provided in such Options
- (b) The aggregate maximum number of Additional Shares issuable
  - (i) upon the conversion of, or in exchange for, any Convertible Shares (assuming the satisfaction of any conditions on convertibility or exchangeability), or
  - (ii) upon the exercise of any Convertible Options and subsequent conversion or exchange thereof,

shall be deemed to have been issued at the time such Convertible Shares or Convertible Options (as appropriate) were issued and for a consideration equal to that, if any, received by the Company for any such Convertible Shares or Convertible Options plus the minimum additional consideration, if any, to be received by the Company upon the conversion or exchange of such Convertible Shares or the exercise of such Convertible Options

- 17 5 The Directors and the Members of the Company shall use their respective rights and powers to procure, so far as they are able, that the Company has sufficient authorised but unissued Ordinary Shares to meet any obligations which may arise under this Article

## 18 **Meetings of Directors**

Notice of every meeting of the Directors shall be given to each Director at any address supplied by him to the Company for that purpose whether or not he be present in the United Kingdom provided that any Director may waive notice of any meeting either prospectively or retrospectively and if he shall do so it shall be no objection to the validity of such meeting that notice was not given to him Meetings of the Directors may, be held by conference telephone or similar equipment, so long as all the participants can hear each other Such meetings shall be as effective as if the Directors had met in person

## 19 **Directors' conflicts of interest**

- 19 1 Subject to the provisions of the Act and provided that he has disclosed to the Directors the nature and extent of any material interest of his, a Director notwithstanding his office

- (a) may be a party to or otherwise interested in any transaction or arrangement with the Company or in which the Company is in any way interested,
- (b) may be a director or other officer of or employed by or be a party to any transaction or arrangement with or otherwise interested in any body corporate promoted by the Company or in which the Company is in any way interested,
- (c) may (and any firm or company of which he is a partner or Member or director may) act in a professional capacity for the Company or any body corporate in which the Company is in any way interested,
- (d) shall not by reason of his office be accountable to the Company for any benefit which he derives from such office service or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit, and
- (e) shall be entitled to vote and be counted in the quorum on any matter referred to in the foregoing paragraphs of this Article

**19 2 For the purposes of this Article**

- (a) a general notice to the Directors that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the Director has an interest in any such transaction of the nature and extent so specified,
- (b) an interest of which a Director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his, and
- (c) an interest of a person who is for any purpose of the 2006 Act (excluding any statutory modification not in force when these Articles were adopted) connected with a Director shall be treated as an interest of the Director and in relation to an alternate director an interest of his appointor shall be treated as an interest of the alternate director without prejudice to any interest which the alternate director has otherwise

**20 Lien**

The lien conferred by regulation 8 of Table A shall apply to all shares of the Company not fully paid for all and any indebtedness of any holder of it to the Company, whether or not that indebtedness or liability is in respect of the Shares concerned and whether or not it is presently payable and whether he be the sole registered holder of the Shares or one of several joint holders

**21 Partly paid shares**

**21 1** The liability of any Member in default in respect of a call shall be increased by the

addition at the end of the first sentence of regulation 18 in Table A of the words "and all expenses that may have been incurred by the Company by reason of such non-payment "

- 21 2 If the subscription price of any share (including any premium) is partly paid, the rights to dividend and on a return of capital of any such share shall be abated in the same proportion as the unpaid amount bears to the total subscription price

22 **Seal**

Regulation 6 of Table A shall be modified so as to remove the reference to the company seal and regulation 101 of Table A shall be modified by the insertion of the words", if the Company has one," after the words "The seal" at the beginning of that regulation

23 **Indemnity, Funds and Insurance**

- 23 1 Subject to and to the fullest extent permitted by the Acts (but without prejudice to any indemnity to which the person concerned may otherwise be entitled)

(a) any person who is or was at any time a director, secretary or other officer (other than any person engaged as auditor) of the Company or any associated company (which shall, for the purposes of this Article 23 have the meaning given in section 256 of the 2006 Act) shall be entitled to (as the Directors shall, in their absolute discretion, determine) be indemnified out of the assets of the Company against all or any part of any costs, charges, losses, expenses and liabilities incurred by him in the actual or purported execution or discharge of his duties or in the actual or purported exercise of his powers in relation to the affairs of the Company or any associated company, or incurred by him in connection with the Company's activities as trustee of any occupational pension scheme (which shall, for the purposes of this Article 23 have the meaning given in section 235(6) of the 2006 Act), and

(b) any person who is or was at any time a director, secretary or other officer (other than any person engaged as auditor) of the Company or of its holding company (as such is defined in section 1159 and Schedule 6 of the 2006 Act) shall be entitled to (as the Directors shall, in their absolute discretion, determine) be provided with funds to meet any expenditure incurred or to be incurred by him as provided in sections 205 and 206 of the 2006 Act (or to enable him to avoid incurring any such expenditure)

- 23 2 Subject to the provisions of the Acts, the Company may (as the Directors shall, in their absolute discretion, determine) purchase and maintain, at the expense of the Company, insurance for any person who is or was at any time a director, secretary or other officer (other than any person engaged as auditor) of the Company or any associated company in respect of all or any part of any costs, charges, losses, expenses and liabilities incurred by him in the actual or purported execution or discharge of his duties or in the actual or purported exercise of his powers in relation to the affairs of the Company, or incurred by him in connection with the Company's activities as trustee of any occupational pension scheme

## 24 Data Protection

Each of the shareholders and directors of the Company (from time to time) consent to the processing of their personal data by the Company, its shareholders and directors (each a "Recipient") for the purpose of due diligence exercises, compliance with applicable laws, regulations and procedures and the exchange of information amongst themselves. A Recipient may process such personal data either electronically or manually. The personal data which may be processed for such purposes under this Article shall include any information which may have a bearing on the prudence or commercial merits of investing, or disposing of any shares (or other investment or security) in the Company. Subject to any confidentiality undertakings given to them by a Recipient, each of the Company's shareholders and directors (from time to time) consent to the transfer of such personal data to persons acting on behalf of any Recipient and to the offices of any Recipient both within and outside the European Economic Area for the purposes stated above, where it is necessary or desirable to do so.

## 25 Communications with Members

- 25 1 Any document or information required or authorised to be sent or supplied by the Company to any Member or any other person pursuant to these Articles, the Companies Acts or any other rules or regulations to which the Company may be subject, may be sent or supplied in hard copy form, in electronic form, by means of a website or in any other way in which documents or information may be sent or supplied by the Company pursuant to the Companies Acts. The provisions of the 2006 Act which apply to sending or supplying a document or information required or authorised to be sent or supplied by the Companies Acts by making it available on a website shall, mutatis mutandis, apply to the sending or supplying of any document or information required or authorised to be sent by these Articles or any other rules or regulations to which the Company may be subject, by making it available on a website.
- 25 2 The Company may send or supply any document or information to a Member either personally, or by post in a prepaid envelope addressed to the Member at his registered address (being a corporation) or, (being an individual) his address for service, or by leaving it at that address or any other address for the time being notified to the Company by the Member for the purpose, or by sending or supplying it using electronic means to an electronic address for the time being notified to the Company by the Member for the purpose, or by any other means authorised in writing by the Member concerned.
- 25 3 In the case of joint holders of a share, if the Company sends or supplies any document or information to one of the joint holders, it shall be deemed to have properly sent or supplied such document or information to all the joint holders.
- 25 4 Any document or information addressed to a Member at his registered address or address for service in the United Kingdom shall, if sent by post (whether in hard copy form or in electronic form), be deemed to have been received at the expiration of, if the address is in the United Kingdom, 24 hours and, if the address is outside the United Kingdom, 96 hours, after the envelope was posted and, if sent or supplied by

electronic means, be deemed to have been received (if sent or supplied between the hours of 9am and 5pm on a working day) at the time it was sent, or (if sent or supplied at any other time) at 9am on the next following working day, and, if sent or supplied by means of a website, be deemed to have been received when the material was first made available on the website or, if later, when the recipient received (or is deemed to have received) notice of the fact that the material was available on the website. In calculating a period of hours for the purpose of this Article, no account shall be taken of any part of a day that is not a working day.

- 25 5 In proving such service or delivery it shall be sufficient to prove that the envelope containing the document or information was properly addressed and put into the post as a prepaid letter or, in the case of a document or information sent or supplied by electronic means, to prove that it was properly addressed. Any document or information not sent or supplied by post but delivered or left at a registered address or address for service in the United Kingdom shall be deemed to have been served or delivered on the day on which it was so delivered or left. These provisions shall apply regardless of any such documents or information being returned undelivered and regardless of any delivery failure notification or any out of office or other similar response and the Company shall not be held responsible for any failure in transmissions beyond its reasonable control.

26 **Secretary**

- 26 1 Subject to the provisions of the 1985 Act and/or the 2006 Act, the Directors may appoint a secretary for such term, at such remuneration and upon such conditions as they may think fit, and any secretary so appointed may be removed by them.