



(Authorised signatory of INSTANT COMPANIES LIMITED)

Signed by: DAVE PERCIVAL, A DULY AUTHORISED SIGNATORY OF
INSTANT COMPANIES LIMITED

Date: 31 JULY 2009

NOTES

1. You can choose to agree to all of the Resolutions or none of them but you cannot agree to only some of the Resolutions. If you agree with the Resolutions, please indicate your agreement by signing and dating this document where indicated above and returning it to the Company using one of the following methods:

BY HAND: delivering the signed copy to The Directors, Compound Photonics Group Limited, Office 3 Quaypoint, Station Road, Woodbridge, IP12 4AL.

POST: returning the signed copy by post to The Directors, Compound Photonics Group Limited, Office 3 Quaypoint, Station Road, Woodbridge, IP12 4AL.

FAX: faxing the signed copy to 01394 386 624 marked "For the attention of Nikki Mitcham".

E-MAIL: by attaching a scanned copy of the signed document to an e-mail and send it to nmitcham2@createpartners.com. Please enter "Written resolution" in the e-mail subject box.

If you do not agree to all of the Resolutions, you do not need to do anything: you will not be deemed to agree if you fail to reply.

2. Once you have indicated your agreement to the Resolutions, you may not revoke your agreement.
3. Unless, by 28 DAYS from the Circulation Date, sufficient agreement has been received for the Resolutions to pass, it will lapse. If you agree to the Resolutions, please ensure that your agreement reaches us before or during this date.
4. In the case of joint holders of shares, only the vote of the senior holder who votes will be counted by the Company. Seniority is determined by the order in which the names of the joint holders appear in the register of members.
5. If you are signing this document on behalf of a person under a power of attorney or other authority please send a copy of the relevant power of attorney or authority when returning this document.

Company number: 6917133

The Companies Acts 1985 to 2006

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

COMPOUND PHOTONICS GROUP LIMITED

(Adopted by Written Resolution dated July 2009)

1 Preliminary

The regulations contained in Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 as amended by the Companies (Tables A to F) (Amendment) Regulations 2007 (SI 2007/2541) and the Companies (Tables A to F) (Amendment) (No.2) Regulations (SI 2007/2826), and as otherwise amended prior to the adoption of these Articles as they relate to a private company limited by shares (Table A) shall apply to the Company except insofar as they are excluded or varied by these articles. References herein to **regulations** are to regulations in the said Table A.

2 Interpretation

2.1 In these Articles and in Table A the following expressions have the following meanings unless inconsistent with the context:-

"the Act"	The Companies Act 1985 and the Companies Act 2006 as applicable, including any statutory modification or re-enactment thereof for the time being in force
"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)
"A Preferred Majority"	A Preferred Shareholders holding 100% of the A Preferred Shares
"A Preferred Shares"	The A preferred shares of £0.001 each in the capital of the Company
"Arrears"	In relation to any Share, all accruals, deficiencies and arrears of any dividend or other monies payable in respect of or otherwise in relation to such Share, whether or not earned or declared and irrespective of whether or not the Company has had at any time

sufficient distributable profits to pay such dividend or other monies together with all interest and other amounts payable thereon;

"Articles"	These Articles of Association, whether as originally adopted or as from time to time altered by special resolution
"Auditor"	The auditors of the Company as approved by the Board
"Board"	The board of directors of the Company from time to time acting by the resolution of a duly convened and quorate meeting
"Chairman"	Boyd Mulvey who shall be a director and the chairman of the Board
"CEO"	Jonathan Sachs who shall be a director and the Chief Executive Officer of the Company
"Controlling Interest"	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
"the directors"	The directors for the time being of the Company or (as the context shall require) any of them acting as the board of directors of the Company
"Employee Benefit Trust"	Any trust established by the Company from time to time following a recommendation of the directors to hold Shares and to transfer them (or to grant options to acquire them) to employees, officers and consultants of the Company
"executed"	Any mode of execution
"Family Trust"	<p>A trust which permits the settled property or the income therefrom to be applied only for the benefit of:</p> <ul style="list-style-type: none">(a) the settlor and/or a Privileged Relation of that settlor; or(b) any charity or charities as default beneficiaries (meaning that such charity or charities have no immediate beneficial interest in any of the settled property or the income therefrom when the trust is created but may become so interested if there are no other beneficiaries from time to time except another such charity or charities),

and under which no power of control is capable of being exercised over the votes of any Shares which are the subject of the trust by any person other than the trustees or the settlor or the Privileged Relations of the settlor. For the purposes of this definition "settlor" includes a testator or an intestate in relation to a Family Trust arising respectively under a settlement, testamentary disposition or an intestacy of a deceased Shareholder

"Further Securities"

Any shares in the capital of the Company or right or option to subscribe for or to convert into such shares which, in either case, the Company proposes to allot or grant after the date of adoption of these Articles, but excluding the grant and/or exercise of share options granted pursuant to the Share Plan and/or the Employee Benefit Trust

"the holder"

In relation to Shares means the person whose name is entered in the register of shareholders as the holder of the Shares

"Ordinary Shares"

The ordinary shares of £0.001 each in the capital of the Company

"Permitted Share Issue"

An issue of shares in the capital of the Company or the grant of a right to subscribe for or convert into shares in the capital of the Company to any person (including without limitation employees or consultants to the Company or any member of its group) where the price per share is set by the Board at not less than £1.91

"Permitted Transfer"

A transfer of Shares authorised by Article 7 and may include a transfer to more than one transferee and "Permitted Transferee" shall be construed accordingly

"Privileged Relation"

In relation to a Shareholder means the spouse or widow or widower of the Shareholder and the Shareholder's children and grandchildren (including step and adopted children and their issue) and step and adopted children of the Shareholder's children

"Sale"

The sale (which shall for these purposes exclude a Permitted Transfer) of the Shares to any person where the aggregate consideration (whether payable in cash and/or shares and/or otherwise) is less than £50,000,000 (or its equivalent if paid otherwise than in cash) and which results in that person together with any person Acting in Concert with such person holding 90% of more of the issued Shares and for the purposes of these

Articles, the A Preferred Shareholders at the date of adoption of these Articles and any persons(s) for the ultimate benefit of whom such holders are holding such A Preferred Shares shall not be deemed to be acting in concert with each other

"Share Plan"

Any plan for the grant of Her Majesty's Revenue & Customs approved or unapproved share options or Enterprise Management Incentive share options pursuant to Schedule 5 of the Income Tax (Earnings and Pensions) Act 2003 to employees, officers and consultants of the Company or any subsidiary of the Company established and amended from time to time

"Shareholder"

A holder of Shares

"Shares"

The Ordinary Shares and the A Preferred Shares

"subsidiary"

Has the meaning set out in section 1159 of the Act

"the United Kingdom"

Great Britain and Northern Ireland.

- 2.2 Unless the context otherwise requires, words or expressions contained in these Articles and in Table A shall bear the same meaning as in the Act but excluding any statutory modification thereof not in force when these Articles become binding on the Company. Regulation 1 of Table A shall not apply to the Company.
- 2.3 A person includes a reference to a natural person, body corporate, incorporated or unincorporated association or partnership. A reference to "his" includes any person and any gender of an individual.
- 2.4 Any variation, cancellation or modification to the rights set out in Articles 10 (Conversion of A Preferred Shares) or 23 (Information Rights for A Preferred Shareholders) or 24 (Liquidation Preference) or 25 (Sale Preference) or this Article 2.4, shall be deemed to be a variation of the class rights of A Preferred Shareholders and any such variation, cancellation or modification shall require the prior written consent of an A Preferred Majority. For the avoidance of doubt, save as set out above in this Article 2.4 any other variation or modification to these Articles shall require the consent of Shareholders holding not less than 75% of the voting shares in the Company.

3 Share capital

- 3.1 The authorised share capital of the Company at the date of adoption of these Articles is £100,000 divided into 90,000,000 Ordinary Shares and 10,000,000 A Preferred Shares.
- 3.2 Save as expressly set out in these Articles the A Preferred Shares and the Ordinary Shares shall be treated on a pari passu basis.

- 3.3 Subject to Article 11 and Article 3.5, the directors for a period of 5 years from the date of adoption of these Articles may unconditionally exercise the power of the Company to allot relevant securities (within the meaning of section 80(2) of the Act) and without prejudice to the generality of the foregoing any Shares unissued at the date of adoption of these Articles shall be under the control of the directors, who may allot, grant options over or otherwise dispose of the same to such persons (including the directors themselves) on such terms and at such times as they may think proper, provided that no Shares shall be issued at a discount. For the avoidance of doubt, the directors may allot relevant securities under this Article 3.3, notwithstanding that the authority under this Article has expired, if they are allotted in pursuance of an offer or agreement made by the Company before the authority has expired.
- 3.4 The Board is authorised to establish an Employee Benefit Trust and/or Share Plan at its discretion.
- 3.5 A grant of share options and/or an exercise of share options pursuant to the Employee Benefit Trust and/or the Share Plan shall not be subject to Article 11 (Pre-Emption Rights – Issues of Further Securities).

4 **Lien**

The Company shall have a first and paramount lien on all Shares, whether fully paid or not, standing registered in the name of any person to the extent such person has any indebtedness to the Company or to the extent such person is adjudicated by any court having competent jurisdiction to be indebted or under liability to the Company, whether he shall be the sole registered holder thereof or shall be one of two or more joint holders, for all moneys presently payable by him or his estate to the Company whether or not in respect of the Shares in question. Regulation 8 of Table A shall be modified accordingly.

5 **Calls on Shares and forfeiture**

There shall be added at the end of the first sentence of regulation 18 of Table A, so as to increase the liability of any Shareholder in default in respect of a call, the words "and all expenses that may have been incurred by the Company by reason of such non-payment".

6 **Transfer of Shares**

- 6.1 No Shareholder shall transfer, mortgage, charge or otherwise dispose of the whole or any part of his legal or beneficial interest in, or grant any option or other rights over, any shares in the capital of the Company (any of the foregoing being a disposal), except for:
- 6.1.1 a Permitted Transfer pursuant to and in accordance with Article 7 (Permitted Transfers);
- 6.1.2 a disposal pursuant to and in accordance with Article 8 (Drag Along); or

6.1.3 a disposal pursuant to and in accordance with Article 9 (Tag Along),

and the directors shall not refuse to register a transfer of Shares made pursuant to and in accordance with Article 7 (Permitted Transfers), Article 8 (Drag Along) or Article 9 (Tag Along).

6.2 Subject to Article 6.1 and to the provisions of the Act the directors may in their absolute discretion decline to register a transfer of any Share.

6.3 Regulation 24 of Table A shall not apply to the Company.

7 Permitted Transfers

7.1 Notwithstanding any other provisions of these Articles, and subject always to Article 7.2:

7.1.1 any Shareholder (being an individual) may at any time transfer all or any Shares held by him to a Privileged Relation;

7.1.2 any Shareholder may at any time transfer all or any Shares held by him to trustees to be held upon a Family Trust of which he is the settlor;

7.1.3 where any Shares are held by trustees upon a Family Trust:

(i) on any change of trustees such Shares may be transferred to the new trustees of that Family Trust;

(ii) such Shares may be transferred at any time to the settlor or to another Family Trust of which he is the settlor or to any Privileged Relation of the settlor;

7.1.4 any Shareholder being a body corporate, incorporated or unincorporated association or partnership (including, but not limited to corporation, limited partnerships and limited liability partnerships) may at any time transfer all or any of the Shares held by it:

(i) to any subsidiary of the Shareholder; or

(ii) to any company of which the Shareholder is a subsidiary or any subsidiary of any such company.

7.1.5 any person may transfer all or any of the Shares held by him to the Employee Benefit Trust and the Employee Benefit Trust may transfer any Shares held by it to any employee, officer or consultant of the Company or grant any option or right to any such persons to acquire any Shares held by it;

7.1.6 any Shareholder may at any time transfer all or any of his Shares to any person with the prior written consent of all the other Shareholders;

7.1.7 any Shareholder may at any time transfer all or any of his Shares to any person(s) with the prior written consent of the Board in its discretion and subject to such restrictions and/or with the benefit of any additional rights as the Board approves;

and the directors shall, save as may be required by law, register any transfer to which this Article 7 applies.

7.2 Any person proposing to transfer any Shares pursuant to this Article 7 shall give prior written notice to the Company.

8 Transfer of Shares – Drag Along

8.1 If an offeror for Shares in the Company makes bona fide offers to all the Shareholders the offeror shall at the same time send a copy of such offers to the Company (marked "for the urgent attention of the Board"). If the offers are acceptable to a majority of the Shareholders and a majority of the Board (such majority of the Board to include both the Chairman and the CEO) then provided such offer includes an offer to purchase all the Shares (**Drag Offer**):

8.1.1 the Chairman or the CEO on behalf of the Board may direct all the other Shareholders to accept the Drag Offer and if such a direction is given, all the Shareholders shall be bound to accept the Drag Offer and to transfer all the Shares in the Company held by them to the offeror in accordance with the terms of the Drag Offer;

8.1.2 the Board may give notice to any non-accepting Shareholder requiring him to accept the Drag Offer within 14 calendar days and stating that, failing such acceptance, he shall be deemed to have accepted the Drag Offer in respect of all Shares held by him and irrevocably to have waived any pre-emption rights he may have in relation to any Shares the subject of the Drag Offer;

8.1.3 upon the expiry of such notice each recipient thereof shall be obliged to deliver to the offeror (or as he may direct) an executed share transfer form and share certificate(s) in respect of the Shares which were the subject of the notice together with an executed waiver of pre-emption rights, if appropriate;

8.1.4 if any such Shareholder fails to deliver executed share transfer form(s), share certificate(s) and pre-emption waiver(s) (if appropriate) as set out above he shall be deemed to have appointed any director of the Company to be his agent and attorney to execute such documents on his behalf and, against receipt by the Company (on trust for such Shareholder) of the appropriate purchase moneys, to deliver such executed transfer(s) and pre-emption waiver(s) (if appropriate) to the offeror and it shall be no impediment to completion of the transfer that such Shareholder's share certificate(s) has/have not been produced;

8.1.5 after such offeror or his nominee has been registered as the holder of Shares transferred in accordance with this Article the validity of such transaction shall not be questioned by any person.

8.2 Following the issue of a Drag Offer, on any person becoming a Shareholder 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 (**New Shareholder**), a Drag Offer shall be deemed to have been served on the New Shareholder on the same terms as the previous Drag Offer. The New Shareholder shall then be bound to sell and transfer all Shares acquired by it to the offeror in accordance with the terms of the Drag Offer. The provisions of Article 8.1 shall apply with the necessary changes to the New Shareholder. Completion of the sale of the Shares held by the New Shareholder shall take place immediately on the Drag Offer being deemed served on the New Shareholder.

9 **Transfer of Shares - Tag Along**

9.1 If, in one or a series of related transactions, one or more Shareholders propose to transfer any of the Shares (**Proposed Transfer**) which would, if carried out, result in any person (**Buyer**), and any person Acting in Concert with the Buyer, acquiring a Controlling Interest in the Company, and provided that the Proposed Transfer is acceptable to a majority of the Board (such majority of the Board to include both the Chairman and the CEO) the following provisions shall apply:

9.1.1 Before making a Proposed Transfer, the Shareholder or Shareholders shall procure that the Buyer makes an offer (**Offer**) to all of the other Shareholders to purchase all of the Shares held by them.

9.1.2 The Offer shall be given in writing at least 10 calendar days (**Offer Period**) before the proposed date of sale. The Offer shall set out:

- (i) The identity of the Buyer and any person Acting in Concert with the Buyer;
- (ii) the consideration (whether in the form of cash and/or shares or otherwise) and other terms and conditions of payment;
- (iii) the number of Shares proposed to be purchased by the Buyer; and
- (iv) the proposed date of sale.

9.1.3 If the Buyer fails to make the Offer to all Shareholders in accordance with Article 9.1.1 and Article 9.1.2, the Seller shall not be entitled to complete the Proposed Transfer and the Company shall not register any transfer of Shares effected in accordance with the Proposed Transfer.

9.1.4 If the Offer is accepted by any Shareholder (**Accepting Shareholder**) within the Offer Period, the completion of the Proposed Transfer by the Accepting Shareholder shall be conditional on completion of the purchase

of all of the Shares held by the Shareholders, in accordance with this Article 9.

10 Conversion of A Preferred Shares

- 10.1 The A Preferred Shareholders, following a decision by an A Preferred Majority to convert and redesignate the A Preferred Shares as Ordinary Shares, may give the Company written notice that the holders require the A Preferred Shares to be converted into and redesignated as Ordinary Shares (**Conversion Notice**). The conversion rights under this Article 10.1 shall be effected by close of business following 10 calendar days after the date of the service of the Conversion Notice.
- 10.2 The A Preferred Shareholders shall, within 10 calendar days of giving notice pursuant to Article 10.1 deliver to the Company the certificates for their A Preferred Shares (if any). A Preferred Shares converted pursuant to Article 10.1 shall be converted at the rate of one Ordinary Share for every A Preferred Share and upon delivery of the said certificate there shall be issued to the A Preferred Shareholders a certificate for the number of Ordinary Shares resulting from the conversion and redesignation pursuant to this Article.
- 10.3 The Ordinary Shares arising on conversion and redesignation shall rank pari passu with the Ordinary Shares then in issue and fully paid up.
- 10.4 The nominal value of the A Preferred Shares and Ordinary Shares shall at all times remain equal.

11 Pre-Emption Rights – Issues of Further Securities

- 11.1 Except in the case of a Permitted Share Issue, no Further Securities shall be allotted or granted (as the case may be) to any person unless the Company has first offered such Further Securities to all Shareholders on the same terms (including price) as such Further Securities are being offered to such person on a pari passu and pro rata basis to the number of Shares held by the Shareholders.
- 11.2 Such offer shall stipulate a time not exceeding 10 calendar days within which the offer must be accepted or in default will lapse.
- 11.3 If at the end of such 10 calendar day period any Further Securities have been applied for by the Shareholders then the directors shall allocate the Further Securities to each Shareholder in the proportion in which his existing holding of Shares immediately prior to his purchase of Further Securities bears to the total number of Further Securities held by those Shareholders who have applied for Further Securities. Any remaining Further Securities shall be allocated in accordance with Article 11.4.
- 11.4 To the extent that any Further Securities offered have not been accepted by Shareholders pursuant to the offer made to them (**Excess Securities**), the directors may offer Excess Securities to any other person (including at the discretion of the Board any Shareholders who had applied for and received Further Securities pursuant

to Article 11.3, such Excess Securities to be offered in such proportions as determined by the Board) on the same terms (including price) as the offer made pursuant to this Article 11.

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

12 General meetings

- 12.1 All Shareholder meetings other than annual general meetings shall be called general meetings.
- 12.2 The directors may call general meetings and, on the requisition of Shareholders pursuant to the provisions of the Act, shall forthwith proceed to convene a general meeting for a date not later than eight weeks after receipt of the requisition. If there are not within the United Kingdom sufficient directors to call a general meeting any director or any Shareholder of the Company may call a general meeting.

13 Proceedings at general meetings

- 13.1 No business shall be transacted at any meeting unless a quorum is present. At least three persons entitled to vote upon the business to be transacted, of which two must be the Chairman and CEO (in their respective capacities as Shareholders) shall constitute a quorum. Regulation 40 of Table A shall not apply.
- 13.2 If such a quorum is not present within half an hour from the time appointed for the meeting, or if during a meeting such a quorum ceases to be present, the meeting shall be dissolved.
- 13.3 The Chairman shall preside as chairman of all general meetings.
- 13.4 A resolution put to the vote of a meeting shall be decided on a show of hands unless before, or on the declaration of the result of, the show of hands a poll is duly demanded. Subject to the provisions of the Act, a poll may be demanded:
- 13.4.1 by the Chairman; or
 - 13.4.2 by at least two Shareholders having the right to vote at the meeting; or
 - 13.4.3 by a Shareholder or Shareholders representing not less than one-tenth of the total voting rights of all the Shareholders having the right to vote at the meeting; or
 - 13.4.4 by a Shareholder or Shareholders holding Shares conferring a right to vote at the meeting being Shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the Shares conferring that right;

and a demand by a person as proxy for a Shareholder shall be the same as a demand by the Shareholder.

- 13.5 Unless a poll is duly demanded a declaration by the Chairman that a resolution has been carried or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority and an entry to that effect in the minutes of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.
- 13.6 The demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the Chairman and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made.

Poll Voting

- 13.7 A poll shall be taken as the Chairman directs and he may appoint scrutineers (who need not be Shareholders) and fix a time and place for declaring the result of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
- 13.8 No notice need be given of a poll not taken forthwith if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least five clear calendar days' notice shall be given specifying the time and place at which the poll is to be taken.
- 13.9 Regulation 54 of Table A shall not apply to the Company. Subject to any rights or restrictions for the time being attached to any class or classes of Shares, on a show of hands every Shareholder entitled to vote who (being an individual) is present in person or by proxy (not being himself a Shareholder entitled to vote) or (being a corporate body) is present by a representative or proxy (not being himself a Shareholder entitled to vote) shall have one vote and, on a poll, every Shareholder shall have one vote for each Share of which he is the holder.
- 13.10 The words "be entitled to" shall be inserted between the words "shall" and "vote" in regulation 57 of Table A.
- 13.11 A Shareholder shall not be entitled to appoint more than one proxy to attend on the same occasion and accordingly the final sentence of regulation 59 of Table A shall not apply to the Company. Any such proxy shall be entitled to cast the votes to which he is entitled in different ways.

14 Alternate directors

Articles 14.1 to 14.3 are subject to Articles 14.4 and 14.5.

- 14.1 An alternate director shall be entitled to receive notice of all meetings of the directors of which his appointor is a member (subject to his giving to the Company an address within the United Kingdom at which notices may be served on him), to attend and vote at any such meeting at which the director appointing him is not personally present and generally to perform all the functions of his appointor at such meeting as a director in his absence. An alternate director shall not be entitled as such to receive any remuneration from the Company, save that he may be paid by the Company such

part (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct. Regulation 66 of Table A shall not apply to the Company.

- 14.2 A director, or any such other person as is mentioned in regulation 65 of Table A, may act as an alternate director to represent more than one director, and an alternate director shall be entitled at any meeting of the directors to one vote for every director whom he represents in addition to his own vote (if any) as a director, but he shall count as only one for the purpose of determining whether a quorum is present and the final sentence of regulation 88 shall not apply to the Company.
- 14.3 Save as otherwise provided in the regulations of the Company, an alternate director shall be deemed for the purposes specified in Article 14.1 to be a director and shall alone be responsible for his own acts and defaults and he shall not be deemed to be the agent of the director appointing him. Regulation 69 of Table A shall not apply to the Company.
- 14.4 If the Chairman wishes to appoint an alternate director he shall first obtain the written consent of the CEO to such appointment.
- 14.5 If the CEO wishes to appoint an alternate director he shall first obtain the written consent of the Chairman to such appointment.

15 Appointment and retirement of directors

- 15.1 The directors shall not be required to retire by rotation and regulations 73 to 80 (inclusive) of Table A shall not apply to the Company.
- 15.2 Subject to the approval of both the Chairman and the CEO, and subject to Articles 15.4, 15.5 and 15.6, the directors may appoint a person who is willing to act to be a director, either to fill a vacancy or as an additional director.
- 15.3 If, immediately following and as a result of the death of a Shareholder, the Company has no Shareholders and if at that time it has no directors, the personal representatives of the deceased Shareholder may appoint any person to be a director. If two Shareholders die in circumstances rendering it uncertain which of them survived the other, such deaths shall, for the purposes of this Article, be deemed to have occurred in order of seniority and accordingly the younger shall be deemed to have survived the elder.
- 15.4 In the event of the death of the CEO, the Chairman has the sole right to appoint a replacement CEO to fill the vacancy.
- 15.5 In the event of the death of the Chairman, the CEO shall have the sole right to appoint a replacement Chairman to fill the vacancy.
- 15.6 In the event of Articles 15.4 or 15.5 applying, the surviving Chairman or CEO (as the case may be) shall as soon as reasonably practicable elect in writing (in his sole discretion) whether or not he is electing to fill the vacancy created by the death with a

replacement. If the surviving Chairman or CEO (as the case may be) elects not to fill the vacancy created by the death then with effect from the date of such election the provisions of these Articles which require the approval of both the CEO and Chairman shall be deemed to require only the approval of the surviving CEO or Chairman (as the case may be). Furthermore, if in the event of the death of the Chairman the CEO elects not to fill the vacancy with a replacement then with effect from the date of such election these Articles shall be deemed to be amended such that the CEO shall be deemed to occupy both the CEO and the Chairman positions.

16 Disqualification and removal of directors

16.1 The office of a director (but not the CEO or the Chairman except to the extent required by applicable law) shall be vacated if:

16.1.1 he ceases to be a director by virtue of any provision of the Act or these Articles or he becomes prohibited by law from being a director; or

16.1.2 he becomes bankrupt or makes any arrangement or composition with his creditors generally; or

16.1.3 he is, or may be, suffering from mental disorder and either:

(i) he is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983 or, in Scotland, an application for admission under the Mental Health (Scotland) Act 1960; or

(ii) an order is made by a court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his property or affairs; or

16.1.4 he resigns his office by notice to the Company; or

16.1.5 the Board passes a resolution to remove the director; or

16.1.6 he shall for more than six consecutive months have been absent without permission of the directors from meetings of directors held during that period and the directors resolve that his office be vacated.

16.2 Regulation 81 of Table A shall not apply to the Company.

17 Gratuities and pensions

Regulation 87 of Table A shall not apply to the Company and the directors may exercise any powers of the Company conferred by its Memorandum of Association to give and provide pensions, annuities, gratuities or any other benefits whatsoever to or for past or present directors or employees (or their dependants) of the Company or any subsidiary or associated undertaking (as defined in section 27(3) of the

Companies Act 1989) of the Company and the directors shall be entitled to retain any benefits received by them or any of them by reason of the exercise of any such powers.

18 Proceedings of the directors

18.1 Subject to the provisions of the Act, a director notwithstanding his office:

18.1.1 may be a party to or otherwise interested in any transaction or arrangement with the Company or in which the Company is in any way interested;

18.1.2 may be a director or other officer of or employed by or be a party to any transaction or arrangement with or otherwise interested in any body corporate promoted by the Company or in which the Company is in any way interested;

18.1.3 may, or any firm or company of which he is a shareholder or director may, act in a professional capacity for the Company or any body corporate in which the Company is in any way interested;

18.1.4 shall not by reason of his office be accountable to the Company for any benefit which he derives from such office, service or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit; and

18.1.5 shall be entitled to vote on any resolution and (whether or not he shall vote) be counted in the quorum on any matter referred to in any of Articles 18.1.1 to 18.1.4 (inclusive) or on any resolution which in any way concerns or relates to a matter in which he has, directly or indirectly, any kind of interest whatsoever and if he shall vote on any resolution as aforesaid his vote shall be counted,

provided that the director has disclosed to the other directors the nature and extent of the interest arising pursuant to this Article 18.1.

18.2 For the purposes of Article 18.1:

18.2.1 a declaration to the directors that a director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the director has an interest in any such transaction of the nature and extent so specified;

18.2.2 an interest of which a director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his; and

21 Indemnity

- 21.1 Subject to the provisions of the Act and so far as may be permitted by law, every director, Company secretary, the CEO, the Chairman and any other officer of the Company shall be entitled to be indemnified by the Company against all costs, charges, losses, expenses and liabilities incurred by him in the execution and discharge of his duties or in relation thereto including any liability incurred by him in defending any proceedings, civil or criminal, which relate to anything done or omitted or alleged to have been done or omitted by him as an officer or employee of the Company and in which judgment is given in his favour (or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part) and in which he is acquitted or in connection with any application under any statute for relief from liability in respect of any such act or omission in which relief is granted to him by the Court. Regulation 118 shall not apply.
- 21.2 The Company may purchase and maintain for any officer or Auditor of the Company insurance against any liability which by virtue of any rule of law would otherwise attach to him in respect of any negligence, default, breach of duty or breach of trust of which he may be guilty in relation to the Company.
- 21.3 The directors may authorise the directors of companies within the same group of companies as the Company to purchase and maintain insurance at the expense of the Company for the benefit of any director (including an alternate director), other officer or Auditor of such company in respect of such liability, loss or expenditure as is referred to in this Article 21.

22 Data Protection

Each of the shareholders of the Company (from time to time) consent to the processing of their personal data by the Company, its shareholders and directors (each a **Recipient**) for the purpose of due diligence exercises, compliance with applicable laws, regulations and procedures and the exchange of information amongst themselves. A Recipient may process such personal data either electronically or manually. The personal data which may be processed for such purposes under this Article shall include any information (but excepting all "sensitive data" as defined in the Data Protection Act 1998 for which it is recognised separate consent would be obtained) which may have a bearing on the prudence or commercial merits of investing, or disposing of any Shares (or other investment or security) in the Company. Subject to any confidentiality undertakings given to them by a Recipient, each of the Company's shareholders and directors (from time to time) consent to the transfer of such personal data to persons acting on behalf of any Recipient and to the offices of any Recipient within the European Economic Area for the purposes stated above, where it is necessary or desirable to do so.

23 Information Rights for A Preferred Shareholders

Upon receiving a written request from an A Preferred Shareholder no more than 15 calendar days after the end of a calendar month, the Company shall (at the cost of the

18.2.3 an interest of a person who is for any purpose of the Act (excluding any statutory modification not in force when these Articles were adopted) connected with a director shall be treated as an interest of the director and in relation to an alternate director an interest of his appointor shall be treated as an interest of the alternate director without prejudice to any interest which the alternate director has otherwise.

18.3 Subject to the provisions of the Act, the directors may authorise any matters proposed to them by any director which would or may, if not authorised, involve a director breaching his duty under section 175 of the Act to avoid conflicts of interest. Any authorisation of a conflict of interest under this Article 18.3 may be subject to such terms and conditions as the directors may from time to time determine.

18.4 Any director including an alternate director may participate in a meeting of the directors or a committee of the directors of which he is a member by means of a conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other and participation in a meeting in this manner shall be deemed to constitute presence in person at such meeting and, subject to these Articles and the Act, he shall be entitled to vote and be counted in a quorum accordingly. 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 then is.

18.5 Regulations 94 to 97 (inclusive) of Table A shall not apply to the Company.

18.6 The quorum for the transaction of the business of the directors shall be two (of which at least two must be the Chairman and the CEO).

18.7 Resolutions arising at any meeting of the directors shall be decided by a majority of votes provided that both the Chairman and the CEO must at all times form part of such majority.

19 Notices

19.1 In regulation 112 of Table A, the words "first class" shall be inserted immediately before the words "post in a prepaid envelope".

19.2 Where a notice is sent by first class post, proof of the notice having been posted in a properly addressed, prepaid envelope shall be conclusive evidence that the notice was given and shall be deemed to have been given at the expiration of 24 hours after the envelope containing the same is posted. Regulation 115 of Table A shall not apply to the Company.

20 Winding up

In regulation 117 of Table A, the words "with the like sanction" shall be inserted immediately before the words "determine how the division".

A Preferred Shareholder) send to the A Preferred Shareholder copies of the Company's management accounts along with such documentation (including summary business plans and budgets) (**Information**) reasonably requested by the A Preferred Shareholder for the purposes of its reporting requirements. The Information is to be treated as confidential and may be retained only by the A Preferred Shareholder making the request and may not be disclosed to any other person without the prior consent of the Board.

24 Liquidation Preference

- 24.1 On a return of assets on a liquidation, reduction of capital, sale of all or substantially all of the assets of the Company or otherwise the A Preferred Shareholders shall be entitled in respect of their A Preferred Shares to be paid out of the surplus assets of the Company remaining after payment of its liabilities, a sum equivalent to the lower of the subscription price paid by the A Preferred Shareholder or £1.91 for each A Preferred Share held by the A Preferred Shareholder (subject to Article 24.3) together with any Arrears thereon (**Aggregate Liquidation Amount**) in preference to any amount paid to the holders of Ordinary Shareholders in respect of their Ordinary Shares.
- 24.2 The Aggregate Liquidation Amount shall be allocated between and paid to the A Preferred Shareholders in the proportions in which the A Preferred Shares held by the A Preferred Shareholders bear to the aggregate number of A Preferred Shares, and thereafter any balance remaining shall be allocated to the Shareholders on a pari passu basis and pro rata each Shareholder's respective holding of Shares.
- 24.3 The Aggregate Liquidation Amount is payable on the basis of each A Preferred Share having a nominal value of £0.001. In the event that the share capital of the Company is sub-divided or consolidated after the date of adoption of these Articles, the Aggregate Liquidation Amount shall be adjusted on a pro-rata basis accordingly.

25 Sale Preference

- 25.1 In the event of a Sale, the total of all and any form of consideration received or receivable by the sellers at any time in respect of the shares that are the subject of the Sale shall be reallocated between the sellers of such shares so as to ensure the following order of application of the aggregate sale proceeds:
- 25.1.1 first, in paying to the A Preferred Shareholders in respect of their holdings of A Preferred Shares a sum equivalent to the lower of the subscription price paid by the A Preferred Shareholder or £1.91 for each A Preferred Share held by the A Preferred Shareholder (subject to Article 25.2) together with any Arrears thereon (**Aggregate Sale Amount**) such that the Aggregate Sale Amount shall be allocated between and paid to the A Preferred Shareholders in the proportions in which the A Preferred Shares held by the A Preferred Shareholders bears to the aggregate number of A Preferred Shares, and thereafter.

25.1.2 secondly, in paying the balance pari passu to the sellers of the A Preferred Shares and the Ordinary Shares (in the proportions in which each holder's respective holding of Shares bears to the overall issued Shares).

25.2 The Aggregate Sale Amount is payable on the basis of each A Preferred Share having a nominal value of £0.001. In the event that the share capital of the Company is subdivided or consolidated after the date of adoption of these Articles, the Aggregate Sale Amount shall be adjusted on a pro-rata basis accordingly.