

Company number: 07788522

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THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES
WRITTEN RESOLUTIONS
of
INFINITY WIRELESS LIMITED (the "Company")

In accordance with chapter 2 of part 13 of the Companies Act 2006 (the "Act"), the resolution below was passed as a special resolution on 31 March 2014

SPECIAL RESOLUTION

1	THAT the articles of association attached to this resolution be and are approved and adopted as the new articles of association of the Company in substitution for and to the entire exclusion of the existing articles of association
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Signed



Director

Date

16 April 2014

DR R. LEAVER

FRIDAY



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COMPANIES HOUSE

THE COMPANIES ACT 2006
COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
of
INFINITY WIRELESS LIMITED

(Adopted by a special resolution passed on 31 March 2014)

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ARTICLES OF ASSOCIATION

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THE COMPANIES ACT 2006

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

INFINITY WIRELESS LIMITED

(Adopted by a special resolution passed on 31 March 2014)

1 INTRODUCTION

- 1 1 The model articles for private companies limited by shares contained or incorporated in Schedule 1 to the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the date of adoption of these articles (the "**Model Articles**") shall apply to the Company, save insofar as they are varied or excluded by, or are inconsistent with, the following Articles
- 1 2 Articles 52 to 62 of the model articles for public companies contained or incorporated in Schedule 3 to the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the date of adoption of these articles (the "**Public Company Model Articles**"), shall apply to the Company, save insofar as they are varied or excluded by, or are inconsistent with, the following Articles
- 1 3 In these Articles, the Model Articles and the Public Company Model Articles any reference to any statutory provision shall be deemed to include a reference to each and every statutory amendment, modification, re-enactment and extension thereof for the time being in force
- 1 4 In these Articles
- 1 4 1 article headings are used for convenience only and shall not affect the construction or interpretation of these Articles,
- 1 4 2 words denoting the singular include the plural and vice versa and reference to one gender includes the other gender and neuter and vice versa, and
- 1 4 3 Articles 8(2), 9(4), 10(3), 11(2), 13, 14, 17(2), 17(3), 19, 26(5), 27, 28, 29, 44(4), 51, 52 and 53 of the Model Articles shall not apply to the Company

2 DEFINITIONS

2 1 In these Articles the following words and expressions shall have the following meanings

2 1 1 "**Act**" means the Companies Act 2006 (as amended from time to time),

2 1 2 "**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),

2 1 3 "**Asset Sale**" means the disposal by the Company of all or substantially all of its undertaking and assets,

2 1 4 "**Associate**" in relation to any person means

2 1 4 1 any person who is an associate of that person and the question of whether a person is an associate of another is to be determined in accordance with section 435 of the Insolvency Act 1986 and (whether or not an associate as so determined),

2 1 4 2 any Member of the same Group,

2 1 5 "**Auditors**" means the auditors of the Company from time to time,

2 1 6 "**Available Profits**" means profits available for distribution within the meaning of part 23 of the Act,

2 1 7 "**Bad Leaver**" means a person who ceases to be an Employee at any time and who is not a Good Leaver,

2 1 8 "**Board**" means the board of Directors and any committee of the board constituted for the purpose of taking any action or decision contemplated by these Articles,

2 1 9 "**Business Day**" means a day on which English clearing banks are ordinarily open for the transaction of normal banking business in the City of London (other than a Saturday or Sunday),

2 1 10 "**Civil Partner**" means in relation to a Shareholder, a civil partner (as defined in the Civil Partnership Act 2004) of the Shareholder,

2 1 11 "**Commencement Date**" means the Date of Adoption,

2 1 12 "**Company**" means Infinity Wireless Limited,

2 1 13 "**Controlling Interest**" means an interest in shares giving to the holder or holders control of the Company within the meaning of section 1124 of the CTA 2010,

2 1 14 "**CTA 2010**" means the Corporation Tax Act 2010,

2 1 15 "**Date of Adoption**" means the date on which these Articles were adopted,

- 2 1 16 **"Director(s)"** means a director or directors of the Company from time to time,
- 2 1 17 **"Effective Termination Date"** means the date on which the Employee's employment or consultancy terminates,
- 2 1 18 **"electronic address"** has the same meaning as in section 333 of the Act,
- 2 1 19 **"electronic form"** and **"electronic means"** have the same meaning as in section 1168 of the Act,
- 2 1 20 **"Eligible Director"** means a Director who would be entitled to vote on a matter had it been proposed as a resolution at a meeting of the Directors,
- 2 1 21 **"Employee"** means an individual other than an Investor who is employed by or who provides consultancy services to, the Company or any member of the Group,
- 2 1 22 **"Employee Shares"** in relation to an Employee means all Shares in the Company held by
- 2 1 22 1 the Employee in question, and
- 2 1 22 2 by any Permitted Transferee of that Employee other than those Shares held by those persons that an Investor Majority declares itself satisfied were not acquired directly or indirectly from the Employee or by reason of his relationship with the Employee,
- 2 1 23 **"Encumbrance"** means any mortgage, charge, security, interest, lien, pledge, assignment by way of security, equity, claim, right of pre-emption, option, covenant, restriction, reservation, lease, trust, order, decree, judgment, title defect (including without limitation any retention of title claim), conflicting claim of ownership or any other encumbrance of any nature whatsoever (whether or not perfected other than liens arising by operation of law),
- 2 1 24 **"Exit"** means a Share Sale or an Asset Sale,
- 2 1 25 **"Existing Directors"** means Lee Parry and Alan Porter,
- 2 1 26 **"Expert Valuer"** is as determined in accordance with Article 13 2,
- 2 1 27 **"Fair Value"** is as determined in accordance with Article 13 3,
- 2 1 28 **"Family Trusts"** means as regards any particular individual member or deceased or former individual member, trusts (whether arising under a settlement, declaration of trust or other instrument by whomsoever or wheresoever made or under a testamentary disposition or on an intestacy) under which no immediate beneficial interest in any of the shares in question is for the time being vested in any person other than the individual and/or Privileged Relations of that individual,
- 2 1 29 **"Financial Year"** and **"Financial Period"** means an accounting reference period (as defined by

the Act) of the Company,

2 1 30 **"Good Leaver"** means a person who ceases to be an Employee at any time by reason of

- death,

- permanent incapacity,

- the Company (or a member of the Group) terminating his contract of employment or consultancy, as the case may be, by serving notice (in accordance with the terms of that contract) in circumstances where the Employee is not in breach, nor has been in breach, of his contract,

- dismissal by the Company (or a member of the Group) which is determined by an employment tribunal or at a court of competent jurisdiction from which there is no right to appeal to be wrongful or constructive, or

- the Board, with Investor Majority Consent, determining that he is a Good Leaver,

2 1 31 **"Group"** means the Company and its Subsidiary Undertaking(s) (if any) from time to time and "Group Company" shall be construed accordingly,

2 1 32 **"hard copy form"** has the same meaning as in section 1168 of the Act,

2 1 33 **"Holding Company"** means a newly formed holding company, pursuant to which the membership, pro rata shareholdings and classes of shares comprised in such holding company matches that of the Company immediately prior to the transfer of the issued share capital of the Company to such holding company,

2 1 34 **"Investment Agreement"** means the investment agreement dated on or around the Date of Adoption between, amongst others, the Company and the Investors,

2 1 35 **"Investor Director Consent"** means the prior written consent of the Investor Director and if the Investors have not appointed an Investor Director, the consent of the Investor Majority,

2 1 36 **"Investor Director"** means a director of the Company nominated by the Investors under Article 23 1,

2 1 37 **"Investor Majority"** means those Investors holding in excess of 50% of the total number of Shares held by the Investors,

2 1 38 **"Investor Majority Consent"** means the prior written consent of the Investor Majority,

2 1 39 **"Investors"** means Boundary Capital Limited and Simon Jones and their respective Permitted Transferees,

2 1 40 **"ITEPA"** means Income Tax (Earnings and Pensions) Act 2003,

2 1 41 **"Leaver's Percentage"** means in relation to and for the purposes of determining the number of Employee Shares that are required (pursuant to Article 15) to be transferred as a result of an Existing Director ceasing to be an Employee within the Relevant Period, the percentage (rounded up to two decimal places) as calculated using the formula below

$$100 - (1.666666 \times NM),$$

2 1 42 where NM = number of full calendar months from the Commencement Date to the Effective Termination Date such that the Leaver's Percentage shall be zero on the first day of the 61st month after the Commencement Date,

2 1 43 **"a Member of the same Group"** means as regards any company, a company which is from time to time a Parent Undertaking or a Subsidiary Undertaking of that company or a Subsidiary Undertaking of any such Parent Undertaking,

2 1 44 **"New Securities"** means any shares or other securities convertible into, or carrying the right to subscribe for, those shares issued by the Company after the Date of Adoption (other than shares or securities issued as a result of the events set out in Article 9 6),

2 1 45 **"Offer"** has the meaning set out in Article 16 2,

2 1 46 **"Offer Period"** has the meaning set out in Article 16 3,

2 1 47 **"Permitted Transfer"** means a transfer of Shares in accordance with Article 11,

2 1 48 **"Permitted Transferee"** means

2 1 48 1 in relation to a Shareholder who is an individual, any of his Privileged Relations or Trustees,

2 1 48 2 in relation to a Shareholder which is an undertaking (as defined in section 1161(1) of the Act) means any Member of the same Group,

2 1 48 3 without prejudice to article 2 1 48 1 or article 2 1 48 2, in relation to an Investor

- to any nominee of an Investor,

- to any individual investor that has funds invested in the Company via the Boundary Capital 'Home Run' Enterprise Fund, and

- any further transfer as between such parties set out in this Article 2 1 48 3,

2 1 49 **"Privileged Relation"** in relation to a Shareholder who is an individual member or deceased or former member means a spouse, Civil Partner, child or grandchild (including step or adopted or illegitimate child and their issue),

2 1 50 **"Proceeds of Sale"** means the consideration payable (including any deferred consideration) whether in cash or otherwise to those Shareholders selling Shares under a Share Sale,

- 2 1 51 **"Proposed Purchaser"** means a proposed purchaser who at the relevant time has made an offer on arm's length terms,
- 2 1 52 **"Proposed Sale Date"** has the meaning given in Article 16 3,
- 2 1 53 **"Proposed Sale Notice"** has the meaning given in Article 16 3,
- 2 1 54 **"Proposed Sale Shares"** has the meaning given in Article 16 3,
- 2 1 55 **"Proposed Seller"** means any person proposing to transfer any shares in the capital of the Company,
- 2 1 56 **"Proposed Transfer"** has the meaning given in Article 16 1,
- 2 1 57 **"Qualifying Person"** has the meaning given in section 318(3) of the Act,
- 2 1 58 **"Relevant Interest"** has the meaning set out in Article 26 5,
- 2 1 59 **"Relevant Period"** means 36 months from the Commencement Date,
- 2 1 60 **"Sale Shares"** has the meaning set out in Article 12 2 1 of these Articles,
- 2 1 61 **"Seller"** has the meaning set out in Article 12 2 of these Articles,
- 2 1 62 **"Shareholder"** means any holder of any Shares,
- 2 1 63 **"Share Option Plan"** means the share option plan to be adopted by the Company after the Date of Adoption and/or such other share option plan as may be adopted from time to time by the Company with the written consent of the Investor Majority,
- 2 1 64 **"Shares"** means the ordinary shares of £1 00 each in the capital of the Company from time to time,
- 2 1 65 **"Share Sale"** means the sale of (or the grant of a right to acquire or to dispose of) any of the shares in the capital of the Company (in one transaction or as a series of transactions) which will result in the purchaser of those shares (or grantee of that right) and persons Acting in Concert with him together acquiring a Controlling Interest in the Company, except where following completion of the sale the shareholders and the proportion of shares held by each of them are the same as the shareholders and their shareholdings in the Company immediately prior to the sale,
- 2 1 66 **"Subsidiary", "Subsidiary Undertaking" and "Parent Undertaking"** have the respective meanings set out in sections 1159 and 1162 of the Act,
- 2 1 67 **"Transfer Notice"** shall have the meaning given in Article 12 2,
- 2 1 68 **"Transfer Price"** shall have the meaning given in Article 12 2 3, and

2 1 69 "Trustees" in relation to a Shareholder means the trustee or the trustees of a Family Trust

3 SHARE CAPITAL

3 1 In these Articles, unless the context requires otherwise, references to shares of a particular class shall include shares allotted and/or issued after the Date of Adoption and ranking pari passu in all respects (or in all respects except only as to the date from which those shares rank for dividend) with the shares of the relevant class then in issue

3 2 Except as otherwise provided in these Articles the Shares shall rank pari passu in all respects

3 3 Whenever as a result of a consolidation of Shares any Shareholders would become entitled to fractions of a Share, the Directors may, on behalf of those Shareholders, sell the Shares representing the fractions for the best price reasonably obtainable to any person (including, subject to the provisions of the Act, the Company) and distribute the net proceeds of sale in due proportion among those Shareholders, and the Directors may authorise any person to execute an instrument of transfer of the Shares to, or in accordance with the directions of, the purchaser. The transferee shall not be bound to see to the application of the purchase money nor shall his title to the Shares be affected by any irregularity in or invalidity of the proceedings in reference to the sale

3 4 When the Company sub-divides or consolidates all or any of its Shares, the Company may, subject to the Act and to these Articles, by ordinary resolution determine that, as between the Shares resulting from the sub-division or consolidation, any of them may have any preference or advantage or be subject to any restriction as compared with the others

3 5 The words "and any premium to be paid to the company in consideration for its issue" shall be deleted from article 21(1) of the Model Articles

3 6 In article 25(2) of the Model Articles, the words "payment of a reasonable fee as the directors decide" in paragraph (c) shall be deleted and replaced by the words "payment of the expenses reasonably incurred by the Company in investigating evidence as the directors may determine"

4 DIVIDENDS

4 1 In respect of any Financial Year, the Company's Available Profits will be applied as set out in this Article 4

4 2 Every dividend shall be distributed to the Shareholders pro rata according to the numbers of Shares held by them respectively and shall accrue on a daily basis assuming a 365 day year. All dividends are expressed net and shall be paid in cash

4 3 Article 31(1) of the Model Articles shall be amended by

4 3 1 The replacement of the words "either in writing or as the directors may otherwise decide" at the end of paragraphs (a), (b) and (c) of that article 31(1) with the words "in writing", and

4 3 2 The replacement of the words "either in writing or by such other means as the directors decide" from the end of paragraph (d) of that article 31(1) with the words "in writing"

4 4 Subject to the Act and these Articles, the Board may, provided the Investor Majority Consent is given, pay interim dividends if justified by the Available Profits in respect of the relevant period

5 LIQUIDATION

5 1 On a distribution of assets on a liquidation or a return of capital (other than a conversion, redemption or purchase of Shares) the surplus assets of the Company remaining after payment of its liabilities shall be distributed (to the extent that the Company is lawfully permitted to do so) among the Shareholders pro rata to the number of Shares held

6 EXIT PROVISIONS

6 1 On a Share Sale the Proceeds of Sale shall be distributed as set out in Article 5 and the Directors shall not register any transfer of Shares if the Proceeds of Sale are not so distributed save in respect of any Shares not sold in connection with that Share Sale provided that if the Proceeds of Sale are not settled in their entirety upon completion of the Share Sale

6 1 1 the Directors shall not be prohibited from registering the transfer of the relevant Shares so long as the Proceeds of Sale that are settled have been distributed in the order of priority set out in Article 5, and

6 1 2 the Shareholders shall take any action required by the Investor Majority to ensure that the Proceeds of Sale in their entirety are distributed in the order of priority set out in Article 5

6 2 On an Asset Sale the surplus assets of the Company remaining after payment of its liabilities shall be distributed (to the extent that the Company is lawfully permitted to do so) as set out in Article 5 provided always that if it is not lawful for the Company to distribute its surplus assets in accordance with the provisions of these Articles, the Shareholders shall take any action required by the Investor Majority (including, but without prejudice to the generality of this Article 6 2, actions that may be necessary to put the Company into voluntary liquidation so that Article 5 applies)

7 VOTES IN GENERAL MEETING

7 1 The Shares shall confer on each holder of Shares the right to receive notice of and to attend, speak and vote at all general meetings of the Company and to receive and vote on proposed written resolutions of the Company

7 2 Where Shares confer a right to vote, on a show of hands each holder of such shares who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or by proxy shall have one vote and on a poll each such holder so present shall have one vote for each Share held by him

8 VARIATION OF RIGHTS

8 1 Whenever the share capital of the Company is divided into different classes of shares, the

special rights attached to any such class may only be varied or abrogated (either whilst the Company is a going concern or during or in contemplation of a winding-up) with the consent in writing of the holders of more than 75 per cent in nominal value of the issued shares of that class

8 2 The creation of a new class of shares which has preferential rights to one or more existing classes of shares shall not constitute a variation of the rights of those existing classes of shares

8 3 No voting rights attached to a share which is nil paid may be exercised

8 3 1 at any general meeting, at any adjournment of it or at any poll called at or in relation to it, or

8 3 2 on any proposed written resolution,

unless all or some of the amounts payable to the Company in respect of that share have been paid

9 ALLOTMENT OF NEW SHARES OR OTHER SECURITIES: PRE-EMPTION

9 1 Subject to the remaining provisions of this Article 9, the Directors are generally and unconditionally authorised for the purpose of section 551 of the Act to exercise any power of the Company to

9 1 1 allot Shares, or

9 1 2 grant rights to subscribe for or convert any securities into Shares,

to any persons, at any times and subject to any terms and conditions as the Directors think proper, provided that

9 1 2 1 this authority shall be limited to a maximum nominal amount of £500,000, and

9 1 2 2 this authority shall only apply insofar as the Company in general meeting has not waived or revoked it,

9 1 2 3 this authority may only be exercised for a period of five years commencing upon the Date of Adoption, save that the Directors may make an offer or agreement which would or might require Shares to be allotted or rights granted to subscribe for or convert any security into Shares after the expiry of such authority (and the Directors may allot Shares or grant such rights in pursuance of an offer or agreement as if such authority had not expired)

9 2 In accordance with sections 567(1) and/or 570 of the Act, sections 561(1) and 562(1) to (5) (inclusive) of the Act do not apply to an allotment of equity securities made by the Company

9 3 Unless otherwise agreed by Investor Majority and by special resolution passed in a general meeting or as a written resolution passed in accordance with part 13 of the Act, if the Company

proposes to allot any New Securities those New Securities shall not be allotted to any person unless the Company has in the first instance offered them to all holders of Shares on the same terms and at the same price as those New Securities are being offered to other persons on a pari passu and pro rata basis to the number of Shares held by those holders (as nearly as may be without involving fractions) The offer

9 3 1 shall be in writing, give details of the number and subscription price of the New Securities, and

9 3 2 may stipulate that any Shareholder who wishes to subscribe for a number of New Securities in excess of the proportion to which each is entitled shall in their acceptance state the number of excess New Securities ("**Excess Securities**") for which they wish to subscribe

9 4 Any New Securities not accepted by Shareholders pursuant to the offer made to them in accordance with Article 9 3 shall be used for satisfying any requests for Excess Securities made pursuant to Article 9 3 and in the event that there are insufficient Excess Securities to satisfy such requests, the Excess Securities shall be allotted to the applicants on a pro rata basis to the number of Shares held by the applicants immediately prior to the offer made to Shareholders in accordance with Article 9 3 (as nearly as may be without involving fractions or increasing the number allotted to any Shareholder beyond that applied for by him) and after that allotment, any Excess Securities remaining shall be offered, subject to Article 9 3, to any other person as the Directors may determine at the same price and on the same terms as the offer to the Shareholders

9 5 Subject to Articles 9 3 and 9 4 and to the provisions of section 551 of the Act, any New Securities shall be at the disposal of the Board who may allot, grant options over or otherwise dispose of them to any persons at those times and generally on the terms and conditions they think proper

9 6 The provisions of Articles 9 3 and 9 5 shall not apply to

9 6 1 options granted pursuant to the Share Option Plan and any Shares issued on exercise of such options, or

9 6 2 Shares issued to the Investors in accordance with the terms of the Investment Agreement

9 7 No Shares shall be allotted to any Employee, Director, prospective Employee or prospective director of the Company unless such person has entered into a joint section 431 ITEPA election with the Company

10 TRANSFERS OF SHARES – GENERAL

10 1 In Articles 10 to 17 inclusive, reference to the transfer of a Share includes the transfer or assignment of a beneficial or other interest in that Share or the creation of a trust or Encumbrance over that Share and reference to a Share includes a beneficial or other interest in a Share

- 10 2 No Share may be transferred unless the transfer is made in accordance with these Articles
- 10 3 If a Shareholder transfers or purports to transfer a Share otherwise than in accordance with these Articles he will be deemed immediately to have served a Transfer Notice in respect of all Shares held by him
- 10 4 Any transfer of a Share by way of sale which is required to be made under Articles 12 to 17 (inclusive) will be deemed to include a warranty that the transferor sells with full title guarantee
- 10 5 Unless express provision is made in these Articles to the contrary, no Shares shall be transferred without the consent of the Investor Majority
- 10 6 The Investor Director/s may refuse to register a transfer if
- 10 6 1 it is a transfer of a Share to a bankrupt, a minor or a person of unsound mind,
- 10 6 2 the transfer is to an Employee, Director or prospective Employee or prospective director of the Company and such person has not entered in a joint section 431 ITEPA election with the Company,
- 10 6 3 it is a transfer of a Share which is not fully paid
- 10 6 3 1 to a person of whom the Directors do not approve, or
- 10 6 3 2 on which Share the Company has a lien,
- 10 6 4 the transfer is not lodged at the registered office or at such other place as the Directors may appoint,
- 10 6 5 the transfer is not accompanied by the certificate for the Shares to which it relates and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer,
- 10 6 6 the transfer is in respect of more than one class of Shares, or
- 10 6 7 the transfer is in favour of more than four transferees
- If the Investor Directors refuse to register a transfer, the instrument of transfer must be returned to the transferee with the notice of refusal unless they suspect that the proposed transfer may be fraudulent
- 10 7 The Directors may, as a condition to the registration of any transfer of shares in the Company (whether pursuant to a Permitted Transfer or otherwise), require the transferee to execute and deliver to the Company a deed agreeing to be bound by the terms of the Investment Agreement or any other shareholders' agreement or similar document in force between some or all of the Shareholders and the Company in any form as the Directors may reasonably require (but not so

as to oblige the transferee to have any obligations or liabilities greater than those of the proposed transferor under any such agreement or other document) and if any condition is imposed in accordance with this Article 10 7 the transfer may not be registered unless that deed has been executed and delivered to the Company's registered office by the transferee

10 8 To enable the Directors to determine whether or not there has been any disposal of shares in the capital of the Company (or any interest in shares in the capital of the Company) in breach of these Articles the Directors may, with Investor Director Consent, require any holder or the legal personal representatives of any deceased holder or any person named as transferee in any transfer lodged for registration or any other person who the Directors or the Investor Director may reasonably believe to have information relevant to that purpose, to furnish to the Company that information and evidence the Directors may request regarding any matter which they deem relevant to that purpose, including (but not limited to) the names, addresses and interests of all persons respectively having interests in the shares in the capital of the Company from time to time registered in the holder's name If the information or evidence is not provided to enable the Directors to determine to their reasonable satisfaction that no breach has occurred, or where as a result of the information and evidence the Directors are reasonably satisfied that a breach has occurred, the Directors shall immediately notify the holder of such shares in the capital of the Company in writing of that fact and the following shall occur

10 8 1 the relevant shares shall cease to confer upon the holder of them (including any proxy appointed by the holder) any rights

10 8 1 1 to vote (whether on a show of hands or on a poll and whether exercisable at a general meeting or on a written resolution of the Company or at any separate meeting or written resolution of the class in question), or

10 8 1 2 to receive dividends or other distributions otherwise attaching to those shares or to any further shares issued in respect of those shares, and

10 8 2 the holder may be required at any time following receipt of the notice to transfer some or all of its Shares to any person(s) at the price that the Directors may require by notice in writing to that holder

The rights referred to in 10 8 1 above may be reinstated by the Board subject to Investor Director Consent and shall in any event be reinstated upon the completion of any transfer referred to in 10 8 1 2 above

10 9 In any case where the Board requires a Transfer Notice to be given in respect of any Shares, if a Transfer Notice is not duly given within a period of 10 Business Days of demand being made, a Transfer Notice shall be deemed to have been given at the expiration of that period If a Transfer Notice is required to be given or is deemed to have been given under these Articles, the Transfer Notice will be treated as having specified that

- 10 9 1 the Transfer Price for the Sale Shares will be as agreed between the Board (any director with whom the Seller is connected (within the meaning of section 252 of the Act) not voting) and the Seller, or, failing agreement within five Business Days after the date on which the Board becomes aware that a Transfer Notice has been deemed to have been given, will be the Fair Value of the Sale Shares,
- 10 9 2 it does not include a Minimum Transfer Condition (as defined in Article 12 2 4), and
- 10 9 3 the Seller wishes to transfer all of the Shares held by it
- 10 10 Shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the directors, which is executed by or on behalf of
- 10 10 1 the transferor, and
- 10 10 2 (if any of the shares is partly or nil paid) the transferee
- 11 PERMITTED TRANSFERS**
- 11 1 Subject to Article 10 6 and the remaining provisions of this Article 11, a Shareholder (the "**Original Shareholder**") may transfer all or any of his or its Shares to a Permitted Transferee without restriction as to price or otherwise
- 11 2 Where under the provision of a deceased Shareholder's will or laws as to intestacy, the persons legally or beneficially entitled to any Shares, whether immediately or contingently, are Permitted Transferees of the deceased Shareholder, the legal representative of the deceased Shareholder may transfer any Share to those Permitted Transferees, in each case without restriction as to price or otherwise. Shares previously transferred as permitted by this Article 11 2 may be transferred by the transferee to any other Permitted Transferee of the Original Shareholder without restriction as to price or otherwise
- 11 3 If a Permitted Transferee who was a Member of the same Group as the Original Shareholder ceases to be a Member of the same Group as the Original Shareholder, the Permitted Transferee must not later than five Business Days after the date on which the Permitted Transferee so ceases, transfer the Shares held by it to the Original Shareholder or a Member of the same Group as the Original Shareholder (which in either case is not in liquidation) without restriction as to price or otherwise failing which it will be deemed to have given a Transfer Notice in respect of those Shares
- 11 4 Trustees may
- 11 4 1 transfer Shares to a company in which they hold the whole of the share capital and which they control (a "**Qualifying Company**"), or
- 11 4 2 transfer Shares to the Original Shareholder or to another Permitted Transferee of the Original Shareholder, or

- 11 4 3 transfer Shares to the new or remaining trustees upon a change of Trustees without restrictions as to price or otherwise
- 11 5 No transfer of Shares may be made to Trustees unless the Board is satisfied
- 11 5 1 with the terms of the trust instrument and in particular with the powers of the trustees,
- 11 5 2 with the identity of the proposed trustees,
- 11 5 3 the proposed transfer will not result in 50% or more of the aggregate of the Company's equity share capital being held by trustees of that and any other trusts, and
- 11 5 4 that no costs incurred in connection with the setting up or administration of the Family Trust in question are to be paid by the Company
- 11 6 If a company to which a Share has been transferred under Article 11 5, ceases to be a Qualifying Company it must within five Business Days of so ceasing, transfer the Shares held by it to the Trustees or to a Qualifying Company (any may do so without restriction as to price or otherwise) failing which it will be deemed to have given a Transfer Notice in respect of such Shares
- 11 7 If a Permitted Transferee who is a spouse or Civil Partner of the Original Shareholder ceases to be a spouse or Civil Partner of the Original Shareholder whether by reason of divorce or otherwise they must, within 15 Business Days of so ceasing either
- 11 7 1 execute and deliver to the Company a transfer of the Shares held by them to the Original Shareholder (or, to any Permitted Transferee of the Original Shareholder) for such consideration as may be agreed between them, or
- 11 7 2 give a Transfer Notice to the Company in accordance with Article 12 2,
- failing which they shall be deemed to have given a Transfer Notice
- 11 8 On the death (subject to Article 11 2), bankruptcy, liquidation, administrator or administrative receivership of a Permitted Transferee (other than a joint holder) his personal representatives or trustee in bankruptcy, or its liquidator, administrator or administrative receiver must within five Business Days after the date of the grant of probate, the making of the bankruptcy order or the appointment of the liquidator, administrator or the administrative receiver execute and deliver to the Company a transfer of the Shares held by the Permitted Transferee without restriction as to price or otherwise The transfer shall be to the Original Shareholder if still living (and not bankrupt or in liquidation) or, if so directed by the Original Shareholder, to any Permitted Transferee of the Original Shareholder If the transfer is not executed and delivered within five Business Days of such period or if the Original Shareholder has died or is bankrupt or is in liquidation, administration or administrative receivership, the personal representative or trustee in bankruptcy or liquidator, administrator or administrative receiver will be deemed to have given

a Transfer Notice

11 9 A transfer of any Shares approved by the Board and by the Investor Majority may be made without restriction as to price or otherwise and each transfer shall be registered by the Directors

11 10 Any Shares may at any time be transferred where there is a sale of the entire issued share capital of the Company to a Holding Company, which has been approved by a majority of the Board, including Investor Director Consent

12 TRANSFERS OF SHARES SUBJECT TO PRE-EMPTION RIGHTS

12 1 Save where the provisions of Articles 11, 14, 15 and/or 17 apply, any transfer of Shares by a Shareholder shall be subject to the pre-emption rights contained in this Article 12

12 2 A Shareholder who wishes to transfer Shares (a "**Seller**") shall, except as otherwise provided in these Articles, before transferring or agreeing to transfer any Shares give notice in writing (a "**Transfer Notice**") to the Company specifying

12 2 1 the number of Shares which he wishes to transfer (the "**Sale Shares**"),

12 2 2 if he wishes to sell the Sale Shares to a third party, the name of the proposed transferee,

12 2 3 the price (in cash) at which he wishes to transfer the Sale Shares (which will be deemed to be Fair Value of the Sale Shares if no cash price is agreed between the Seller and the Board (including the Investor Director) (the "**Transfer Price**"), and

12 2 4 whether the Transfer Notice is conditional on all or a specific number of the Sale Shares being sold to Shareholders (a "**Minimum Transfer Condition**")

12 3 Except with Investor Majority Consent, no Transfer Notice once given or deemed to have been given under these Articles may be withdrawn

12 4 A Transfer Notice constitutes the Company as agent of the Seller for the sale of the Sale Shares at the Transfer Price

12 5 As soon as practicable following the later of

12 5 1 receipt of a Transfer Notice, and

12 5 2 in the case where the Transfer Price has not been specified or the Transfer Notice is deemed to have been served, the determination of the Transfer Price under Article 13,

the Board shall offer the Sale Shares for sale to the Shareholders in the manner set out in Articles 12 6 and 12 7 Each offer must be in writing and give details of the number and Transfer Price of the Sale Shares offered

12 6 Transfers First Offer

12 6 1 The Board shall offer the Sale Shares to the Investors inviting them to apply in writing within the period from the date of the offer to the date 15 Business Days after the offer (inclusive) (the "**First Offer Period**") for the maximum number of Sale Shares they wish to buy

12 6 2 If the Sale Shares are subject to a Minimum Transfer Condition then any allocation made under Articles 12 6 and 12 7 will be conditional on the fulfilment of the Minimum Transfer Condition

12 6 3 If, at the end of the First Offer Period, the number of Sale Shares applied for is equal to or exceeds the number of Sale Shares, the Board shall allocate the Sale Shares to each Investor in the proportion (fractional entitlements being rounded to the nearest whole number) which his existing holding of Shares bears to the total number of Shares held by those Investors who have applied for Sale Shares but no allocation shall be made to a Shareholder of more than the maximum number of Sale Shares which he has stated he is willing to buy

12 6 4 If not all Sale Shares are allocated in accordance with article 12 6 3 but there are applications for Sale Shares that have not been satisfied those Sale Shares shall be allocated to the relevant applicant(s) in accordance with the procedure set out in article 12 6 3

12 6 5 If, at the end of the First Offer Period, the number of Sale Shares applied for is less than the number of Sale Shares, the Board shall allocate the Sale Shares to the Investors in accordance with their applications and the balance (the "**Initial Surplus Shares**") will be dealt with in accordance with article 12 7

12 7 Transfers Second Offer

12 7 1 At the end of the First Offer Period, the Board shall offer the Initial Surplus Shares to all holders of Shares other than the Seller (the "**Continuing Shareholders**") inviting them to apply in writing within the period from the date of the offer to the date 15 Business Days after the date of the offer (inclusive) (the "**Second Offer Period**") for the maximum number of the Initial Surplus Shares they wish to buy

12 7 2 If, at the end of the Second Offer Period, the number of Initial Surplus Shares applied for exceeds the number of Initial Surplus Shares, the Board shall allocate the remaining Initial Surplus Shares to each Continuing Shareholder in the proportion (fractional entitlements being rounded to the nearest whole number) which his existing

holding of Shares bears to the total number of Shares (including Sale Shares) held by those Continuing Shareholders who have applied during the Second Offer Period for Initial Surplus Shares but no allocation shall be made to a Shareholder of more than the maximum number of Initial Surplus Shares which he has stated he is willing to buy

12 7 3 If, at the end of the Second Offer Period, the number of Initial Surplus Shares applied for is less than the number of Initial Surplus Shares, the Board shall allocate the Initial Surplus Shares to the Continuing Shareholders in accordance with their applications and the balance (the "**Second Surplus Shares**") will be offered to any other person in accordance with article 12 8 5

12 8 **Completion of transfer of Sale Shares**

12 8 1 If the Transfer Notice includes a Minimum Transfer Condition and the total number of Shares applied for is less than the number of Sale Shares the Board shall notify the Seller and all those to whom Sale Shares have been conditionally allocated under Articles 12 7 3 and/or 12 7 stating the condition has not been met and that the relevant Transfer Notice has lapsed with immediate effect

12 8 2 If

12 8 2 1 the Transfer Notice does not include a Minimum Transfer Condition, or

12 8 2 2 allocations have been made in respect of all the Sale Shares,

the Board shall, when no further offers are required to be made under Articles 12 6 and/or 12 7, give written notice of allocation (an "**Allocation Notice**") to the Seller and each Shareholder to whom Sale Shares have been allocated (an "**Applicant**") specifying the number of Sale Shares allocated to each Applicant and the place and time (being not less than 10 Business Days nor more than 20 Business Days after the date of the Allocation Notice) for completion of the transfer of the Sale Shares

12 8 3 Upon service of an Allocation Notice, the Seller must, against payment of the Transfer Price, transfer the Sale Shares in accordance with the requirements specified in it

12 8 4 If the Seller fails to comply with the provisions of Article 12 8 3

12 8 4 1 the chairman of the Company or, failing him, one of the directors, or some other person nominated by a resolution of the Board, may on behalf of the Seller

- complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Applicants,

- receive the Transfer Price and give a good discharge for it, and

- (subject to the transfer being duly stamped) enter the Applicants in the register of Shareholders as the holders of the Shares purchased by them, and

- 12 8 4 2 the Company shall pay the Transfer Price into a separate bank account in the Company's name on trust (but without interest) for the Seller until he has delivered to the Company his certificate or certificates for the relevant Shares (or an indemnity, in a form reasonably satisfactory to the Board, in respect of any lost certificate)
- 12 8 5 If an Allocation Notice does not relate to all the Sale Shares then, subject to Article 12 8 6, the Seller may, within eight weeks after service of the Allocation Notice, transfer the Second Surplus Shares to any person at a price at least equal to the Transfer Price provided that the sale of the Second Surplus Shares shall continue to be subject to any Minimum Transfer Conditions
- 12 8 6 The right of the Seller to transfer Shares under Article 12 8 5 does not apply if the Board is of the opinion on reasonable grounds that
- 12 8 6 1 the transferee is a person (or a nominee for a person) who the Board (with Investor Director Consent) determine in their absolute discretion is a competitor with (or an Associate of a competitor with) the business of the Company or with a Subsidiary Undertaking of the Company,
- 12 8 6 2 the sale of the Sale Shares is not bona fide or the price is subject to a deduction, rebate or allowance to the transferee, or
- 12 8 6 3 the Seller has failed or refused to provide promptly information available to it or him and reasonably requested by the Board for the purpose of enabling it to form the opinion mentioned above

13 VALUATION OF SHARES

- 13 1 If a Transfer Notice does not specify a Transfer Price or, subject to Article 10 9, if a Transfer Notice is deemed to have been served then, upon service of the Transfer Notice or, in the case of the deemed service of a Transfer Notice, on the date on which the Board first has actual knowledge of the facts giving rise to such deemed service, the Board shall either
- 13 1 1 appoint expert valuers in accordance with Article 13 2 (the "**Expert Valuers**") to certify the Fair Value of the Sale Shares, or (if the Fair Value has been certified by Expert Valuers within the preceding 12 weeks)
- 13 1 2 specify that the Fair Value of the Sale Shares will be calculated by dividing any Fair Value so certified by the number of Sale Shares to which it related and multiplying such Fair Value by the number of Sale Shares the subject of the Transfer Notice
- 13 2 The Expert Valuers will be either

- 13 2 1 the Auditors, or (if so specified in the relevant Transfer Notice)
- 13 2 2 an independent firm of Chartered Accountants to be agreed between the Board and the Seller or failing agreement not later than the date 10 Business Days after the date of service of the Transfer Notice to be appointed by the then President of the Institute of Chartered Accountants in England and Wales on the application of either party
- 13 3 The "**Fair Value**" of the Sale Shares shall be determined by the Expert Valuer on the following assumptions and bases
- 13 3 1 valuing the Sale Shares as on an arm's-length sale between a willing seller and a willing buyer,
- 13 3 2 if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so,
- 13 3 3 that the Sale Shares are capable of being transferred without restriction,
- 13 3 4 valuing the Sale Shares as a rateable proportion of the total value of all the issued Shares without any premium or discount being attributable to the percentage of the issued share capital of the Company which they represent, and
- 13 3 5 reflect any other factors which the Expert Valuers reasonably believe should be taken into account
- 13 4 If any difficulty arises in applying any of these assumptions or bases then the Expert Valuers shall resolve that difficulty in whatever manner they shall in their absolute discretion think fit
- 13 5 The Expert Valuers shall be requested to determine the Fair Value within 20 Business Days of their appointment and to notify the Board of their determination
- 13 6 The Expert Valuers shall act as experts and not as arbitrators and their determination shall be final and binding on the parties (in the absence of fraud or manifest error)
- 13 7 The Board will give the Expert Valuers access to all accounting records or other relevant documents of the Company subject to them agreeing such confidentiality provisions as the Board may reasonably impose
- 13 8 The Expert Valuers shall deliver their certificate to the Company As soon as the Company receives the certificate it shall deliver a copy of it to the Seller Unless the Sale Shares are to be sold under a Transfer Notice, which is deemed to have been served, the Seller may by notice in writing to the Company within five Business Days of the service on him of the copy certificate, cancel the Company's authority to sell the Sale Shares
- 13 9 The cost of obtaining the certificate shall be paid by the Company unless
- 13 9 1 the Seller cancels the Company's authority to sell, or

13 9 2 the sale is pursuant to a Transfer Notice which is deemed to have been served, and the Sale Price certified by the Expert Valuers is less than the price (if any) offered by the directors to the Seller for the Sale Share before Expert Valuer was instructed,

in which case the Seller shall bear the cost

14 COMPULSORY TRANSFERS – GENERAL

14 1 A person entitled to a Share in consequence of the bankruptcy of a Shareholder shall be deemed to have given a Transfer Notice in respect of that Share at a time determined by the Directors

14 2 If a Share remains registered in the name of a deceased Shareholder for longer than one year after the date of his death the Directors may require the legal personal representatives of that deceased Shareholder either

14 2 1 to effect a Permitted Transfer of such Shares (including for this purpose an election to be registered in respect of the Permitted Transfer), or

14 2 2 to show to the satisfaction of the Directors that a Permitted Transfer will be effected before or promptly upon the completion of the administration of the estate of the deceased Shareholder

If either requirement in this Article 14 2 shall not be fulfilled to the satisfaction of the Directors a Transfer Notice shall be deemed to have been given in respect of each such Share save to the extent that, the Directors may otherwise determine

14 3 If a Shareholder which is a company, either suffers or resolves for the appointment of a liquidator, administrator or administrative receiver over it or any material part of its assets, the relevant Shareholder (and all its Permitted Transferees) shall be deemed to have given a Transfer Notice in respect of all the shares held by the relevant Shareholder and its Permitted Transferees save to the extent that, and at a time, the Directors may determine

14 4 If there is a change in control (as control is defined in section 1124 of the CTA 2010) of any Shareholder which is a company, other than an Investor, it shall be bound at any time, if and when required in writing by the Directors to do so, to give (or procure the giving in the case of a nominee) a Transfer Notice in respect of all the Shares registered in its and their names and their respective nominees' names save that, in the case of the Permitted Transferee, it shall first be permitted to transfer those Shares back to the original Shareholder from whom it received its Shares or to any other Permitted Transferee before being required to serve a Transfer Notice This Article 14 4 shall not apply to a member that is an Investor

15 COMPULSORY TRANSFERS - EXISTING DIRECTORS

15 1 If at any time during the Relevant Period any Existing Director ceases to be an Employee, the relevant Existing Director shall be deemed to have given a Transfer Notice in respect of the Leaver's Percentage of his Employee Shares on the Effective Termination Date

- 15 2 In such circumstances the Transfer Price shall be as follows
- 15 2 1 where the relevant Existing Director ceases to be an Employee by reason of being a Bad Leaver, the nominal value of the Employee Shares, or
- 15 2 2 where the relevant Existing Director ceases to be an Employee by reason of being a Good Leaver, the higher of the significant last arm's length investment value (as determined in accordance with International Private Equity and Venture Capital guidelines), or the price originally paid for the relevant Employee Shares
- 15 3 All voting rights attached to Employee Shares held by an Employee (the "**Restricted Member**") and/or his Permitted Transferees, if any, shall at the time he ceases to be an Employee be suspended
- 15 4 Any Employee Shares whose voting rights are suspended pursuant to Article 15 3 ("**Restricted Shares**") shall confer on the holders of Restricted Shares the right to receive a notice of and attend all general meetings of the Company but shall have no right to vote either in person or by proxy or to vote on any proposed written resolution If a Restricted Member and/or his Permitted Transferees, transfers any Restricted Shares in the Company in accordance with these Articles all voting rights attached to the Restricted Shares so transferred shall upon completion of the transfer (as evidenced by the transferee's name being entered in the Company's register of members) automatically be restored
- 16 TAG-ALONG RIGHT**
- 16 1 Except in the case of Permitted Transfers and transfers pursuant to Articles 14 and 15, after going through the pre-emption procedure in Article 12, the provisions of Article 16 2 will apply if one or more Proposed Sellers propose to transfer in one or a series of related transactions any Shares (the "**Proposed Transfer**") which would, if put into effect, result in any Proposed Purchaser (and Associates of his or persons Acting in Concert with him) acquiring a Controlling Interest in the Company
- 16 2 A Proposed Seller must, before making a Proposed Transfer procure the making by the Proposed Purchaser of an offer (the "**Offer**") to the other Shareholders to acquire all of the Company's Shares for a consideration per share the value of which is at least equal to the Specified Price (as defined in Article 16 7)
- 16 3 The Offer must be given by written notice (a "**Proposed Sale Notice**") at least 10 Business Days (the "**Offer Period**") prior to the proposed sale date ("**Proposed Sale Date**") The Proposed Sale Notice must set out, to the extent not described in any accompanying documents, the identity of the Proposed Purchaser, the purchase price and other terms and conditions of payment, the Proposed Sale Date and the number of Shares proposed to be purchased by the Proposed Purchaser (the "**Proposed Sale Shares**")
- 16 4 If any other holder of Shares is not given the rights accorded him by this Article, the Proposed

Sellers will not be entitled to complete their sale and the Company will not register any transfer intended to carry that sale into effect

16 5 If the Offer is accepted by any Shareholder (an "**Accepting Shareholder**") within the Offer Period, the completion of the Proposed Transfer will be conditional upon the completion of the purchase of all the Shares held by Accepting Shareholders

16 6 The Proposed Transfer is subject to the pre-emption provisions of Article 12 but the purchase of the Accepting Shareholders' shares shall not be subject to Article 12

16 7 For the purpose of this Article

16 7 1 the expression "**transfer**" and "**purchaser**" shall include the renunciation of a renounceable letter of allotment and the renounee under any such letter of allotment respectively,

16 7 2 the expression "**Specified Price**" shall mean in respect of each Share a sum in cash equal to the highest price per Share offered or paid by the Proposed Purchaser

16 7 2 1 in the Proposed Transfer, or

16 7 2 2 in any related or previous transaction by the Proposed Purchaser or any person Acting in Concert with the Proposed Purchaser in the 12 months preceding the date of the Proposed Transfer,

plus an amount equal to the Relevant Sum, as defined in Article 16 7 3, of any other consideration (in cash or otherwise) paid or payable by the Proposed Purchaser or any other person Acting in Concert with the Proposed Purchaser, which having regard to the substance of the transaction as a whole, can reasonably be regarded as an addition to the price paid or payable for the Shares, (the "**Supplemental Consideration**"),

16 7 3 Relevant Sum = C + A

Where

A = number of Shares being sold in connection with the relevant Proposed Transfer,

C = the Supplemental Consideration

17 DRAG-ALONG RIGHT

17 1 If the holders of 50% of the Shares, such holders to include the Investors, (the "**Selling Shareholders**") wish to transfer all their interest in Shares (the "**Sellers' Shares**") to a Proposed Purchaser, the Selling Shareholders shall have the option (the "**Drag Along Option**") to require all the other holders of Shares (the "**Called Shareholders**") to sell and transfer all their Shares to the Proposed Purchaser or as the Proposed Purchaser shall direct in accordance with the provisions of this Article

- 17.2 The Selling Shareholders may, with Investor Majority Consent and Board consent, exercise the Drag Along Option by giving a written notice to that effect (a "**Drag Along Notice**") to the Company which the Company shall forthwith copy to the Called Shareholders at any time before the transfer of the Sellers' Shares to the Proposed Purchaser. A Drag Along Notice shall specify that the Called Shareholders are required to transfer all their Shares (the "**Called Shares**") under this Article, the person to whom they are to be transferred, the consideration for which the Called Shares are to be transferred (calculated in accordance with this Article) and the proposed date of transfer.
- 17.3 Drag Along Notices shall be irrevocable but will lapse if for any reason there is not a sale of the Sellers' Shares by the Selling Shareholders to the Proposed Purchaser within 40 Business Days after the date of service of the Drag Along Notice. The Selling Shareholders shall be entitled to serve further Drag Along Notices following the lapse of any particular Drag Along Notice.
- 17.4 The consideration (in cash or otherwise) for which the Called Shareholders shall be obliged to sell each of the Called Shares shall be that to which they would be entitled if the total consideration proposed to be paid by the Proposed Purchaser were distributed to the holders of the Called Shares and the Sellers' Shares in accordance with the provisions of Article 5.
- 17.5 No Drag Along Notice may require a Called Shareholder to agree to any terms except those specifically provided for in this Article.
- 17.6 Within five Business Days of the Drag Along Notice being served on the Called Shareholders, the Called Shareholders shall deliver stock transfer forms for their Shares in favour of the Proposed Purchaser or as the Proposed Purchaser shall direct, together with the relevant share certificate(s) (or a suitable indemnity in lieu thereof) to the Company. On the expiration of that five Business Day period the Company shall pay the Called Shareholders, on behalf of the Proposed Purchaser, the amounts they are due pursuant to Article 17.4 to the extent the Proposed Purchaser has put the Company in the requisite funds. The Company's receipt for the amounts due pursuant to Article 17.4 shall be a good discharge to the Purchaser. The Company shall hold the amounts due to the Called Shareholders pursuant to Article 17.4 in trust for the Called Shareholders without any obligation to pay interest.
- 17.7 To the extent that the Proposed Purchaser has not, on the expiration of such five Business Day period, put the Company in funds to pay the amounts due pursuant to Article 17.4, the Called Shareholders shall be entitled to the return of the stock transfer forms and share certificate (or suitable indemnity) for the relevant Shares.
- 17.8 If a Called Shareholder fails to deliver stock transfer forms and share certificates (or suitable indemnity) for its Shares to the Company upon the expiration of that five Business Day period, the Directors shall, if requested by the Proposed Purchaser, authorise any Director to transfer the Called Shareholder's Shares on the Called Shareholder's behalf to the Proposed Purchaser (or its nominee(s)) to the extent the Proposed Purchaser has, at the expiration of that five

Business Day period, put the Company in funds to pay the amounts due pursuant to Article 17 4 for the Called Shareholder's Shares offered to him. The Board shall then authorise registration of the transfer once appropriate stamp duty has been paid. The defaulting Called Shareholder shall surrender his share certificate for his Shares (or provide a suitable indemnity) to the Company. On surrender, he shall be entitled to the amount due to him pursuant to Article 17 4.

17 9 Any transfer of Shares to a Proposed Purchaser (or as they may direct) pursuant to a sale in respect of which a Drag Along Notice has been duly served shall not be subject to the provisions of Article 12.

17 10 On any person, following the issue of a Drag Along Notice, becoming a Shareholder of the Company pursuant to the exercise of a pre-existing option to acquire shares in the Company or pursuant to 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 who shall then be bound to sell and transfer all Shares so acquired to the Proposed Purchaser or as the Proposed Purchaser may direct and the provisions of this Article 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.

18 GENERAL MEETINGS

18 1 If the Directors are required by the Shareholders under section 303 of the Act to call a general meeting, the Directors shall convene the meeting for a date not later than 28 days after the date on which the Directors became subject to the requirement under section 303 of the Act.

18 2 The provisions of section 318 of the Act shall apply to the Company, save that if a quorum is not present at any meeting adjourned for the reason referred to in article 41 of the Model Articles, then, provided that the Qualifying Person present holds or represents the holder of at least 50 per cent in nominal value of the Shares, any resolution agreed to by such Qualifying Person shall be as valid and effectual as if it had been passed unanimously at a general meeting of the Company duly convened and held.

18 3 If any two or more Shareholders (or Qualifying Persons representing two or more Shareholders) attend the meeting in different locations, the meeting shall be treated as being held at the location specified in the notice of the meeting, save that if no one is present at that location so specified, the meeting shall be deemed to take place where the largest number of Qualifying Persons is assembled or, if no such group can be identified, at the location of the chairman.

18 4 If a demand for a poll is withdrawn under article 44(3) of the Model Articles, the demand shall not be taken to have invalidated the result of a show of hands declared before the demand was made and the meeting shall continue as if the demand had not been made.

18 5 Polls must be taken in such manner as the chairman directs. A poll demanded on the election of a chairman or on a question of adjournment must be held immediately. A poll demanded on

any other question must be held either immediately or at such time and place as the chairman directs not being more than 14 days after the poll is demanded. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded.

18.6 No notice need be given of a poll not held immediately 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 seven clear days' notice shall be given specifying the time and place at which the poll is to be taken.

18.7 If the poll is to be held more than 48 hours after it was demanded the Shareholders shall be entitled to deliver Proxy Notices in respect of the poll at any time up to 24 hours before the time appointed for taking that poll. In calculating that period, no account shall be taken of any part of a day that is not a working day.

19 PROXIES

19.1 Paragraph (c) of article 45(1) of the Model Articles shall be deleted and replaced by the words "is signed by or on behalf of the shareholder appointing the proxy and accompanied by any the authority under which it is signed (or a certified copy of such authority or a copy of such authority in some other way approved by the directors)"

19.2 The instrument appointing a proxy and any authority under which it is signed or a certified copy of such authority or a copy in some other way approved by the Directors may

19.2.1 be sent or supplied in hard copy form, or (subject to any conditions and limitations which the Board may specify) in electronic form, to the registered office of the Company or to such other address (including electronic address) as may be specified for this purpose in the notice convening the meeting or in any instrument of proxy or any invitation to appoint a proxy sent or supplied by the Company in relation to the meeting at any time before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote,

19.2.2 be delivered at the meeting or adjourned meeting at which the person named in the instrument proposes to vote to the chairman or to the company secretary or to any Director, or

19.2.3 in the case of a poll, be delivered at the meeting at which the poll was demanded to the chairman or to the company secretary or to any Director, or at the time and place at which the poll is held to the Chairman or to the company secretary or to any Director or scrutineer,

and an instrument of proxy which is not deposited or delivered in a manner so permitted shall be invalid.

20 DIRECTORS' BORROWING POWERS

The Directors may exercise all the powers of the Company to borrow or raise money and to mortgage or charge its undertaking, property and uncalled capital and to issue debentures, debenture stock and other securities as security for any debt, liability or obligation of the Company or of any third party.

21 ALTERNATE DIRECTORS

21 1 Notwithstanding any provision of these Articles to the contrary, any person appointed as a Director (the "**Appointer**") may appoint any director or any other person as he thinks fit to be his alternate Director to exercise that Director's powers, and carry out that Director's responsibilities in relation to the taking of decisions by the Directors in the absence of the alternate's Appointor

21 2 Any appointment or removal of an alternate must be effected by notice in writing to the Company signed by the Appointor, or in any other manner approved by the Directors

21 3 The notice must

21 3 1 identify the proposed alternate, and

21 3 2 in the case of a notice of appointment, contain a statement signed by the proposed alternate that the proposed alternate is willing to act as the alternate of the Director giving the notice

21 4 An alternate Director may act as an alternate to more than one Director and has the same rights, in relation to any Directors' meeting (including as to notice) or Directors' written resolution, as the alternate's Appointor

21 5 Except as these Articles specify otherwise, alternate directors

21 5 1 are deemed for all purposes to be Directors,

21 5 2 are liable for their own acts and omissions,

21 5 3 are subject to the same restrictions as their Appointors, and

21 5 4 are not deemed to be agents of or for their Appointors,

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

21 6 A person who is an alternate Director but not a Director

21 6 1 may be counted as participating for the purposes of determining whether a quorum is participating (but only if that person's Appointor is not participating), and

21 6 2 may sign a Directors' written resolution (but only if his Appointor is an Eligible Director in relation to that decision, but does not participate)

No alternate may be counted as more than one Director for such purposes

21 7 A Director who is also an alternate Director is entitled, in the absence of his Appointor, to a separate vote on behalf of each Appointor, in addition to his own vote on any decision of the

Directors (provided that his Appointor is an Eligible Director in relation to that decision)

21 8 An alternate Director is not entitled to receive any remuneration from the company for serving as an alternate Director, except such part of the alternate's Appointor's remuneration as the Appointor may direct by notice in writing made to the Company

21 9 An alternate Director's appointment as an alternate shall terminate

21 9 1 when the alternate's Appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate,

21 9 2 on the occurrence in relation to the alternate of any event which, if it occurred in relation to the alternate's Appointor, would result in the termination of the Appointor's appointment as a Director,

21 9 3 on the death of the alternate's Appointor, or

21 9 4 when the alternate's Appointor's appointment as a Director terminates

22 NUMBER OF DIRECTORS

Unless and until the Company shall otherwise determine by ordinary resolution, the number of Directors shall be not less than two

23 APPOINTMENT OF DIRECTORS

23 1 In addition to the powers of appointment under article 17(1) of the Model Articles, for so long as the Investors and their Permitted Transferees hold not less than 5% of the Shares in issue the Investor Majority shall be entitled to nominate two people to act as a Director of the Company by notice in writing addressed to the Company from time to time and the other holders of Shares shall not vote their Shares so as to remove that Director from office The Investor Majority shall be entitled to remove their nominated Director/s so appointed at any time by notice in writing to the Company served at its registered office and appoint another person to act in his place

23 2 An appointment or removal of a Director under Article 23 1 will take effect at and from the time when the notice is received at the registered office of the Company or produced to a meeting of the directors of the Company

23 3 The Investor Director/s shall be entitled at their request to be appointed to any committee of the Board established from time to time and to the board of directors of any Subsidiary Undertaking

23 4 For so long as the Investors and their Permitted Transferees hold Shares the Investor Majority shall be entitled to appoint one person to act as a non-executive director of the Company

24 DISQUALIFICATION OF DIRECTORS

24 1 In addition to that provided in article 18 of the Model Articles, the office of a Director shall also

be vacated if

24 1 1 he is convicted of a criminal offence (other than a minor motoring offence) and the Directors resolve that his office be vacated, or

24 1 2 in the case of Directors other than the Investor Director, if a majority of his co-Directors serve notice on him in writing, removing him from office

25 PROCEEDINGS OF DIRECTORS

25 1 The quorum for Directors' meetings shall be two Directors who must include the Investor Director if appointed (save that where a Relevant Interest of the Investor Director is being authorised by other Directors in accordance with section 175(5)(a) of the Act, the Investor Director and any other interested Director shall not be included for the purpose of such authorisation but shall be included for the purpose of forming the quorum) If such a quorum is not present within half an hour from the time appointed for the meeting, or if during a meeting such quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week at the same time and place or at such time and place as determined by the Directors present at such meeting and the Investor Director If a quorum is not present at any such adjourned meeting within half an hour from the time appointed, then the meeting shall proceed

25 2 In the event that a meeting of the Directors is attended by a Director who is acting as alternate for one or more other Directors, the Director or Directors for whom he is the alternate shall be counted in the quorum despite their absence, and if on that basis there is a quorum the meeting may be held despite the fact (if it is the case) that only one Director is physically present

25 3 If all the Directors participating in a meeting of the Directors are not physically in the same place, the meeting shall be deemed to take place where the largest group of participators in number is assembled In the absence of a majority the location of the chairman shall be deemed to be the place of the meeting

25 4 Notice of a Directors' meeting need not be given to Directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the Company at any time before or after the date on which the meeting is held

25 5 Provided (if these Articles so require) that he has declared to the Directors, in accordance with the provisions of these Articles, the nature and extent of his interest (and subject to any restrictions on voting or counting in a quorum imposed by the Directors in authorising a Relevant Interest) a Director may vote at a meeting of the Directors or of a committee of the Directors on any resolution concerning a matter in which he has an interest, whether a direct or an indirect interest, or in relation to which he has a duty and shall also be counted in reckoning whether a quorum is present at such a meeting

25 6 Questions arising at any meeting of the Directors shall be decided by a majority of votes In the case of any equality of votes, the chairman shall not have a second or casting vote

25 7 A decision of the Directors may take the form of a resolution in writing, where each Eligible Director has signed one or more copies of it, or to which each Eligible Director has otherwise indicated agreement in writing (including confirmation given by electronic means) Reference in article 7(1) of the Model Articles to article 8 of the Model Articles shall be deemed to include a reference to this article also

26 DIRECTORS' INTERESTS

Specific interests of a Director:

26 1 Subject to the provisions of the Act and provided (if these Articles so require) that he has declared to the Directors in accordance with the provisions of these Articles, the nature and extent of his interest, a Director may (save as to the extent not permitted by law from time to time), notwithstanding his office, have an interest of the following kind

26 1 1 where a Director (or a person connected with him) is party to or in any way directly or indirectly interested in, or has any duty in respect of, any existing or proposed contract, arrangement or transaction with the Company or any other undertaking in which the Company is in any way interested,

26 1 2 where a Director (or a person connected with him) is a director, employee or other officer of, or a party to any contract, arrangement or transaction with, or in any way interested in, any body corporate promoted by the Company or in which the Company is in any way interested,

26 1 3 where a Director (or a person connected with him) is a shareholder in the Company or a shareholder in, employee, director, member or other officer of, or consultant to, a Parent Undertaking of, or a Subsidiary Undertaking of a Parent Undertaking of, the Company,

26 1 4 where a Director (or a person connected with him) holds and is remunerated in respect of any office or place of profit (other than the office of auditor) in respect of the Company or body corporate in which the Company is in any way interested,

26 1 5 where a Director is given a guarantee, or is to be given a guarantee, in respect of an obligation incurred by or on behalf of the Company or any body corporate in which the Company is in any way interested,

26 1 6 where a Director (or a person connected with him or of which he is a member or employee) acts (or any body corporate promoted by the Company or in which the Company is in any way interested of which he is a director, employee or other officer may act) in a professional capacity for the Company or any body corporate promoted by the Company or in which the Company is in any way interested (other than as auditor) whether or not he or it is remunerated for this,

26 1 7 an interest which cannot reasonably be regarded as likely to give rise to a conflict of interest, or

26 1 8 any other interest authorised by ordinary resolution

Interests of the Investor Director:

- 26 2 In addition to the provisions of Article 26 1, subject to the provisions of the Act and provided (if these Articles so require) that he has declared to the Directors in accordance with the provisions of these Articles, the nature and extent of his interest, where a Director is an Investor Director he may (save as to the extent not permitted by law from time to time), notwithstanding his office, have an interest arising from any duty he may owe to, or interest he may have as an employee, director, member, officer or representative of, or a consultant to, or direct or indirect investor in another body corporate or firm in which the Investor Director has invested

Interests of which a Director is not aware:

- 26 3 For the purposes of this Article 26, an interest of which a Director is not aware and of which it is unreasonable to expect him to be aware shall not be treated as an interest of his

Accountability of any benefit and validity of a contract:

- 26 4 In any situation permitted by this Article 26 (save as otherwise agreed by him) a Director shall not by reason of his office be accountable to the Company for any benefit which he derives from that situation and no such contract, arrangement or transaction shall be avoided on the grounds of any such interest or benefit

Terms and conditions of Board authorisation:

- 26 5 Subject to Article 26 6, any authority given in accordance with section 175(5)(a) of the Act in respect of a Director ("**Interested Director**") who has proposed that the Directors authorise his interest ("**Relevant Interest**") pursuant to that section may, for the avoidance of doubt
- 26 5 1 be given on such terms and subject to such conditions or limitations as may be imposed by the authorising Directors as they see fit from time to time, including, without limitation
- 26 5 1 1 restricting the Interested Director from voting on any resolution put to a meeting of the Directors or of a committee of the Directors in relation to the Relevant Interest,
- 26 5 1 2 restricting the Interested Director from being counted in the quorum at a meeting of the Directors or of a committee of the Directors where such Relevant Interest is to be discussed, or
- 26 5 1 3 restricting the application of the provisions in Article 27 1, so far as is permitted by law, in respect of such Interested Director,
- 26 5 1 4 be withdrawn, or varied at any time by the Directors entitled to authorise the Relevant Situation as they see fit from time to time, and

subject to Article 26 6, an Interested Director must act in accordance with any such terms, conditions or limitations imposed by the authorising Directors pursuant to section 175(5)(a) of the Act and this Article 26

Terms and conditions of Board authorisation for an Investor Director:

- 26 6 Notwithstanding the other provisions of this Article 26, it shall not (save with the consent in writing of the Investor Director) be made a condition of any authorisation of a matter in relation to the Investor Director in accordance with section 175(5)(a) of the Act, that he shall be restricted from voting or counting in the quorum at any meeting of, or of any committee of the Directors or that he shall be required to disclose, use or apply confidential information as contemplated in Article 26 8

Director's duty of confidentiality to a person other than the Company

- 26 7 Subject to Article 26 8 (and without prejudice to any equitable principle or rule of law which may excuse or release the Director from disclosing information, in circumstances where disclosure may otherwise be required under this Article 26), if a Director, otherwise than by virtue of his position as director, receives information in respect of which he owes a duty of confidentiality to a person other than the Company, he shall not be required
- 26 7 1 to disclose such information to the Company or to any Director, or to any officer or employee of the Company, or
- 26 7 2 otherwise to use or apply such confidential information for the purpose of or in connection with the performance of his duties as a Director
- 26 8 Where such duty of confidentiality arises out of a situation in which a Director has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company, Article 26 7 shall apply only if the conflict arises out of a matter which falls within Article 26 1 or Article 26 2 or has been authorised under section 175(5)(a) of the Act

Additional steps to be taken by a Director to manage a conflict of interest:

- 26 9 Where a Director has an interest which can reasonably be regarded as likely to give rise to a conflict of interest, the Director may take such additional steps as may be necessary or desirable for the purpose of managing such conflict of interest, including compliance with any procedures laid down from time to time by the Directors for the purpose of managing conflicts of interest generally and/or any specific procedures approved by the Directors for the purpose of or in connection with the situation or matter in question, including without limitation
- 26 9 1 absents himself from any discussions, whether in meetings of the Directors or otherwise, at which the relevant situation or matter falls to be considered, and
- 26 9 2 excluding himself from documents or information made available to the Directors generally in relation to such situation or matter and/or arranging for such documents or information to be reviewed by a professional adviser to ascertain the extent to which it might be appropriate for him to have access to such documents or information

Requirement of a Director is to declare an interest:

26 10 Subject to section 182 of the Act, a Director shall declare the nature and extent of any interest permitted by Article 26 1 or Article 26 2 at a meeting of the Directors, or by general notice in accordance with section 184 (notice in writing) or section 185 (general notice) of the Act or in such other manner as the Directors may determine, except that no declaration of interest shall be required by a Director in relation to an interest

26 10 1 falling under Article 26 1 7,

26 10 2 if, or to the extent that, the other Directors are already aware of such interest (and for this purpose the other Directors are treated as aware of anything of which they ought reasonably to be aware), or

26 10 3 if, or to the extent that, it concerns the terms of his service contract (as defined by section 227 of the Act) that have been or are to be considered by a meeting of the Directors, or by a committee of Directors appointed for the purpose under these Articles

Shareholder approval:

26 11 Subject to section 239 of the Act, the Company may by ordinary resolution ratify any contract, transaction or arrangement, or other proposal, not properly authorised by reason of a contravention of any provisions of this Article 26

26 12 For the purposes of this Article 26

26 12 1 a conflict of interest includes a conflict of interest and duty and a conflict of duties,

26 12 2 the provisions of section 252 of the Act shall determine whether a person is connected with a Director,

26 12 3 a general notice to the Directors that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the Director has an interest in any such transaction of the nature and extent so specified

27 NOTICES

27 1 Any notice, document or other information shall be deemed served on or delivered to the intended recipient

27 1 1 if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted (or five business days after posting either to an address outside the United Kingdom or from outside the United Kingdom to an address within the United Kingdom, if (in each case) sent by reputable international overnight courier addressed to the intended recipient, provided that delivery in at least five business days was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the courier service provider),

- 27 1 2 if properly addressed and delivered by hand, when it was given or left at the appropriate address,
- 27 1 3 if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied, and
- 27 1 4 if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website
- 27 2 For the purposes of this article, no account shall be taken of any part of a day that is not a business day
- 27 3 In proving that any notice, document or other information was properly addressed, it shall suffice to show that the notice, document or other information was addressed to an address permitted for the purpose by the Act
- 28 INDEMNITIES AND INSURANCE**
- 28 1 Subject to the provisions of and so far as may be permitted by, the Act
- 28 1 1 Every Director or other officer of the Company (excluding the Company's auditors) shall be entitled to be indemnified by the Company (and the Company shall also be able to indemnify directors of any associated company (as defined in section 256 of the Act)) out of the Company's assets against all liabilities incurred by him in the actual or purported execution or discharge of his duties or the exercise or purported exercise of his powers or otherwise in relation to or in connection with his duties, powers or office, provided that no director of the Company or any associated company is indemnified by the Company against
- 28 1 1 1 any liability incurred by the director to the Company or any associated company, or
- 28 1 1 2 any liability incurred by the director to pay a fine imposed in criminal proceedings or a sum payable to a regulatory authority by way of a penalty in respect of non-compliance with any requirements of a regulatory nature, or
- 28 1 1 3 any liability incurred by the director
- (a) in defending any criminal proceedings in which he is convicted,
- (b) in defending civil proceedings brought by the Company or any associated company in which final judgment (within the meaning set out in section 234 of the Act) is given against him, or
- (c) in connection with any application under sections 661(3) or 661(4) or 1157 of the Act (as the case may be) for which the court refuses to grant him relief,
- 28 1 2 the Directors may exercise all the powers of the Company to purchase and maintain insurance for any such Director or other officer 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, or any associated company including (if he is a director of a company which is a trustee of an occupational pension scheme) in connection with that company's activities as trustee of an occupational pension scheme

28 2 The Company shall (at the cost of the Company) effect and maintain for each Director policies of insurance insuring each Director against risks in relation to his office as each director may reasonably specify including without limitation, any liability which by virtue of any rule of law may attach to him in respect of any negligence, default of duty or breach of trust of which he may be guilty in relation to the Company

29 DATA PROTECTION

29 1 Each of the Shareholders and Directors consent to the processing of their personal data by the Company, the 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 among themselves. A Recipient may process the personal data either electronically or manually. The personal data which may be processed under this Article shall include any information which may have a bearing on the prudence or commercial merits of investing, or disposing of any shares (or other investment or security) in the Company. Other than as required by law, court order or other regulatory authority, that personal data may not be disclosed by a Recipient or any other person except to a Member of the same Group ("**Recipient Group Companies**") and to employees, directors and professional advisers of that Recipient or the Recipient Group Companies and funds managed by any of the Recipient Group Companies. Each of the Shareholders and Directors consent to the transfer of relevant personal data to persons acting on behalf of the Recipient and to the offices of any Recipient both within and outside the European Economic Area for the purposes stated above, where it is necessary or desirable to do so.