

No 6436264

THE COMPANIES ACT 2006

WRITTEN RESOLUTIONS

of

SUBSEA ASSET LOCATION TECHNOLOGIES LIMITED

Date: 17th August 2010

Under Chapter 2 of Part 13 of the Companies Act 2006 (the "Act"), the directors of the above-named company (the "Company") propose that the following resolutions (the "Resolutions") are passed as in the case of resolution 2 as an ordinary resolution and in the case of resolutions 1, 3 and 4, as special resolutions

SPECIAL RESOLUTION

1. THAT each of the 3,543 ordinary shares of £0 10 each in the capital of the Company issued to and registered in the name of Ploughshare Innovations Limited, be and are hereby redesignated as "C" ordinary shares of £0 10 each, such shares to have the rights and be subject to the conditions contained in the Articles of Association of the Company to be adopted by Resolution 4 below

ORDINARY RESOLUTION

2. THAT the share capital of the Company be increased by the allotment and issue of 1,704 A shares of £0 10 each and 985 B shares of £0 10 each, each such A share and B share having the rights and being subject to the conditions set out in the Articles of Association of the Company to be adopted by Resolution 4 below and THAT for the purposes of section 551 of the Companies Act 2006 (the "Act")
  - (a) the Directors be and are hereby generally and unconditionally authorised to exercise all powers of the Company to allot any such shares and to grant any such subscription and conversion rights, as are contemplated in sub-sections 551(1)(a) and 551(1)(b) respectively of the Act up to a maximum nominal amount of £268 90 to such persons and at such times and on such terms as they think proper during the period expiring at the end of five years from the date of the passing of this resolution.
  - (b) the Company be and is hereby authorised to make prior to the expiry of such period any offer or agreement which would or might require relevant securities to be allotted after the expiry of the said period and the Directors may allot any such shares and grant any such subscription and conversion rights referred to in (a) in pursuance of any such offer or agreement notwithstanding the expiry of the authority given by this resolution

SPECIAL RESOLUTION

3. THAT subject to the passing of Resolution 2 above and in accordance with section 570 of the Companies Act 2006 (the "Act") the Directors be and are hereby empowered to allot equity

SA SATURDAY




	"AZXINNWU"	247
A12	02/10/2010	
	COMPANIES HOUSE	
	"A81VBNIU"	343
A31	18/09/2010	
	COMPANIES HOUSE	

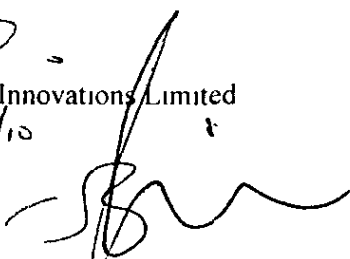
securities (as defined in sub-section (1) of section 560 of the Act) for cash pursuant to the authority conferred on them to allot relevant securities (as defined in section 551 of the Act) by Resolution 2 up to a maximum nominal value of £268 90 as if sub-section (1) of section 561 of the Act did not apply at any time or times

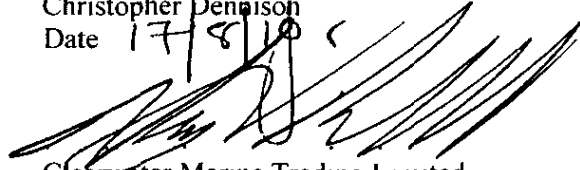
#### SPECIAL RESOLUTION

4. THAT, pursuant to section 9 of the Companies Act 1985, the Articles of Association of the Company be deleted in their entirety and the regulations contained in the document submitted to the meeting, and for the purpose of identification signed by the Chairman, be approved and adopted as the Articles of Association of the Company in substitution for, and to the exclusion of, the existing Articles of Association of the Company

We, the undersigned, being persons entitled to vote on the Resolutions on 2010, hereby irrevocably agree to the Resolutions

  
Ploughshare Innovations Limited  
Date 17/8/10

  
Christopher Pennison  
Date 17/8/10

  
Clearwater Marine Trading Limited  
Date 17th AUGUST 2010

The Rainbow Seed Fund  
Date

Andrew Webster  
Date

Robert Taylor  
Date

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#### **SPECIAL RESOLUTION**


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We, the undersigned, being persons entitled to vote on the Resolutions on 2010, hereby irrevocably agree to the Resolutions

Ploughshare Innovations Limited  
Date

Christopher Dennison  
Date

Clearwater Marine Trading Limited  
Date

  
The Rainbow Seed Fund  
Date 27 July 2010

Andrew Webster  
Date

Robert Taylor  
Date

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We, the undersigned, being persons entitled to vote on the Resolutions on 2010, hereby irrevocably agree to the Resolutions

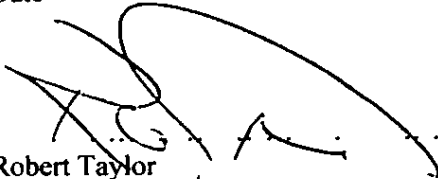
Ploughshare Innovations Limited  
Date

Christopher Dennison  
Date

Clearwater Marine Trading Limited  
Date

The Rainbow Seed Fund  
Date

Andrew Webster  
Date

  
Robert Taylor  
Date 12/8/10

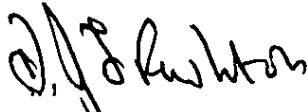
**SUBSEA ASSET LOCATION TECHNOLOGIES LIMITED**

Record of written resolutions agreed to in accordance with Chapter 2, Part 13 of the Companies Act 2006 which has effect as if passed by the Company in General Meeting

It is recorded that

1. The Directors had resolved to circulate the written resolutions (the "**Resolutions**"), a copy of which is attached in accordance with the relevant provisions of the Companies Act 2006
2. The Resolutions were duly circulated and passed as (in the case of resolution 2) an ordinary resolution and (in the case of resolutions 1, 3 and 4) as special resolutions by or on behalf of all of the members of the Company who, at the date of the circulation of the Resolutions, were entitled to attend and vote at a General Meeting of the Company
3. The Resolutions were signed by or on behalf of the last member of the Company on

17th August 2010



Director/Secretary

**THE COMPANIES ACT —**

**WRITTEN RESOLUTIONS**

**of**

**SUBSEA ASSET LOCATION TECHNOLOGIES LIMITED**

**Effective Date:** 17<sup>th</sup> August 2010

The following resolutions were duly agreed to by the members of the Company in accordance with Chapter 2, Part 13 of the Companies Act 2006 as, in the case of resolution 2, an Ordinary Resolution and, in the case of resolutions 1, 3 and 4, as Special Resolutions with effect from 2010

**SPECIAL RESOLUTION**

1. THAT each of the 3,543 ordinary shares of £0 10 each in the capital of the Company issued to and registered in the name of Ploughshare Innovations Limited, be and are hereby redesignated as "C" ordinary shares of £0 10 each, such shares to have the rights and be subject to the conditions contained in the Articles of Association of the Company to be adopted by Resolution 4 below

**ORDINARY RESOLUTION**

2. THAT the share capital of the Company be increased by the allotment and issue of 1,704 A shares of £0 10 each and 985 B shares of £0 10 each, each such A share and B share having the rights and being subject to the conditions set out in the Articles of Association of the Company to be adopted by Resolution 4 below and THAT for the purposes of section 551 of the Companies Act 2006 (the "Act")
  - (a) the Directors be and are hereby generally and unconditionally authorised to exercise all powers of the Company to allot any such shares and to grant any such subscription and conversion rights, as are contemplated in sub-sections 551(1)(a) and 551(1)(b) respectively of the Act up to a maximum nominal amount of £268 90 to such persons and at such times and on such terms as they think proper during the period expiring at the end of five years from the date of the passing of this resolution,
  - (b) the Company be and is hereby authorised to make prior to the expiry of such period any offer or agreement which would or might require relevant securities to be allotted after the expiry of the said period and the Directors may allot any such shares and grant any such subscription and conversion rights referred to in (a) in pursuance of any such offer or agreement notwithstanding the expiry of the authority given by this resolution

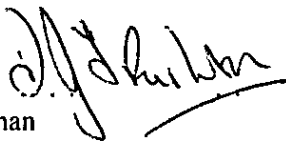
### **SPECIAL RESOLUTION**

3. THAT subject to the passing of Resolution 2 above and in accordance with section 570 of the Companies Act 2006 (the "Act") the Directors be and are hereby empowered to allot equity securities (as defined in sub-section (1) of section 560 of the Act) for cash pursuant to the authority conferred on them to allot relevant securities (as defined in section 551 of the Act) by Resolution 2 up to a maximum nominal value of £268 90 as if sub-section (1) of section 561 of the Act did not apply at any time or times

### **SPECIAL RESOLUTION**

4. THAT, pursuant to section 9 of the Companies Act 1985, the Articles of Association of the Company be deleted in their entirety and the regulations contained in the document submitted to the meeting, and for the purpose of identification signed by the Chairman, be approved and adopted as the Articles of Association of the Company in substitution for, and to the exclusion of, the existing Articles of Association of the Company

Chairman

A handwritten signature in black ink, appearing to read 'D. J. Sullivan', is written over a horizontal line.

**The Companies Acts Private Company Limited by Shares**

**ARTICLES OF ASSOCIATION**

of

**SUBSEA ASSET LOCATION TECHNOLOGIES LIMITED**

**As adopted by a special resolution passed on 17<sup>th</sup> August 2010**

**DEFINITIONS AND INTERPRETATION**

**1 Definitions**

**1.1 In these articles**

“**A Share Amount**” shall have the meaning set out in article 46.1;

“**A Shares**” means A shares of £0.10 each in the capital of the Company,

“**Acting in Concert**” has the meaning given to it in the City Code on Takeovers and Mergers published by the Panel on Takeovers and Mergers (as amended from time to time),

“**Affiliates**” means in relation to any member of the Company, any subsidiary undertaking, parent undertaking or funds linked to that member and any other subsidiary undertaking of, or funds linked to, that parent undertaking,

“**Associate**” means.

- (a) the husband, wife, mother, father, grandmother, grandfather, brother, sister, child (including adopted child) or other lineal descendant of the relevant person,
- (b) the trustees of any settlement (whether or not set up by the relevant person) under which the relevant person and/or his spouse or children is or is capable of being a beneficiary;
- (c) any nominee or bare trustee for the relevant person or for any other Associate of the relevant person,
- (d) if the relevant person is a company, any subsidiary or holding company of the relevant person and any other subsidiary of any such holding company;
- (e) any person with whom the relevant person or any Associate of the relevant person is connected, the question of whether any such person is so connected falling to be determined for this purpose in accordance with the provisions of section 839 Income and Corporation Taxes Act 1988, and
- (f) any person with whom any relevant person is acting in concert (such expression to have the same definition and meaning as that ascribed thereto in the City Code on Take-overs and Mergers as for the relevant time being current),

“**B Share Amount**” shall have the meaning set out in article 46.1,



**"B Shares"** means B shares of £0 10 each in the capital of the Company,

**"Bad Leaver"** means any Leaver who is not a Good Leaver or determined by the board to be a Good Leaver,

**"Bad Leaver Price"** means the lesser of the issue price and fair value of the relevant Shares on the Cessation Date as determined by the board,

**"board"** means the board of directors for the time being of the Company or those directors present at a duly convened meeting of the directors at which a quorum is present,

**"Business Day"** means a day (other than a Saturday, Sunday or public holiday) when banks are open for business in the City of London,

**"C Ordinary Share Amount"** shall have the meaning set out in article 46 1,

**"C Ordinary Shares"** means C ordinary shares of £0 10 each in the capital of the Company,

**"Called Shareholders"** is as defined in article 8 1,

**"Called Shares"** is as defined in article 8 2,

**"Cessation Date"** is as defined in article 6 1 1,

**"Clearwater"** means Clearwater Marine Trading Limited, a company registered in the British Virgin Islands with company number 1514246 and having its registered office at C/o Patton, Moreno & Asvat (BVI) Limited, Palm Chambers, 197 Main Street, P O Box 3174, Road Town, Tortola, British Virgin Islands,

**"Clearwater Director"** means any Director that Clearwater has the sole right to appoint and remove from office,

**"committee"** means a committee of the board duly appointed pursuant to these articles;

**"Company"** means Subsea Asset Location Technologies Limited,

**"Controlling Interest"** means an interest in shares giving to the holder or holders control of the Company within the meaning of section 840 of the Income and Corporation Taxes Act 1988;

**"Custodians"** is as defined in article 6 5,

**"Defaulting Individual"** means any Leaver who

- (a) becomes bankrupt or makes any composition or enters into any deed of arrangement with his creditors generally,
- (b) is prohibited by law or by any decision of a regulatory body from being a director or taking part in the management of the Company;
- (c) is convicted of
  - (i) a criminal offence (other than a road traffic offence involving a fine of £1,000 or less or an offence which in the reasonable opinion of the board does not affect his position as a director or employee of the Company,

bearing in mind the nature of his duties and the capacity in which he is employed), or

- (ii) an offence relating to insider dealing,
- (d) is guilty of any serious default or misconduct that in the opinion of the remuneration committee adversely affects the business of the Company and which in the reasonable opinion of the remuneration committee entitles the Company to terminate the service agreement, letter of appointment or employment contract (as the case may be) of the director or employee in question with immediate effect;
- (e) commits in the reasonable opinion of the remuneration committee any serious or repeated breach of his obligations under his service agreement or contract of employment or is in the reasonable opinion of the remuneration committee, guilty of serious neglect or negligence in the performance of his duties,
- (f) behaves in a manner (whether in the course of his employment or office or otherwise) which is likely, in the reasonable opinion of the remuneration committee, to bring the Company into disrepute or prejudice its interests or which impairs his ability to perform his duties and which in the reasonable opinion of the remuneration committee entitles the Company to terminate the service agreement, letter of appointment or employment contract (as the case may be) of the director or employee in question with immediate effect, or
- (g) is found, by a relevant authority, to be engaging in or has engaged in market abuse,

**"Deferred A Shares"** means the deferred A shares of £0.10 each in the capital of the Company,

**"Deferred B Shares"** means the deferred B shares of £0.10 each in the capital of the Company,

**"Deferred Shares"** means the Deferred A Shares and Deferred B Shares,

**"Director"** means a director for the time being of the Company;

**"Dissenting Members"** is as defined in article 5.5,

**"Drag Along Option"** is as defined in article 7.1,

**"Drag Along Notice"** is as defined in article 7.2,

**"electronic address"** means a number or address used for the purposes of sending or receiving documents or information by electronic means;

**"electronic form"** and **"electronic means"** apply with the meanings with which they apply in the Companies Act 2006,

**"equity shares"** means shares in the capital of the company excluding Deferred Shares;

**"Exit Event"** means the earliest of

- (a) a Sale,
- (b) a Listing, or
- (c) at the discretion of the board, a Return of Capital

to occur,

**"Exit Value"** means

- (a) where the Exit Event is a Sale, the aggregate consideration payable in respect of such Sale (including the Non-Cash Consideration Value of any Non-Cash Consideration) to the holders of equity shares in the capital of the Company together with, where the Sale represents the disposal of the less than 100 per cent of the share capital of the Company, the Retained Shares Value;
- (b) where the Exit Event is a Listing, the initial price per share (expressed in pounds sterling to the nearest three decimal places) at which the equity shares in the capital of the Company are admitted to the relevant stock exchange multiplied by the number of ordinary shares in the capital of the Company in issue on the occurrence of the Listing, and
- (c) where the Exit Event is a Return of Capital, the amount to be distributed (including the Non-Cash Consideration Value of any Non-Cash Consideration) to the holders of equity shares;

**"fair value"** has the meaning referred to in articles 5 and 6 as the context requires,

**"Good Leaver"** means any Leaver and any other director and/or employee of any subsidiary of the Company who (1) is not a Defaulting Individual and who ceases to be either a director and/or employee of the Company or any of its subsidiaries (i) for whatever reason, having been a director and/or employee of that undertaking for a consecutive period of 5 years or more, or (ii) as a result of,

- (a) incapacitation as a result of illness;
- (b) retirement or resignation with the approval of the board,
- (c) death, or
- (d) unfair dismissal, wrongful dismissal or redundancy,

save that, unless the remuneration committee determines otherwise, a holder of A Shares and/or B Shares who becomes a Leaver within one year of the Start Date set out in their Subscription Agreement shall not be a Good Leaver,

or (2) who ceases to be either a director and/or employee of the Company or any of its subsidiaries and is determined to be a Good Leaver by the board,

**"Group"** means in relation to any member of the Company, it and its Affiliates,

**"hard copy form"** applies with the meaning with which it applies in the Companies Act 2006,

**"Institutional Shares"** means the Ordinary Shares and the C Ordinary Shares,

**"Leaver"** means any of Andrew Tulloch, Carl Tiltman, Penny Symes and Lucy Cull who from time to time shall cease (for whatever reason including (without limitation) death, bankruptcy or liquidation) to be a director or employee of the Company;

**"Listing"** means the admission of the whole or any part of the share capital of the Company (or any holding company of the Company) to the Official List of the UK Listing Authority and the associated admission of such shares to trading on the London Stock Exchange plc's market for listed securities or the admission to trading of such

shares on the alternative investment market of the London Stock Exchange plc or the European Association of Securities Dealers Automated Quotation System or to any recognised investment exchange (as defined in section 285 of the Financial Services and Markets Act 2000) or any successor of any of them or on AIM or to any successor;

**"New Shareholder"** is as defined in article 8 10,

**"Non-Cash Consideration"** means

- (a) any consideration which is payable otherwise than in cash as at the date on which an Exit Event occurs, or
- (b) any consideration (whether in cash or otherwise) which is deferred or otherwise not payable on completion of the relevant Exit Event as at the date on which an Exit Event occurs,

**"Non-Cash Consideration Value"** means in the case of

- (c) any form of Non-Cash Consideration described in paragraph (a) of the definition of Non-Cash Consideration, 100 per cent of the value of such Non-Cash Consideration, or
- (d) any form of Non-Cash Consideration described in paragraph (b) of the definition of Non-Cash Consideration, the net present value of the Non-Cash Consideration (calculated using a discount rate equal to 6-month LIBOR prevailing on the date of the relevant Exit Event),

in each case, as determined by the board (as constituted immediately prior to the relevant Exit Event),

**"Ordinary Share Amount"** shall have the meaning set out in article 46 1,

**"Ordinary Shares"** means ordinary shares of £0.10 in the capital of the Company,

**"Partners"** means any limited partner in RSF,

**"Permitted Transfer"** is as defined in article 5.2,

**"Ploughshare"** means Ploughshare Innovations Limited, a company registered in England and Wales with company number 6436264 and having its registered office at Room B3, Building 114, Tetricus Science Park, Porton Down, Salisbury Wiltshire, SP4 0JQ,

**"Ploughshare Director"** means any Director that Ploughshare has the sole right to appoint and remove from office,

**"Prescribed Price"** is as defined in articles 5 6 and 5 7,

**"Priority Notice"** is as defined in article 6 4,

**"Priority Shares"** is as defined in article 6 5,

**"Proposed Buyer"** is as defined in article 7 1,

**"Proposing Transferor"** is as defined in article 5 3,

**"Purchasers"** is as defined in article 5 11,

**"Retained Shares Value"** means the aggregate value of any Shares not subject to a Sale which shall be calculated by multiplying,

- (e) the aggregate consideration payable in respect of the Sale (including the Non-Cash Consideration Value of any Non-Cash Consideration) to the holders of equity shares in the capital of the Company divided by the aggregate number of Shares subject to the Sale, by
- (f) the number of Shares not subject to the Sale,

**"RSF"** means The Rainbow Seed Fund, a limited partnership registered in England and Wales with Registered No LP007823,

**"RSF Director"** means any Director that RSF has the sole right to appoint and remove from office,

**"Sale"** means either

- (a) the unconditional completion of the sale of the whole or substantially the whole of the issued equity share capital of the Company to a single purchaser or to one or more purchasers as part of a single transaction, including in circumstances where a shareholder in the Company prior to the Sale will hold as a result of the sale the majority of the issued equity share capital of the buyer or buyers, or
- (b) the unconditional completion of the sale of the whole or substantially the whole of the Company's business and assets to a single purchaser or to one or more purchasers as part of a single transaction;

**"Sellers' Shares"** is as defined in article 8.1,

**"Selling Members"** is as defined in article 7 2,

**"Selling Shareholders"** is as defined in article 8 1,

**"Shares"** means the Ordinary Shares, C Ordinary Shares, A Shares, B Shares, Deferred Shares and any other class of share issued from time to time by the Company,

**"Start Date"** means the date on which the relevant Leaver is deemed to have started holding their A Shares for the purposes of the table set out in article 6 1.6 which shall be set out in relevant individual's Subscription Agreement,

**"Statutes"** means every statute (including any statutory instrument, order, regulation or subordinate legislation made under it) for the time being in force concerning companies and affecting the Company,

**"Subscription Agreement"** means the agreement between the Company and the holder of A Shares which (inter alia) specifies their Start Date for the purposes of article 6 1 6;

**"Surplus Assets"** is as defined in article 9 2,

**"Table A"** means Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 (including any statutory modification of it in force at the time these articles become binding on the Company, but excluding any statutory modification of it not in force at that time),

**"Tag Offer"** is as defined in article 7 2,

**“Target Exit Value”** means £4,059,768 or such other figure as may be determined pursuant to the provisions of article 46 4,

**“these articles”** means these articles of association (including such regulations in Table A as apply to the Company) as originally adopted or as altered by the Company from time to time and reference to any numbered article is to the corresponding article in these articles,

**“Transfer Notice”** is as defined in article 5 3;

**“Unvested Portion”** means, unless the board determines otherwise, such percentage as is determined in accordance with article 6 1 6;

**“Valuation Request”** is as defined in article 5 6;

**“Vested”** means such A Shares that are not subject to the Good Leaver transfer provisions set out in article 6 1.5,

**“Vested Portion”** means, unless the board determines otherwise (by deeming all or part of the relevant Leaver's Unvested Portion to be vested), such percentage as is determined in accordance with article 6 1 6,

**“writing”** includes the representation or reproduction of words, symbols or other information in such form (including in electronic form) that it can be read or seen with the naked eye and a copy of it can be retained

- 1.2 References in regulation 1 of Table A to **“these regulations”** shall be read as including a reference to these articles. Headings to these articles are inserted for convenience only and shall not affect their construction
- 1.3 Except where the contrary is stated or the context otherwise requires, a reference to a statute, statutory provision or regulation includes any amendment, consolidation, re-enactment or replacement of it in whole or part for the time being in force
- 1.4 References to the execution of anything sent or supplied in electronic form include references to its being executed by such means and incorporating such information as the board may from time to time stipulate for the purpose of establishing its authenticity and integrity.

## **2 Table A**

- 2.1 The regulations contained in Table A (as modified by these articles) shall apply to the Company except in so far as they are excluded by or are inconsistent with these articles. Regulations 2, 8, 23, 26, 40, 41, 54, 60 to 62 (inclusive), 64, 65, 67, 76 to 79 (inclusive), 82, 83, 94 to 98 (inclusive), 108, 111, 112, 115, 116 and 118 of Table A, and provisions inserted in Table A by the Companies Act 1985 (Electronic Communications) Order 2000, shall not apply to the Company

## **SHARE CAPITAL**

### **3 Power to allot shares**

- 3.1 Subject to the Statutes and without prejudice to any rights attached to any existing Shares, any Share may be issued with such rights or restrictions as the Company may by ordinary resolution determine or, in the absence of any such determination or in so far as such ordinary resolution does not make specific provision, as the board may determine

#### **4 Disapplication of statutory pre-emption provisions**

- 4.1** The provisions of neither section 89(1) of the Companies Act 1985 nor section 561 of the Companies Act 2006 shall apply to the share capital of the Company (present and future)

#### **5 Transfer of Shares**

- 5.1** No member shall be entitled to sell, transfer, charge, encumber, grant options over or otherwise dispose of any of the Shares or any beneficial interest in any of the Shares except in compliance with the provisions of these articles.

- 5.2** Shares in the Company may at any time be transferred.

5 2 1 by any member to any other undertaking in the same Group (but if such transferee ceases to be a member of the same Group as the transferor it shall forthwith transfer the relevant Shares either back to the transferor or to another member of its Group), or

5 2 2 to any person with the prior written consent of all the members,

5 2 3 to a person who is the beneficial owner of such Share or (in the case of the legal title only) to a different or additional nominee or trustee on behalf of such beneficial owner provided that such person has not become the beneficial owner thereof other than in accordance with the provisions of these articles,

5 2 4 by RSF to (a) any of Partners of RSF, (b) any fund managed by the fund manager of RSF or (c) any secondary fund to which the underlying investments of RSF may be transferred (but if such transferee ceases to be (a) a Partner of RSF, (b) a fund managed by the fund manager of RSF or (c) a secondary fund to which the underlying investments of RSF may be transferred, it shall forthwith transfer the relevant shares back to RSF), and

5 2 5 by a Partner of RSF to another Partner of RSF (but if such transferee ceases to be a Partner of RSF, it shall forthwith transfer the relevant shares either back to the transferor or to RSF),

together with the rights attaching to such shares (including, without limitation, any rights of pre-emption on allotment or transfer),

(each a **"Permitted Transfer"**)

- 5.3** Every member (and every person entitled to a Share or Shares in consequence of the death or bankruptcy of a member or by operation of law) who intends to transfer or otherwise dispose of Shares of any class of the Company or any interest in such Shares which is not a Permitted Transfer (the **"Proposing Transferor"**) shall, before so doing or agreeing so to do, inform the Company of his intention by giving it notice in writing (the **"Transfer Notice"**).

- 5.4** The Transfer Notice shall constitute the Company the Proposing Transferor's agent empowered to sell the Shares referred to in the notice (together with all rights then attached to them) at the Prescribed Price (defined below) to any Member in the manner appearing below and shall not be revocable except with the unanimous agreement of the Directors

- 5.5** Within 15 Business Days after the date on which the Transfer Notice was given (or deemed to have been given) the Proposing Transferor and such number of the other members representing a majority in nominal value of the issued Institutional Shares that are not the subject of the Transfer Notice, shall agree in writing a price per Share as

representing its fair value and shall give notice in writing of such price per Share to the Company and any member(s) who were either not involved in the discussions to agree a price or did not agree to such price during the discussions (together, the "**Dissenting Member(s)**")

- 5.6 The Dissenting Member(s) have the option within the period of five Business Days after notification of such price, by giving notice in writing to the Company, the Proposing Transferor and the other members, to require an Independent Valuer referred to in article 5.7 below to determine and certify the price per Share (the "**Valuation Request**") If no Valuation Request is issued within such period, then the price per Share stated in the notice to the Dissenting Member(s) shall be the "**Prescribed Price**"
- 5.7 In the absence of any agreement having been reached by the Proposing Transferor and a majority of the members holding Institutional Shares within the period of 15 Business Days referred to in article 5.5 or a Valuation Request having been validly received from a Dissenting Member the members shall appoint an independent investment bank or other suitable independent valuer (the "**Independent Valuer**") agreed to by the holders of the Institutional Shares (or in default of agreement within five Business Days of written request by any holder of Institutional Shares for such appointment, appointed by the President of the Institute of Chartered Accountants in England and Wales within 10 Business Days of the request) to determine and certify in writing to the Company within 15 Business Days the sum per Share considered by them to be fair value as between a willing seller and a willing purchaser (ignoring the fact, if such be the case, that the said Shares do not carry effective control of the Company) as at the date on which the Transfer Notice was given (or deemed to have been given) and the sum per Share so determined and certified shall be the "**Prescribed Price**"
- 5.8 The Independent Valuer shall act as an expert and not as an arbitrator and his determination shall be final and binding for all purposes (save in respect of manifest error) The cost and expense of the Independent Valuer shall be borne by the holders of Institutional Shares, in such proportion as determined by the Independent Valuer
- 5.9 Not later than 5 Business Days of the Prescribed Price being so agreed or determined and fixed all Shares included in any Transfer Notice shall be offered for purchase at the Prescribed Price by notice in writing given by the Company to:
- 5.9.1 the Institutional Shareholders in proportion to their respective holdings;
  - 5.9.2 in the absence of an acceptance of such offer by any one or more Institutional Shareholders, the remaining Institutional Shareholders in proportion to their respective holdings, and so on until any remaining Shares subject to the Transfer Notice have been offered to any remaining Institutional Shareholders; and
  - 5.9.3 to the extent that all Institutional Shareholders have not accepted the Shares subject to the Transfer Notice, such other shareholders as the board (acting in its discretion) shall determine (which for the avoidance of doubt may include a member or members holding Shares of whatever class in the Company (other than the members to whose shares the Transfer Notice relates) or a proposed member in the Company or an employee benefit trust) in such proportions as the board may (acting in its discretion) determine
- 5.10 Any such offer referred to in article 5.9 shall specify a period (being not less than 15 Business Days and not more than 30 Business Days) within which it must be accepted or will lapse
- 5.11 If members ("**Purchasers**") shall within the said period of the offer agree to purchase the Shares concerned or any of them the Company shall immediately give notice in writing as mentioned below to the Proposing Transferor and to the Purchasers and on payment of



the Prescribed Price the Proposing Transferor shall be bound to transfer such Shares to the respective Purchasers accordingly

- 5.12** Every notice shall state the name and address of each Purchaser and the number and class of Shares agreed to be purchased by him and the Proposing Transferor and the Purchasers shall complete the sale and purchase of the shares not less than five Business Days nor more than 20 days after the date of such notice in accordance with articles 5.16 to 5.18
- 5.13** If the Transfer Notice shall state that the Proposing Transferor is not willing to transfer part only of the Shares the subject of the notice, articles 5.10 and 5.11 shall not apply unless the Company shall have found Purchasers for all of such Shares and (unless as aforesaid) any offer referred to in article 5.9 shall be deemed to have lapsed without having been validly accepted.
- 5.14** If at the expiry of the period referred to in article 5.10 members of the Company shall not have agreed to purchase all the Shares so offered the Company shall immediately give notice in writing of that fact to the Proposing Transferor and he shall then be at liberty at any time up to the expiration of 90 days after the giving of such notice to transfer those Shares which members shall not have so agreed to purchase, to any person on a bona fide sale at any price not being less than the Prescribed Price provided that:
- 5.14.1 if the Transfer Notice shall state that the Proposing Transferor is not willing to transfer part only of the Shares the subject of the Transfer Notice he shall not be entitled under this article 5.14.1 to transfer any of such Shares unless in aggregate the whole of such Shares are so transferred; and
- 5.14.2 the directors may require to be satisfied that such Shares are being transferred in pursuance of a bona fide sale for the consideration stated in the instrument of transfer without any deduction, rebate or allowance whatever being given to the Purchaser and if not so satisfied may refuse to register the instrument of the transfer
- 5.15** If a member, or other person entitled to transfer a Share, at any time attempts to deal with or dispose of a Share or any interest in a Share otherwise than in accordance with the foregoing provisions of this article 5, he shall be deemed immediately prior to such attempt to have served a Transfer Notice on the Company in respect of such Share and the provisions of this article 5 shall then apply to the Share. Any such Transfer Notice shall be deemed to have been served on the date on which the directors shall receive actual notice of such attempt
- 5.16** Completion of the transfer of any Shares by the seller to the buyer shall take place at 12 noon at the registered office of the Company (or at such other place and time as the seller and the buyer shall agree) At completion of the transfer of any Shares from the seller to the buyer the seller shall deliver to the buyer
- 5.16.1 a duly executed stock transfer form or forms transferring to the buyer the relevant shares together with the relevant share certificates therefor,
- 5.16.2 all other documents of title relating to the relevant shares and all such waivers or consents as the buyer may reasonably require to enable it to be registered as the holder of the relevant Shares,
- 5.16.3 such evidence as the buyer may reasonably request that any regulatory approvals to be obtained by the seller and other necessary third party consents have been obtained and their conditions complied with, and
- 5.16.4 the written resignations by deed of all directors appointed or deemed to have been appointed by the seller in accordance with these articles

**5.17** Against receipt of the documents referred to in article 5.16, the buyer shall:

5.17.1 deliver to the seller such evidence as the seller may reasonably request that any regulatory approvals to be obtained by the buyer and other necessary third party consents have been obtained and their conditions complied with, and

5.17.2 pay to the seller in (unless otherwise agreed by the seller) cleared funds the purchase consideration for the relevant shares

**5.18** If a seller shall fail or refuse to transfer any Shares to a purchaser under these articles the directors may authorise some person to execute the necessary transfer and may deliver it on his behalf and the Company may receive the purchase money in trust for the seller (which it shall pay into a separate bank account in the Company's name) and cause the purchaser to be registered as the holder of such Shares. The receipt of the Company for the purchase money shall be a good discharge to the purchaser (who shall not be bound to see the application of the purchase money) and after the purchaser has been registered in purported exercise of these powers the validity of the proceedings shall not be questioned by any person

## **6 Leavers**

**6.1** The following provisions of this article 6 shall apply to any Leaver and his associates:

6.1.1 the date on which the Leaver ceases to be a director of or an employee of or a consultant to the Company shall be the "**Cessation Date**" for the purposes of the articles provided always that where a Leaver who is an employee of or a consultant to the Company ceases to be an employee or consultant in circumstances where he has served notice on the Company or the Company has served notice on him terminating his employment or consultancy (as the case may be) then, if Ploughshare and Clearwater so notify the Company in writing, the Cessation Date should be deemed to be the date of service of such notice;

6.1.2 (unless and to the extent that the board agree otherwise and notify in writing the person concerned at the relevant time) if the Leaver is a Bad Leaver, there shall be deemed to have been given on the Cessation Date a Transfer Notice in respect of all Shares (other than B Shares) then held by the Bad Leaver and any Associate(s) of the Bad Leaver,

6.1.3 (unless and to the extent that the board determine otherwise) if the Leaver is a Bad Leaver the Prescribed Price of such Shares subject to the Transfer Notice shall be the Bad Leaver Price,

6.1.4 (unless and to the extent that the board determine otherwise) if the Leaver is a Good Leaver, such Good Leaver and any of his Associates shall be entitled to retain

(i) any Ordinary Shares held at the Cessation Date,

(ii) the Vested Portion of any A Shares held at the Cessation Date. For the avoidance of doubt, the Unvested Portion of any A Shares held at the Cessation Date shall be subject to the provisions of article 6.1.5 below,

6.1.5 (unless and to the extent that the board determine otherwise) if the Leaver is a Good Leaver, there shall be deemed to have been given on the Cessation Date a Transfer Notice in respect of the Unvested Portion of A Shares then held by the Good Leaver and any Associate(s) of the Good Leaver and (unless and to the extent the board determine otherwise) the Prescribed Price of all such Shares the

subject of the Transfer Notice shall be the lower of the issue price of such Share and the fair value of such Share on the Cessation Date, and

- 6.1.6 for the purposes of articles 6.1.4(i) and 6.1.5, the Vested Portion (and therefore excluded from the provisions of article 6.1.5) and the Unvested Portion of a Leaver's A Shares shall be determined by reference to the period of time elapsed between the relevant Leaver's Start Date and the Cessation Date as indicated in column (1) of the table below (and where such calculation results in a fractional entitlement to the Vested Portion, such number shall be rounded down to the nearest whole number and the fractional entitlement to the Unvested Portion rounded up to the nearest whole number accordingly):

(1) Cessation Date	(2) Vested Portion %	(3) Unvested Portion %
On or before the first anniversary of the Start Date	0	100
After the first anniversary of the Start Date but before the date falling 13 months after the Start Date	33.33	66.67
On or after the date falling 13 months after the Start Date but before the date falling 14 months after the Start Date	36.11	63.89
On or after the date falling 14 months after the Start Date but before the date falling 15 months after the Start Date	38.89	61.11
On or after the date falling 15 months after the Start Date but before the date falling 16 months after the Start Date	41.67	58.33
On or after the date falling 16 months after the Start Date but before the date falling 17 months after the Start Date	44.44	55.56
On or after the date falling 17 months after the Start Date but before the date falling 18 months after the Start Date	47.22	52.78
On or after the date falling 18 months after the Start Date but before the date falling 19 months after the Start Date	50	50
On or after the date falling 19 months after the Start Date but before the date falling 20 months after the Start Date	52.78	47.22
On or after the date falling 20 months after the Start Date but before the date falling 21 months after the Start Date	55.55	44.45
On or after the date falling 21 months after the Start Date but before the date falling 22 months after the Start Date	58.33	41.67
On or after the date falling 22 months after the Start Date but before the date falling 23 months after the Start Date	61.11	38.89

On or after the date falling 23 months after the Start Date but before the date falling 24 months after the Start Date	63 89	36 11
On or after the date falling 24 months after the Start Date but before the date falling 25 months after the Start Date	66 67	33 33
On or after the date falling 25 months after the Start Date but before the date falling 26 months after the Start Date	69 44	30 56
On or after the date falling 26 months after the Start Date but before the date falling 27 months after the Start Date	72 22	27 78
On or after the date falling 28 months after the Start Date but before the date falling 29 months after the Start Date	77 78	22 22
On or after the date falling 29 months after the Start Date but before the date falling 30 months after the Start Date	80 55	19 45
On or after the date falling 30 months after the Start Date but before the date falling 31 months after the Start Date	83 33	16 67
On or after the date falling 31 months after the Start Date but before the date falling 32 months after the Start Date	86 11	13 89
On or after the date falling 32 months after the Start Date but before the date falling 33 months after the Start Date	88 89	11 11
On or after the date falling 33 months after the Start Date but before the date falling 34 months after the Start Date	91 67	8 33
On or after the date falling 34 months after the Start Date but before the date falling 35 months after the Start Date	94 44	5 56
On or after the date falling 35 months after the Start Date but before the date falling 36 months after the Start Date	97 22	2 78
On or after the third anniversary of the Start Date	100	0

- 6.2** If at any time a Bad Leaver acquires (or any Associate of such Bad Leaver acquires) any Shares (other than B Shares) pursuant to an option or like right which was granted to or otherwise vested in him prior to such cessation then the provisions of articles 6 1 1, 6 1 2 and 6 1 3 above shall apply as if reference in article 6 1 1 to the Cessation Date were reference to the date on which he acquires such Shares
- 6.3** Notwithstanding the provisions of clause 6 1 4 above if a Good Leaver becomes a Leaver as a result of death or dies at any time after the Cessation Date

- 6 3 1 there shall be deemed to have been given on the date of death a Transfer Notice in respect of all Shares then held by the Good Leaver and any Associate(s) of such Good Leaver for a consideration in cash per Share that is equal to the fair value per Share as determined by the Board, and
  - 6 3 2 if, at any time after the date of death, any Associate of the Good Leaver or his Estate acquires any Shares pursuant to an option or like right which was granted to the Good Leaver or otherwise vested in him prior to his death, a Transfer Notice in respect of all such Shares shall be deemed to have been given on the date such Associate or the Estate of the Good Leaver acquires the Shares
- 6.4 If any Transfer Notice is deemed to be given pursuant to article 6 1 or 6 3, the Company shall forthwith give written notice of such occurrence (such notice to include details of all the Shares to which such Transfer Notice relates) to each member and the remuneration committee. If within 21 days of the giving of such notice by the Company, the remuneration committee require by written notice to the Company (a **"Priority Notice"**) that all or any Shares to which such Transfer Notice relates should be offered for sale first either to any person or persons who is or are (an) existing director(s) and/or employee(s) of the Company or to a person or persons (whether or not then ascertained) who it is proposed should be appointed as (a) director(s) and/or employee(s) of the Company or to an employee benefit trust whether or not in place of the person by whom the relevant Transfer Notice was deemed to be given then the provisions of article 6 5 below shall apply.
- 6.5 If a Priority Notice is given, then, in relation to the Shares the subject thereof (the **"Priority Shares"**) the provisions of article 5.9 shall not apply to the extent that the Priority Shares shall be offered by the Company to the person(s) (and, in the case of more than one, in the proportions) specified in the Priority Notice (conditional, in the case of any named prospective director and/or employee, upon his taking up his proposed appointment with the Company (if not then taken up)). For this purpose, a Priority Notice may specify that some or all of the Priority Shares should be offered (either in the first instance or insofar as not taken up by any other person(s) specified in such notice) to not less than two persons designated by the remuneration committee (the **"Custodians"**) to be held (in the event of their acquiring Priority Shares) on and subject to the terms referred to in article 6 6 below
- 6.6 If the Custodians become the holders of Priority Shares, then (unless and to the extent that the Directors with the approval of the remuneration committee otherwise agree from time to time) they shall hold the same on, and subject to, the following terms
- 6.6 1 they may exercise the voting rights (if any) for the time being attaching to such Priority Shares as they think fit,
  - 6 6 2 save with the approval of the remuneration committee, they shall not encumber the same,
  - 6 6 3 they will (subject as provided in article 6 7 below) transfer the legal title to such Priority Shares and all such other interests as they may have therein to (and only to) such person or persons and at such time or times and otherwise on such terms as the remuneration committee may from time to time direct by notice in writing to the Custodians provided that the Custodians may not be required to enter into any agreement or otherwise take any action if and to the extent that they would or might incur any personal liability (whether actual or contingent) or suffer any personal loss,
  - 6 6 4 if an offer is made to them for the Priority Shares (whether as part of a general offer or otherwise) then they shall seek instructions from the remuneration committee as to what (if any) actions they should take with regard thereto but,

absent instructions from the remuneration committee within 14 days of seeking the same, the Custodians may accept or decline to accept such offer, as they think fit

- 6.7 The remuneration committee may not direct the Custodians to transfer all or any Priority Shares other than to a person who is an existing director and/or employee of the Company or who has agreed (subject only to Priority Shares being transferred to him) to accept appointment as such a director and/or employee save with the prior approval of the board
- 6.8 If at any time any Leaver shall be granted Share options upon joining the business without conditions, such Leaver shall, on leaving the Company for whatever reason, have their right to those Shares or Share options subject to approval by the board

## **7 Tag Along Rights**

- 7.1 No member may sell or otherwise transfer or dispose of Shares or any interest or right in or arising from such Shares in one or a series of related transactions which would, if carried out, result in any third party not being an existing member (the “**Buyer**”), and any person Acting in Concert with the Buyer, acquiring a Controlling Interest in the Company except where the transfer is a Permitted Transfer or is made in accordance with the provisions of this article 7
- 7.2 Any member or members (the “**Selling Members**”) may accept a bona fide, arm’s length offer from a Buyer for the purchase of Shares in one or a series of related transactions which would, if carried out, result in the Buyer, and any person Acting in Concert with the Buyer, acquiring a Controlling Interest in the Company (a “**Tag Offer**”) provided that the acceptance of the Tag Offer is conditional upon the terms of this clause being complied with in all respects and that condition is not waived.
- 7.3 A Selling Member(s) may sell Shares pursuant to a Tag Offer if
- 7.3.1 it/they despatch(es) a notice within 10 Business Days of accepting the Tag Offer notifying the other members of the main terms of the Offer and that it/they has/have contracted to accept the Offer as permitted by this article, such notice to constitute a warranty and representation by the Selling Member(s) to the other members that the Tag Offer and the Selling Member(s)’ acceptance of it is bona fide in all respects to the best of the Selling Member(s) knowledge, information and belief, and
- 7.3.2 the third party has made a binding written offer to purchase all of the Shares held by the other members for a consideration in cash per Share that is at least equal to the highest price per Share offered or paid by the Buyer, or any person Acting in Concert with the Buyer, in the Tag Offer or in any related previous transaction in the 12 months preceding the date of the Proposed Transfer and provided that such written offer is kept open for at least 20 Business Days from delivery of the notice sent by the Selling Members to the other members; and
- 7.3.3 either (i) the period mentioned in article 7.3.2 has elapsed and the other member(s) has/have not accepted the offer made by the third party, or (ii) the other member(s) has/have accepted the offer within the relevant period.

## **8 Drag Along Rights**

- 8.1 If the holders of 70% of the Institutional Shares in issue for the time being (“**Selling Shareholders**”) wish to transfer all of their interest in their Shares (“**Sellers’ Shares**”) to a bona fide arm’s length purchaser (“**Proposed Buyer**”), the Selling Shareholders may require all other Shareholders (“**Called Shareholders**”) to sell and transfer all their

Shares to the Proposed Buyer (or as the Proposed Buyer directs) in accordance with the provisions of this article ("**Drag Along Option**")

- 8.2** The Selling Shareholders may exercise the Drag Along Option by giving written notice to that effect ("**Drag Along Notice**") at any time before the transfer of the Sellers' Shares to the Proposed Buyer. The Drag Along Notice shall specify
- 8.2.1 that the Called Shareholders are required to transfer all their shares ("**Called Shares**") pursuant to this article 8,
- 8.2.2 the person to whom the Called Shares are to be transferred,
- 8.2.3 the consideration payable for the Called Shares which shall, (i) for each Called Share which is an Institutional Share, be an amount at least equal to the price per share offered by the Proposed Buyer for the Sellers' Shares and such consideration as shall be calculated as due on each such Share in accordance with article 46, and (ii) for each Called Share which is an A Share or a B Share such consideration as would be due on such Share as determined in accordance with article 46, and
- 8.2.4 the proposed date of the transfer
- 8.3** Once issued, a Drag Along Notice shall be irrevocable. However, a Drag Along Notice shall lapse if, for any reason, the Selling Shareholders have not sold the Sellers' Shares to the Proposed Buyer within 15 Business Days of serving the Drag Along Notice. The Selling Shareholders may serve further Drag Along Notices following the lapse of any particular Drag Along Notice.
- 8.4** No Drag Along Notice shall require a Called Shareholder to agree to any terms except those specifically set out in this article 8
- 8.5** Completion of the sale of the Called Shares shall take place on the Completion Date. Completion Date means the date proposed for completion of the sale of the Sellers' Shares unless all of the Called Shareholders and the Selling Shareholders agree otherwise in which case the Completion Date shall be the date agreed in writing by all of the Called Shareholders and the Selling Shareholders
- 8.6** The rights of pre-emption set out in these articles shall not apply to any transfer of shares to a Proposed Buyer (or as it may direct) pursuant to a sale for which a Drag Along Notice has been duly served
- 8.7** Within 5 Business Days of the Selling Shareholders serving a Drag Along Notice on the Called Shareholders, the Called Shareholders shall deliver stock transfer forms for the Called Shares, together with the relevant Share certificates (or a suitable indemnity for any lost Share certificates) to the Company. On the Completion Date, the Company shall pay the Called Shareholders, on behalf of the Proposed Buyer, the amounts they are due for their Shares pursuant to article 8.2.3 to the extent that the Proposed Buyer has put the Company in the requisite funds. The Company's receipt for the price shall be a good discharge to the Proposed Buyer. The Company shall hold the amounts due to the Called Shareholders pursuant to article 8.2.3 in trust for the Called Shareholders without any obligation to pay interest
- 8.8** To the extent that the Proposed Buyer has not, on the Completion Date, put the Company in funds to pay the consideration due pursuant to article 8.2.3, the Called Shareholders shall be entitled to the return of the stock transfer forms and Share certificates (or suitable indemnity) for the relevant Called Shares and the Called Shareholders shall have no further rights or obligations under this article 8 in respect of their Shares

8.9 If any Called Shareholder does not, on completion of the sale of the Called Shares, execute transfer(s) in respect of all of the Called Shares held by it, the defaulting Called Shareholder shall be deemed to have irrevocably appointed any person nominated for the purpose by the Selling Shareholders to be his agent and attorney to execute all necessary transfer(s) on his behalf, against receipt by the Company (on trust for such holder) of the consideration payable for the Called Shares, to deliver such transfer(s) to the Proposed Buyer (or as they may direct) as the holder thereof. After the Proposed Buyer (or its nominee) has been registered as the holder, the validity of such proceedings shall not be questioned by any such person. Failure to produce a Share certificate shall not impede the registration of Shares under this article 8.

8.10 Following the issue of a Drag Along Notice, on any person becoming a Shareholder of the Company pursuant to the exercise of a pre-existing option to acquire Shares in the Company or on the conversion of any convertible security of the Company (a "New Shareholder"), a Drag Along Notice shall be deemed to have been served on the New Shareholder on the same terms as the previous Drag Along Notice. The New Shareholder shall then be bound to sell and transfer all Shares acquired by it to the Proposed Buyer (or as the Proposed Buyer may direct) and the provisions of this article 8 shall apply with the necessary changes to the New Shareholder, except that completion of the sale of the Shares shall take place immediately on the Drag Along Notice being deemed served on the New Shareholder.

## 9 Alteration of share capital and return of capital on liquidation

9.1 Subject to the Statutes, the Company may by special resolution reduce its share capital, any capital redemption reserve, any share premium account or other distributable reserve in any way.

9.2 On a return of assets on liquidation the surplus assets of the Company remaining after payment of its liabilities (the "Surplus Assets") shall be applied as follows:

9.2.1 If the Target Exit Value has not been achieved, the provisions of this article 9.2.1 shall apply and the Surplus Assets shall be applied:

- (i) first in paying to the holders of Institutional Shares an amount equal to the amount originally paid to the Company for the issue of those Institutional Shares owned by the relevant Shareholders, *pari passu* as if the same constituted one class of Share, (or, if the Surplus Assets are not sufficient, the Surplus Assets shall be distributed to the relevant Shareholders *pro rata* to their holdings of Institutional Shares), and
- (ii) second in paying to the holders of the Deferred A Shares and the Deferred B Shares an amount equal to the amount originally paid to the Company for the issue of the A Shares and/or B Shares which were converted pursuant to article 46 into the relevant Deferred Shares owned by the relevant Shareholders, *pari passu* as if the same constituted one class of Shares (or, if the Surplus Assets are not sufficient, the Surplus Assets shall be distributed to the relevant Shareholders *pro rata* to their holdings of Deferred Shares), and
- (iii) the balance of the Surplus Assets shall be distributed between the holders of Institutional Shares (*pari passu* as if the same constituted one class of Share).

9.2.2 If the Target Exit Value has been achieved, the provisions of this article 9.2.2 shall apply and the Surplus Assets shall be applied:



- (i) first, in paying to the holders of Shares an amount equal to the amount originally paid to the Company for the issue of such Shares,
- (ii) second, in paying the A Share Amount to the holders of A Shares, such payment to be distributed among such Shareholders pro rata to their holding of A Shares,
- (iii) third, in paying the Ordinary Share Amount to the holders of Ordinary Shares, such payment to be distributed among such Shareholders pro rata to their holding of Ordinary Shares,
- (iv) fourth, in paying the B Share Amount to the holders of B Shares, such payment to be distributed among such Shareholders pro rata to their holding of B Shares; and
- (v) fifth, in paying the C Ordinary Share Amount to the holders of C Ordinary Shares, such payment to be distributed among such Shareholders pro rata to their holding of C Ordinary Shares

## **10 Execution of certificates**

- 10.1** Every certificate for shares or other securities of the Company shall be issued and supplied in hard copy form under the seal or in such other manner as the board, having regard to the terms of issue and the Statutes, may authorise, and each share certificate shall specify the shares to which it relates, the distinguishing number (if any) of the shares and the amount paid up on the shares. The board may determine, either generally or in relation to any particular case, that any signature on any certificate need not be autographic but may be applied by some mechanical or other means, or printed on the certificate, or that certificates need not be signed.

## **LIEN AND FORFEITURE**

### **11 Company's lien**

- 11.1** The Company shall have a first and paramount lien on every share for all monies (whether presently payable or not) called or payable at a fixed time in respect of that share, and the Company shall also have a first and paramount lien on all shares registered in the name of any person (whether solely or jointly with others) for all monies owing to the Company from him or his estate, either alone or jointly with any other person, whether as a member or not and whether such monies are presently payable or not. The board may at any time declare any share to be wholly or partly exempt from the provisions of this article. The Company's lien on a share shall extend to any amount payable in respect of it.

### **12 Forfeiture**

- 12.1** Subject to the Statutes and these articles, a forfeited share shall become the property of the Company and may be sold, re-allotted or otherwise disposed of on such terms and in such manner as the board determines either to the person who was before the forfeiture the holder or to any other person, and at any time before sale, re-allotment or other disposition the forfeiture may be cancelled on such terms as the board think fit. Where for the purposes of its disposal a forfeited share is to be transferred to any person the board may authorise some person to execute an instrument of transfer of the share to that person.

## **TRANSFER OF SHARES**

### **13 Instrument of transfer**

- 13.1** The instrument of transfer of a Share (which shall, unless the board shall determine otherwise, be in hard copy form) may be in any usual format or in any other format which the board may approve and shall be executed by or on behalf of the transferor and, unless the Share is fully paid, by or on behalf of the transferee

### **14 Right to refuse registration**

- 14.1** In addition to the discretions vested in them pursuant to regulation 24 of Table A, the directors may refuse to register the transfer of any share to an individual who is (or whom the directors reasonably believe to be) under 18 years of age or who does not have (or whom the directors reasonably believe does not have) the legal capacity freely to dispose of any Share without let, hindrance or court approval.
- 14.2** The directors shall refuse to register the transfer of any Share unless they are satisfied that such transfer is either a Permitted Transfer or a transfer made in accordance with article 5, 6, 7 or 8
- 14.3** Subject as provided in article 14.1 or as required by law, the directors shall register any such transfer as is referred to in article 14 2

## **PROCEEDINGS AT GENERAL MEETINGS**

### **15 Quorum**

- 15.1** No business shall be transacted at any general meeting unless a quorum is present Two persons entitled to vote upon the business to be transacted, each being a member or a proxy for a member or a duly authorised representative of a corporation, shall be a quorum provided that, if and for so long as the Company has only one member, that member present in person or by proxy or (if that member is a corporation) by a duly authorised representative shall be a quorum

### **16 Procedure if a quorum is not present**

- 16.1** If a quorum is not present within half an hour of the time appointed for a general meeting, the meeting, if convened on the requisition of members, shall be dissolved, in any other case it shall stand adjourned to such day and at such time and place as the board may determine, and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the members present shall be a quorum

### **17 Procedure if a single member Company**

- 17.1** If the membership of the Company falls to one member or, having been one member, increases to more than one member, an appropriate statement of such event shall together with the date of that event be entered in the register of members in accordance with section 352A of the Companies Act 1985 (or, once that section is repealed, section 123 of the Companies Act 2006)

### **18 Joint and corporate holders**

- 18.1** For all purposes, including the execution of any appointment of proxy, resolution in writing, notice or other document (including anything sent or supplied in electronic form) executed or approved pursuant to any provision of these articles,
- 18 1 1** in the case of a share registered in the name of joint holders, execution by any one of such joint holders shall be deemed to be and shall be accepted as execution by all the joint holders, and

18 1 2 in the case of a member which is a corporation, execution by any director or the secretary of that corporation or any other person who appears to any officer of the Company (acting reasonably and in good faith) to have been duly authorised to execute shall be deemed to be and shall be accepted as execution by that corporation

## **19 Right to demand a poll**

**19.1** A poll may be demanded at any general meeting by any member (or his proxy or, in the case of a corporation, his duly authorised representative) entitled to vote at the meeting Regulation 46 of Table A shall be modified accordingly

## **20 Voting**

**20.1** Subject to any rights or restrictions as to voting attached to any Shares by the terms on which they were issued or by or in accordance with these articles or otherwise

20.1 1 on a show of hands every member holding any Institutional Shares and/or A Shares and/or B Shares who (being an individual) is present in person or (being a corporation) is present by one or more duly authorised representatives (excluding any who is himself a member entitled to vote), shall have one vote, and every duly appointed proxy shall have the same number of votes as his appointor would have had if present in person, and

20 1 2 on a poll every member holding any Institutional Shares and/or A Shares and/or B Shares shall have one vote for every share of which he is the holder

**20.2** The Deferred Shares shall carry no right to receive notice of general meetings of the Company nor the right to attend or vote at them

## **21 Proxies**

**21.1** The board may (but, subject to the Statutes, need not) allow appointments of proxies to be delivered to the Company in electronic form, and if it does it may make such appointments subject to such stipulations, conditions or restrictions, and require such evidence of valid execution, as the board thinks fit

**21.2** If the appointment of a proxy is

21 2 1 not delivered to the Company in electronic form, it shall be executed under the hand of the appointor or of his attorney authorised in writing or, if the appointor is a corporation, either under its seal or under the hand of an officer, attorney or other person authorised to execute it,

21 2 2 delivered to the Company in electronic form, it shall be executed by or on behalf of the appointor

**21.3** For the appointment of a proxy to be valid

21 3 1 not less than 48 hours before the time appointed for holding the relevant meeting or adjourned meeting

(i) the appointment shall be delivered to the office or to such other place as the Company shall direct or (if sent by electronic means) to any electronic address to which the Company is deemed in accordance with the Companies Act 2006 to have agreed that it may be sent, and

- (ii) the power of attorney or other authority (if any) under which it is executed, or a copy of such power or authority certified notarially or in some other way approved by the board, shall be delivered in hard copy form (or such other form as the board may permit) to the office or to such other place (or, if the board permits, such electronic address) as the Company shall direct,

21.3.2 in the case of a poll taken more than 48 hours after it is demanded, the appointment and such power of attorney or other authority or copy shall be so delivered not earlier than the demand and not less than 24 hours before the time appointed for the taking of the poll, and

21.3.3 where a poll is not taken forthwith but is taken not more than 48 hours after it was demanded, the appointment and such documents shall be delivered at the meeting at which the poll was demanded to the chairman of the meeting or to any director

but notwithstanding this an appointment of a proxy may be accepted by the directors at any time prior to the meeting at which the person named in the appointment proposes to vote (or, where a poll is demanded at the meeting, but not taken forthwith, at any time prior to the taking of the poll).

**21.4** The appointment of a proxy shall be in any usual format or any other format that the board may approve and may relate to more than one meeting. The board may, if it thinks fit but subject to the Statutes, include with the notice of any meeting invitations to members to appoint one or more proxies for use at the meeting. The appointment of proxy shall be deemed to include the right to demand or join in demanding a poll and (except to the extent that the appointment comprises instructions to vote in a particular way) to vote or abstain as the proxy thinks fit on any business properly dealt with at the meeting, including a vote on any amendment of a resolution put to the meeting or on any motion to adjourn. The appointment shall, unless the contrary is stated in it, be as valid for any adjournment of the meeting as for the meeting to which it relates.

**21.5** A vote given or poll demanded by proxy or by the duly authorised representative of a corporation shall be valid, notwithstanding the previous determination of the authority of the person voting or demanding a poll, unless notice of such determination was received by the Company at the office (or at such other place at which the appointment of proxy was duly deposited or, where the appointment of the proxy was sent to the Company in electronic form, at the electronic address at which the appointment was duly received) not later than the last time at which an appointment of proxy should have been deposited or delivered in order to be valid for use at the meeting or on the holding of the poll at which the vote was given or the poll demanded

## **NUMBER OF DIRECTORS**

### **22 Number of directors**

**22.1** Unless otherwise determined by ordinary resolution, the number of directors shall not be subject to any maximum and the minimum number of directors shall be three

## **ALTERNATE DIRECTORS**

### **23 Appointment, removal and cessation**

**23.1** Any director other than an alternate director may by notice in writing appoint any person to be an alternate director and may remove from office an alternate director so appointed by him. An alternate director shall cease to be an alternate director if his appointor ceases to be a director

**24 Alternate acting for more than one director**

- 24.1** When an alternate director is also a director or acts as an alternate director for more than one director, such alternate director shall have one vote for every director so represented by him who is not present (in addition to his own vote if he is himself a director) and shall be counted in the quorum as a corresponding number of directors provided that at least one other director (or alternate director) is participating

**DELEGATION OF POWERS**

**25 Committees**

- 25.1** The following sentences shall be inserted in place of the first sentence of regulation 72 of Table A

“The directors may delegate any of their powers to any committee consisting of one or more persons Any committee shall have the power (unless the directors direct otherwise) to co-opt as a member or as members of the committee for any specific purpose any person or persons not being a director or directors of the Company”

- 25.2** The power to delegate contained in this article shall be effective in relation to the powers, authorities and discretions of the board generally (none of which shall be deemed incapable of delegation to a committee) and shall not be limited by the fact that in certain articles, but not in others, express reference is made to particular powers, authorities or discretions being exercised by the board or by a committee authorised by the board

**APPOINTMENT AND REMOVAL OF DIRECTORS**

**26 Board's right to appoint a director**

- 26.1** The board shall have the power at any time, and from time to time, to appoint any person who is willing to act to be a director either to fill a vacancy or as an additional director for the purposes of convening a board meeting A director so appointed shall hold office only until the Annual General Meeting following next after his appointment, when he shall retire, but shall then be eligible for re-election

**27 Death of a sole member**

- 27.1** In any case where as the result of the death of a sole member of the Company the Company has no members and no directors, the personal representatives of such deceased member shall have the right by notice in writing executed by them and delivered to the office or to the secretary, or received in electronic form at the Company's electronic address, to appoint a person to be a director of the Company and such appointment shall be as effective as if made by the Company in general meeting

**28 No age limit for directors**

- 28.1** There shall be no age limit for directors of the Company

**DISQUALIFICATION**

**29 Disqualification**

- 29.1** Regulation 81 of Table A shall be amended by substituting for paragraphs (c) and (e)

“(c) he becomes, in the opinion of all his co-directors, incapable by reason of

mental disorder of discharging his duties as a director, or”, and

“(e) he is otherwise duly removed from office ”

## **REMUNERATION OF DIRECTORS**

### **30 Ordinary remuneration and extra remuneration**

**30.1** The executive directors shall be entitled to such remuneration as the remuneration committee shall from time to time determine

**30.2** The non-executive directors shall be entitled to such remuneration as the board shall from time to time determine

### **31 Directors' expenses**

**31.1** The directors (including alternate directors) may be paid all travelling, hotel, and other expenses properly and reasonably incurred by them in connection with their attendance at meetings of directors or committees or general meetings or separate meetings of the holders of any class of shares or of debentures of the Company or otherwise in connection with the discharge of their duties

## **PROCEEDINGS OF DIRECTORS**

### **32 Notice to directors outside the United Kingdom**

**32.1** Regulation 88 of Table A shall be amended by substituting for the sentence:

“It shall not be necessary to give notice of a meeting to a director who is absent from the United Kingdom ”

the following sentence

“Notice of every meeting of directors shall be given to each director or his alternate director, including any director or alternate director who may for the time being be absent from the United Kingdom and has given the Company his address (which may be or include an electronic address) outside the United Kingdom ”

The final sentence of regulation 66 of Table A shall accordingly not apply to the Company

**32.2** References in this article to a director shall include references to an alternate director who at the relevant time is entitled to receive notice of and to attend a meeting of the board or, as the case may be, the relevant committee

### **33 Sole director**

**33.1** If and or so long as there is only one director that director shall, notwithstanding anything to the contrary in these articles, have authority to exercise all the powers, authorities and discretions vested in the board or the directors generally, these articles shall be read and construed accordingly, and the quorum for the purposes of regulation 89 of Table A shall be three.

**33.2** Regulation 90 of Table A shall be amended by deleting the words “or a sole continuing director” and “or director”

**34 Resolution in writing**

- 34.1** A resolution in writing such as is referred to in regulation 93 of Table A executed by any relevant director, alternate director or member of a committee may be evidenced by letter, a document in electronic form executed by the relevant person, or by any other means which the directors may approve from time to time

**35 Participation at meetings by telephone**

- 35.1** Any director (including an alternate director) or other person may participate in a meeting of the directors or a committee of which he is a member by means of a conference telephone or similar communicating equipment whereby all persons participating in the meeting can hear each other. Resolutions and decisions of the kind normally made or taken at a physical meeting of the directors or a committee in accordance with these articles can accordingly be so made or taken even if no persons so participating are physically present with each other. Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the chairman of the meeting is

- 35.2** In determining whether the quorum requirements fixed by or in accordance with these articles are fulfilled, all directors participating in the meeting in accordance with this article shall be counted in the quorum

**36 Directors' interests**

- 36.1** 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 may, notwithstanding his office or that, without the authorisation conferred by this article 36 1, he would or might be in breach of his duty under the Act to avoid conflicts of interest,

36 1 1 be a party to, or otherwise interested in, any transaction or arrangement with the company or in which the Company is otherwise interested, or

36 1 2 be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any undertaking in the same group as the Company, or promoted by the Company or by any undertaking in the same group as the Company, or in which the Company or any undertaking in the same group as the Company is otherwise interested

**36.2 No director shall**

36 2 1 by reason of his office, be accountable to the Company for any benefit which he derives from any office or employment, or from any transaction or arrangement, or from any interest in any undertaking, that is authorised under article 36.1 (and no such benefit shall constitute a breach of the duty under the Act not to accept benefits from third parties, and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit),

36 2 2 be in breach of his duties as a director by reason only of his excluding himself from the receipt of information, or from participation in discussion (whether at meetings of the directors or otherwise), that will or may relate to any office, employment, transaction, arrangement or interest that is authorised under article 36 1,

36 2 3 be required to disclose to the Company, or use in relation to the Company's affairs, any confidential information obtained by him in connection with any office, employment, transaction, arrangement or interest that is authorised under

article 36 1 if his doing so would result in a breach of a duty or an obligation of confidence owed by him in that connection

**36.3** A general notice given to the board 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, and 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

**36.4** The board may, if the quorum and voting requirements set out below are satisfied, authorise any matter that would otherwise involve a director breaching his duty under the Act to avoid conflicts of interest, and any director (including the director concerned) may propose that the director concerned be authorised in relation to any matter the subject of such a conflict provided that:

36 4 1 such proposal and any authority given by the board shall be effected in the same way that any other matter may be proposed to and resolved upon by the board under the provisions of these articles, except that the director concerned and any other director with a similar interest

- (i) shall not count towards the quorum at the meeting at which the conflict is considered,
- (ii) may, if the other directors so decide, be excluded from any meeting of the directors while the conflict is under consideration, and
- (iii) shall not vote on any resolution authorising the conflict except that, if he does vote, the resolution will still be valid if it would have been agreed to if his vote had not been counted, and

36 4.2 where the board gives authority in relation to such a conflict

- (i) it may (whether at the time of giving the authority or at any time or times subsequently) impose such terms upon the director concerned and any other director with a similar interest as it may determine, including, without limitation, the exclusion of that director and any other director with a similar interest from the receipt of information, or participation in discussion (whether at meetings of the directors or otherwise) related to the conflict;
- (ii) the director concerned and any other director with a similar interest will be obliged to conduct himself in accordance with any terms imposed by the board from time to time in relation to the conflict but will not be in breach of his duties as a director by reason of his doing so,
- (iii) the authority may provide that, where the director concerned and any other director with a similar interest obtains information that is confidential to a third party, the director will not be obliged to disclose that information to the Company, or to use the information in relation to the Company's affairs, where to do so would amount to a breach of that confidence,
- (iv) the authority may also provide that the director concerned or any other director with a similar interest shall not be accountable to the Company for any benefit that he receives as a result of the conflict,



- (v) the receipt by the director concerned or any other director with a similar interest of any remuneration or benefit as a result of the conflict shall not constitute a breach of the duty under the Act not to accept benefits from third parties,
- (vi) the terms of the authority shall be recorded in writing (but the authority shall be effective whether or not the terms are so recorded), and

**36.5** the board may withdraw such authority at any time

## **37 Secretary**

- 37.1** Subject to the Statutes, the board may appoint a company secretary for such term, at such remuneration and upon such conditions as the board may think fit; and any secretary so appointed may be removed by the board. If thought fit, two or more persons may be appointed as joint secretaries. The board may also appoint from time to time on such terms as it thinks fit one or more assistant or deputy secretaries.
- 37.2** Nothing in these articles shall preclude the board from taking advantage of the exemption in section 270(1) of the Companies Act 2006 (under which a Company is not required to have a secretary) and article 37.1 and all references to the secretary in these articles shall be read and construed accordingly.

## **THE SEAL**

## **38 Sealing**

- 38.1** If the Company has a seal it shall only be used with the authority of the board or of a committee. The board may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined it shall be signed by a director and by the secretary or a second director.
- 38.2** Without limiting the board's or any committee's powers pursuant to regulation 101 of Table A, the board or a committee authorised to do so by the board may authorise any person to use the seal by sending or supplying that authority in electronic form and its doing so shall constitute a determination in such a case that that person may sign any instrument to which the seal is to be affixed pursuant to that authority.

## **39 Official seal**

- 39.1** In accordance with section 39 of the Companies Act 1985 (and section 49 of the Companies Act 2006 when such provision comes into force) the Company may have an official seal for use in any territory, district or place outside the United Kingdom.

## **DIVIDENDS**

## **40 Payment of dividends**

- 40.1** Subject to the provisions of the Act and of these articles, the Company may by ordinary resolution from time to time declare dividends in accordance with the respective rights of the holders of Institutional Shares, but no dividend shall exceed the amount recommended

by the board. The Ordinary Shares and C Ordinary Shares shall rank *pari passu* for dividends. The A Shares, B Shares and Deferred Shares shall not carry any right to receive any dividends.

- 40.2** The payment by the board of any unclaimed dividend or other monies payable on or in respect of a share into a separate account shall not constitute the Company as trustee in respect of such monies. Any dividend which has remained unclaimed for 12 years from the date when it became due for payment shall, if the board so resolve, be forfeited and cease to remain owing by the Company.
- 40.3** The board may retain any dividend or other monies payable on or in respect of a Share on which the Company has a lien and may apply the amount retained in or towards satisfaction of the debts or other liabilities in respect of which the lien exists.
- 40.4** Dividends may be declared or paid in any currency and the board may agree with any member that dividends which may at any time or from time to time be declared or become due on his Shares in one currency shall be paid or satisfied in another, and may agree the basis of conversion to be applied and how and when the amount to be paid in the other currency shall be calculated and paid and for the Company or any other person to bear any costs involved.

## **COMMUNICATIONS**

### **41 Means of communications to be used**

- 41.1** Except to the extent that these articles provide otherwise, and subject to compliance with the Statutes, anything sent or supplied by or to any person, including the Company, under these articles may be sent or supplied (whether or not it is required under the Statutes to be sent or supplied) in any way, including (except in the case of anything supplied to the Company) by making it available on a website, in which documents or information required to be sent under the Companies Act 2006 may be sent or supplied by or to that person in accordance with the Companies Act 2006.
- 41.2** Except insofar as the Statutes require otherwise, the Company shall not be obliged to accept any notice, document or other information sent or supplied to the Company in electronic form unless it satisfies such stipulations, conditions or restrictions (including, without limitation, for the purpose of authentication) as the board thinks fit, and the Company shall be entitled to require any such notice, document or information to be sent or supplied in hard copy form instead.

### **42 Service of notice**

- 42.1** In the case of joint holders of a Share, all notices, documents or other information shall be given to the joint holder whose name stands first in the register of members in respect of the joint holding and shall be deemed to have been given to all the joint holders.
- 42.2** A member whose registered address is not within the United Kingdom and who notifies the Company of an address within the United Kingdom at which notices, documents or other information may be served on or delivered to him shall be entitled to have such things served on or delivered to him at that address (in the manner referred to above), but otherwise no such member shall be entitled to receive any notice, document or other information from the Company. Such address may, at the board's discretion, be an electronic address but the board may at any time without prior notice (and whether or not the Company has previously sent or supplied any documents or information in electronic form to that electronic address) refuse to send or supply any documents or information to that electronic address.

#### **43 When information deemed served**

##### **43.1 Any notice, document or other information**

- 43 1 1 if sent by the Company by post or other delivery service shall be deemed to have been received on the day (whether or not it is a working day) following the day (whether or not it was a working day) on which it was put in the post or given to the delivery agent and, in proving that it was duly sent, it shall be sufficient to prove that the notice, document or information was properly addressed, prepaid and put in the post or duly given to the delivery agent;
- 43 1 2 if sent by the Company by electronic means in accordance with the Statutes shall be deemed to have been received on the same day that it was sent, and proof that it was sent in accordance with guidance issued by the Institute of Chartered Secretaries and Administrators shall be conclusive evidence that it was sent,
- 43 1 3 if made available on a website in accordance with the Statutes shall be deemed to have been received when notification of its availability on the website is deemed to have been received or, if later, when it is first made available on the website,
- 43 1 4 not sent by post or other delivery service but served or delivered personally or left by the Company at the address for that member on the register shall be deemed to have been served or delivered on the day (whether or not it was a working day) and at the time it was so left.

#### **44 Service of notice on person entitled by transmission**

- 44.1 Where a person is entitled by transmission to a Share, any notice, document or other information may be sent or supplied to him by the Company in any manner in which it might have been sent or supplied to the holder if that person had not become so entitled, and as if that person's address were that noted in the register as the holder's registered address or were the electronic address (if any) specified by the holder. Otherwise, any notice, document or other information sent or supplied to any member pursuant to these articles shall, notwithstanding that the member is then dead or bankrupt or that any other event giving rise to the transmission of the Share by operation of law has occurred and whether or not the Company has notice of the death, bankruptcy or other event, be deemed to have been properly sent or supplied in respect of any Share registered in the name of that member as sole or joint holder.

### **INDEMNITY**

#### **45 Indemnity, provision of funds and insurance**

- 45.1 Subject to, and to the extent not avoided by, the Statutes but without prejudice to any indemnity to which he may otherwise be entitled
  - 45.1.1 any person who is or was at any time a director, secretary or other officer (unless the office is or was as auditor) of the Company or of any of its group undertakings (as defined in the Companies Act 2006) may be indemnified out of the assets of the Company to whatever extent the board may determine against any costs, charges, expenses, losses and liabilities sustained or incurred by him in the actual or purported execution of his duties or in the exercise or purported exercise of his powers or otherwise in connection with his office, and whether or not sustained or incurred in connection with any negligence, default, breach of duty or breach of trust by him in relation to the Company or the relevant group undertaking,
  - 45.1 2 the board shall have power to provide funds to meet any expenditure incurred or to be incurred by any person who is or was at any time a director, secretary or

other officer of the Company or its holding Company (as defined in the Companies Act 2006) other than an auditor in defending any criminal or civil proceeding in connection with any negligence, default, breach of duty or breach of trust by him in relation to the Company or any of its group undertakings, any investigation, or action proposed to be taken, by a regulatory authority in that connection, any application under the Statutes, or in order to enable him to avoid incurring any such expenditure, and

45.1.3 every auditor of the Company may be indemnified out of the assets of the Company to whatever extent the board may determine against any liability incurred by him in of his powers or otherwise in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the Company

45.2 The board will purchase and maintain insurance at the expense of the Company for the benefit of any person who is or was at any time a director or other officer (unless the office is or was as an auditor) or employee of the Company or of any subsidiary undertaking of the Company or of any body corporate in which the Company has an interest (whether direct or indirect) or who is or was at any time a trustee of any pension fund or employee benefits trust in which any employee of the Company or of any such subsidiary undertaking or body corporate is or has been interested, indemnifying such person against any liability which may attach to him, and any loss or expenditure which he may incur, in relation to anything actually or allegedly done or omitted to be done by him as a director, officer, employee or trustee, whether or not it involves any negligence, default, breach of duty or breach of trust by him in relation to the Company or the relevant undertaking, body corporate, fund or trust

#### 46 Exit Event

46.1 In this article 46, save where the context requires otherwise, the following expressions shall have the following meanings.

"A Share Amount" means the amount determined by applying the formula

$$(A - B) \times C$$

where

A is the Exit Value Per Share;

B is £179 74, and

C is the number of A Shares in issue as at the date of the relevant Exit Event;

"B Share Amount" means the amount determined by applying the formula.

$$((G \text{ divided by } H) - I) \times J$$

where

G is the Ordinary Share Amount,

H is the number of Ordinary Shares in issue as at the date of the relevant Exit Event,

I is £171 64; and

J is the total number of B Shares in issue as at the date of the relevant Exit Event,

"C Ordinary Share Amount" means the amount determined by applying the formula

$$((K \text{ divided by } L) \times M) - O$$

where

**K** is the Remaining Exit Value,

**L** is the total number of Ordinary Shares and C Ordinary Shares in issue as at the date of the relevant Exit Event,

**M** is the total number of C Ordinary Shares in issue as at the date of the relevant Exit Event, and

**O** is the B Share Amount,

**"Exit Value Per Share"** means the value of each Share on the relevant Exit Event occurring as calculated in accordance with article 46 7,

**"Ordinary Share Amount"** means the amount determined by applying the formula:

$$(D \text{ divided by } E) \times F$$

where

**D** is the Remaining Exit Value,

**E** is the total number of Ordinary Shares and C Ordinary Shares in issue as at the date of the relevant Exit Event,

**F** is the total number of Ordinary Shares in issue as at the date of the relevant Exit Event, and

**"Remaining Exit Value"** means the Exit Value less the A Share Amount

**46.2** If the Exit Value on the date of the relevant Exit Event is less than the Target Exit Value, all of the A Shares in issue shall automatically be converted into Deferred A Shares and all of the B Shares in issue shall automatically be converted into Deferred B Shares

**46.3** If the Exit Value on the date of the relevant Exit Event is equal to or greater than the Target Exit Value, the provisions of articles 46 4 to 46.7 shall apply in accordance with the circumstances

**46.4** If, upon the happening of any of the following events

46 4 1 consolidation, reclassification, sub division or re-designation in relation to any class of Share,

46 4 2 the issue of any class of Share credited as fully paid up to any Shareholders by way of capitalisation of profits or reserves or otherwise, or

46 4 3 any other event where the board considers it appropriate,

the board determines that an adjustment should be made to the Target Exit Value and/or "B" and/or "I" (each as defined in article 46 1) in order to give the intended result to the holders of A Shares and/or the holders of B Shares, the board shall request an independent financial adviser to determine as soon as practicable what adjustment to the Target Exit Value and/or "B" and/or "I" (each as defined in article 46 1) is fair and reasonable to take account thereof.

**46.5** If any holder of A Shares is (i) both a Good Leaver and a holder of A Shares immediately prior to an Exit Event, the Unvested Portion of his A Shares at this date shall automatically be converted into Deferred A Shares unless the board determines otherwise and such conversion should occur prior to any conversion pursuant to article 46 8 or (ii) both a Bad Leaver and a holder of A Shares immediately prior to an Exit Event, all of his A Shares at this date shall automatically be converted into Deferred A Shares unless the board determines otherwise and such conversion should occur prior to any conversion pursuant to article 46.8

**46.6** Any conversion of A Shares and B Shares pursuant to this article 46 shall be made on the following terms

46.6 1 the conversion shall take effect immediately upon the date of an Exit Event at no cost to the holders of A Shares and/or holders of B Shares (as applicable),

46.6 2 the holders of A Shares and the holders of B Shares shall deliver the certificates therefore to the Company for cancellation, and

46.6 3 the Company shall issue to the persons entitled thereto new certificates for the Deferred A Shares and/or Deferred B Shares (as applicable) resulting

**46.7** If the board determines that the Exit Value on the relevant Exit Event equals or exceeds the Target Exit Value, the board shall calculate the Exit Value Per Share by dividing the Exit Value by the total number of Ordinary Shares, C Ordinary Shares and A Shares (but, for the avoidance of doubt, excluding the B Shares) in issue as at the date of the relevant Exit Event and

46.7 1 on a Sale or Return of Capital

- (i) the holders of the A Shares shall be entitled to the A Share Amount (such amount to be distributed among the holders of A Shares pro rata to their holdings of A Shares),
- (ii) the holders of Ordinary Shares shall be entitled to the Ordinary Share Amount (such amount to be distributed among the holders of Ordinary Shares pro rata to their holdings of Ordinary Shares),
- (iii) the holders of the B Shares shall be entitled to the B Share Amount (such amount to be distributed among the holders of B Shares pro rata to their holdings of B Shares); and
- (iv) the holders of C Ordinary Shares shall be entitled to the C Ordinary Share Amount (such amount to be distributed among the holders of C Ordinary Shares pro rata to their holdings of C Ordinary Shares), or

46.7 2 on a Listing

- (i) the holders of the A Shares shall be entitled in aggregate to such number of the shares for which a Listing is obtained (excluding any new shares which are to be or have been newly subscribed in order to raise additional capital for the Group as part of the Listing) as is equal in value to the A Share Amount, to be distributed among them according to the number of A Shares held by each such holder,
- (ii) the holders of the Ordinary Shares shall be entitled in aggregate to such number of the shares for which a Listing is obtained (excluding any new shares which are to be or have been newly subscribed in order to raise additional capital for the Group as part of the Listing) as is equal in value to the Ordinary Share Amount, to be distributed among them according to the number of Ordinary Shares held by each such holder,
- (iii) the holders of the B Shares shall be entitled in aggregate to such number of the shares for which a Listing is obtained (excluding any new shares which are to be or have been newly subscribed in order to raise additional capital for the Group as part of the Listing) as is equal in value to the B Share Amount, to be distributed among them according to the number of B Shares held by each such holder, and

- (iv) the holders of the C Ordinary Shares shall be entitled in aggregate to such number of the shares for which a Listing is obtained (excluding any new shares which are to be or have been newly subscribed in order to raise additional capital for the Group as part of the Listing) as is equal in value to the C Ordinary Share Amount, to be distributed among them according to the number of C Ordinary Shares held by each such holder

and each Shareholder shall take such actions as the board may require in order to give effect to the provisions of this clause 46 7 2.

- 46.8** Following any conversion of A Shares into Deferred A Shares and/or B Shares into Deferred B Shares pursuant to this article 46, such Deferred Shares may either be transferred to a person nominated by the board or (subject to the Act) purchased by the Company in each case for an aggregate amount of £1 for all Deferred Shares then in issue