

THE COMPANIES ACT 2006

Company No: **7937425**

PRIVATE COMPANY LIMITED BY SHARES

Written Resolutions of the Members of

E-SIGN (UK) LIMITED
(the 'Company')

FRIDAY



A28 *A786D2UQ* #279
15/06/2018
COMPANIES HOUSE

On the **22nd day of May 2018**, the following resolutions were duly passed as written resolutions in accordance with the requirements of sections 288 to 300 of the Companies Act 2006 by the requisite majority of the members of the Company:

Special Resolution in accordance with section 283 of the Companies Act

1. THAT, a copy of the Company's existing Articles of Association and the proposed new Articles of Association having been made available for inspection, the Shareholders confirm that they have inspected such documents and that the proposed new Articles of Association be adopted on behalf of the Company with effect from the date hereof, in substitution for and to the complete exclusion of the existing Articles of Association of the Company.

Ordinary Resolutions in accordance with section 282 of the Companies Act

2. THAT, in accordance with article 10.1 of the Company's articles of association, the directors be generally and unconditionally authorised, pursuant to section 551 Companies Act 2006 (the Act) to allot equity securities (as defined in s.560 of the Act), to such persons and on such terms as they think proper, up to a maximum number of 18,750 D Ordinary Shares of £0.01 each upon the conversion of the Tranche 2 £75,000 D Loan Notes, provided that this authority is in addition to and not in substitution for all previous authorities pursuant to section 551 CA 2006, for a period expiring (unless previously renewed, varied or revoked by the Company) five years from the date of this resolution and such authority shall permit the Company to make an offer or agreement which would or might require relevant securities to be allotted after expiry of this authority and the directors may allot relevant securities pursuant to any such offer or agreement as if the authority had not expired.

3. THAT, in accordance with section 551 of the CA 2006, the Directors be generally and unconditionally authorised to allot A Ordinary Shares and B Investment Shares of £0.01 each in the Company or grant rights to subscribe for or to convert any security into shares in the Company ("Rights") up to an aggregate nominal amount of £520 provided that this authority shall, unless renewed, varied or revoked by the Company, expires 1 month after the date of this resolution save that the Company may, before such expiry, make an offer or agreement which would or might require shares to be allotted or Rights to be granted and the Directors may allot shares or grant Rights in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired. This resolution shall become effective on the receipt of the relevant subscription monies and should any of the investors fail to advance their subscription monies, the relevant shares shall not be allotted to that investor and the number of shares allotted shall be adjusted down accordingly or reallocated to an alternative investor on the same terms as that of the original.

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E-SIGN (UK) LIMITED
(the 'Company')

Special Resolutions in accordance with section 283 of the Companies Act

4. THAT, subject to the passing of resolution 2, the directors be and they are hereby empowered pursuant to Section 570 Companies Act 2006 (the Act) to allot equity securities (as defined in s.560 of the Act) pursuant to the authority conferred by resolution 2 or any renewal thereof for cash or non-cash consideration to any person or persons as if s.561 of the Act did not apply and that the pre-emption rights contained in Article 10.2 of the Articles of Association of the Company be hereby waived and disappplied to any such allotment up to an aggregate number of 18,750 D Ordinary Shares of £0.01 each upon the conversion of the Tranche 2 £75,000 D Loan Notes, for a period expiring (unless previously renewed, varied or revoked by the Company) five years from the date of this resolution, save that the Company may, before such expiry, make an offer or agreement which would or might require equity securities to be allotted after such expiry and the directors may allot equity securities in pursuance of such offer or agreement as if the power conferred hereby had not expired.

5. THAT, subject to the passing of resolution 3 and in accordance with section 570 of the CA 2006, the Directors be generally empowered to allot equity securities (as defined in section 560 of the CA 2006) pursuant to the authority conferred by resolution 3, as if section 561(1) of the CA 2006 did not apply and that the pre-emption rights contained in Article 10.2 of the Articles of Association of the Company be hereby waived and disappplied to any such allotment, provided that this power shall be limited to the nominal amount and time period specified in resolution 3 (unless renewed, varied or revoked by the Company prior to or on that date), save that the Company may, before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of any such offer or agreement notwithstanding that the power conferred by this resolution has expired.

T.Thomas, Director



22/05/2018

ARTICLES OF ASSOCIATION OF

E-SIGN (UK) LIMITED

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(ADOPTED BY SPECIAL RESOLUTION PASSED ON

22ND MAY 2018)



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PRELIMINARY

1. Interpretation

- 1.1 In the interpretation of these Articles, the headings shall not affect the construction thereof and, unless the context otherwise requires, the following words and expressions shall bear the following meanings:

A Shareholders	means the holders for the time being of the 'A' Shares;
A Shares	means the 'A' ordinary shares of £0.01 each in the capital of the Company;
Accounting Period	means an accounting period in respect of which the Company prepares its accounts in accordance with the relevant provisions of the CA 2006;
Accounts	means the financial statements of the Company and the financial statements of each company in the Group in respect of each Financial Year of the Company and each company in the Group;
Acting in Concert	has the meaning given to it in the City Code on Takeovers and Mergers in force and construed on the Adoption Date;
Adoption Date	means the date of the adoption of these Articles by the Company;
Arrears	means in relation to any Share, all accruals, deficiencies and arrears of any dividend payable in respect of 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, together with all interest and other amounts payable thereon;
Asset Financier	means any provider of asset finance to any Group Member from time to time;
Asset Sale	means the completion of any transaction whereby any person or group of persons purchases assets (whether together with associated liabilities or otherwise and as part of an undertaking or otherwise) which represent 50% or more (by book value) of the consolidated gross tangible assets of the Group at that time;
Auditors	means the auditors of the Company from time to time or, if the auditors are unable or unwilling to act in connection with the reference in question, a chartered accountant nominated by the Directors with the consent of the Investor Representative and,

	in either case, engaged on such terms as the Directors with the consent of the Investor Representative and acting as agent for the Company and each relevant Member shall, in its absolute discretion, see fit;
B Investment Shareholder	means a holder of the 'B' Investment Shares;
B Investment Shares	means the 'B' Investment Shares of £0.01 each in the capital of the Company
Bad Leaver	means any Relevant Individual who ceases to be an employee and/or director and/or consultant of the Group in circumstances where he is not a Good Leaver and in this definition the Relevant Individual will be deemed to cease to be an employee on the Cessation Date;
Bank	means the Company's bankers from time to time;
Board	means the board of directors of the Company from time to time or any duly authorised committee thereof;
Budget	means the most current annual operating budget and business plan of the Company and the Group which shall have been approved by the Investor Representative in accordance with the Investment Agreement;
Business Day	shall have the meaning given to such term in the Investment Agreement;
BVCA	means the British Private Equity and Venture Capital Association or any like association or body from time to time;
C Loan Note	means the £200,000 secured "C" loan notes granted by the Subsidiary to the Investor;
CA 2006	means the Companies Act 2006 (as amended from time to time);
Cash Equivalent	<p>(a) where the consideration comprises listed securities which are not subject to any lock in arrangements and are freely transferable by the holder for cash from the date of issue, such amount calculated by reference to the average of the middle market prices for such securities at the close of dealings on each of the five dealing days prior to the Exit Date;</p> <p>(b) where the consideration comprises loan notes, loan stock or other debt instruments guaranteed</p>

unconditionally by an Authorised Bank their face value (where the rate of interest is at least equivalent to the three month London Interbank Bid Rate) and, if less, such value will be discounted by reference to the discount rate implied in the flow of money from a gilt of equivalent maturity;

- (c) where the consideration comprises listed securities subject to restrictions on their transfer by the holder for cash or unlisted securities or other instruments not guaranteed by an Authorised Bank, such amount as the Members agree to be the fair current value of the same;
- (d) where the consideration comprises future fixed payments or future contingent payments, such amount as the Members agree to be to be the fair current value of the same;

and any dispute as to the value of the Cash Equivalent will be determined in accordance with Article 1.16;

Cessation Date	means the date on which notice expires where a Relevant Individual gives notice or the date on which a Relevant Individual is given notice of termination (as applicable) of his contract of employment or consultancy or the date on which the Relevant Individual becomes eligible for benefits under a permanent health insurance policy or the date on which a Relevant Individual dies or the date on which notice from the Investor under clause 8.9 of the Investment Agreement removing him from office as a director of each Group Company is effective, (in each case, whichever is the earlier);
Company	Means E-Sign (UK) Limited (registered number 07937425);
Completion Date	means the date of completion of the Investment Agreement;
Compulsory Sale Notice	a notice served on a Compulsory Seller pursuant to Article 19.3;
Compulsory Seller and Compulsory Sellers	shall have the meanings given in Article 19.3;
Connected Person	means a person or entity deemed to be connected to the other person or entity in question when applying the definition of a connected person referred to in Article 1.13;
Controlling Interest	means in relation to a person an interest by that person and his or its Connected Persons in shares in a company conferring in

aggregate 50% or more of the total voting rights conferred by all the issued shares in that company which may be cast on a poll at a general meeting of the Company;

Conversion Event	shall have the meaning given in Article 8.1;
Crowd Cube Investor	any investor who has invested in shares through the medium of the Crowd Cube investment platform;
D Loan Note Instruments	means the instruments constituting the 'D' Loan Notes to be entered into by the Company and the Subsidiary in the agreed form;
D Loan Stock	means the secured convertible 'D' loan stock of the Subsidiary and supported by the Company to be constituted by the 'D' Loan Stock Instruments;
D Shareholder	means the holder for the time being of the 'D' Shares;
D Shares	means the 'D' Ordinary Shares of £0.01 each;
Deemed Transfer Notice	means a transfer notice deemed to have been given pursuant to these Articles;
Directors	means the incumbent directors of the Company from time to time and "Director" means any one of them;
Drag Along Appropriate Offer	<p>means an offer in writing served on all Members holding Equity Shares for all the Equity Shares (including any shares which may be allotted during the offer period or upon the offer becoming unconditional pursuant to the exercise or conversion of options or rights to subscribe for or securities convertible into shares in existence at the date of such offer) and which:</p> <ul style="list-style-type: none">a) states the identity of the proposed third party purchaser and is stipulated to be open for acceptance for at least 21 days;b) offers an aggregate amount of consideration for all Equity Shares (whether in cash, securities or otherwise in any combination) (provided that if the Seller is receiving non cash consideration, the Appropriate Offer may, at the option of the Investor, be permitted to only have to offer to the Minority/Called Shareholders the cash equivalent of any such non cash consideration being received by the Seller as determined by the Investor) and further provided that all of the Exit

Proceeds arising from an Approved Offer shall be distributed in accordance with Article 7;

- c) includes an undertaking by the offeror that no other consideration (subject to (b)) is to be received or receivable by any Member 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 Equity Shares to be sold by such member and that neither it nor any person acting by agreement or understanding with it has entered into more favourable terms or has agreed more favourable terms with any other Member for the purchase of Equity Shares;
- d) is on terms that the sale and purchase of all Equity Shares in respect of which the offer is accepted will be completed at the same time; and
- e) is approved by the Investor Representative;

Electronic Communication	means any communication transmitted by way of fax or email or website;
Eligible Director	means, in relation to any matter, a director who would have been entitled to vote on, and whose votes would have been counted in respect of, that matter had it been proposed as a resolution at a Directors' meeting.
Employee Benefit Trust	means any trust which may be established for the benefit of the employees (which may include past employees) of the Company and which satisfies the definition of an "employees' share scheme" set out in section 1166 of the CA 2006;
Equity Share Capital	has the meaning ascribed to it in section 548 of CA 2006;
Equity Shareholder	means a registered holder of any Equity Shares;
Equity Shares	means the 'A' Shares and the 'D' Shares and any Shares derived therefrom whether by conversion, consolidation or sub-division or by way of rights or bonus issue or otherwise for the time being in issue;
EVCA	means the European Venture Capital Association or any like association or body from time to time;
Event of Default	means any event of default listed as such in the Investor Loan Note Instruments;

Exit	means a Realisation or Liquidation;
Exit Date	means a Listing Date, a Sale Date or a Liquidation Date as the case may be;
Exit Proceeds	<p>means:</p> <ul style="list-style-type: none"> a) in the case of a Listing, the valuation placed on all of the Equity Shares on the Listing Date that are not subject to any lock in restrictions on transfer and which are capable of being freely transferred for cash by the holders of those Equity Shares on the Listing Date (and applying a nil value to any Equity Shares which are at the Listing Date are in any way restricted from being sold by their holders for full value in cash) such valuation to be as shown in the prospectus or listing particulars published in connection with the Listing, less the gross amount of any new money raised by the Company in connection with the Listing from a subscription for new shares; or b) in the case of a Sale, the aggregate price or value of the consideration to be paid in cash or Cash Equivalent for all of the Equity Shares; or c) in the case of a Liquidation or an Asset Sale, the proceeds available for distribution and to be received by the holders of the Equity Shares in respect of the Equity Shares; <p>in each case after:</p> <ul style="list-style-type: none"> (i) repayment of any arrears of dividends owing to the Members (if any); (ii) redemption and payment in full of all outstanding principal (including premia if any) and interest in respect of the Investor Loan Notes; (iii) payment of all costs incurred by the Members and the Company in connection with the Exit; and (iv) to the extent not already taken into account in determining the value of the Equity Shares, after deduction of all amounts in the nature of borrowings of the Company;
Financial Year	means an accounting period in respect of which the Company prepares its accounts and financial statements in accordance with the relevant provisions of the CA 2006;

Founder Members	means Thomas Taylor and Adam Ross, each being a Founder Member
FSMA	means the Financial Services and Markets Acts 2000 and every statutory modification or re-enactment thereof for the time being in force;
Fund	means any bank, investment trust or investment company (within the meaning of chapter 21 of section 10 of the rules governing admission of securities to listing issued by the UK Listing Authority), unit trust, building society, industrial provident or friendly society, any other collective investment scheme (as defined by the FSMA), any business investor (as defined by the Financial Services (Glossary and Interpretation) Rules and Regulations 1990), partnership, limited partnership, pension fund or insurance company or any person who is an authorised person under the FSMA, any subsidiary undertaking of any of the foregoing and any co-investment scheme in relation to any of the foregoing;
Good Leaver	<p>means a Relevant Individual:</p> <ul style="list-style-type: none"> a) who ceases to be an employee and/or director and/or consultant of the Company or any member of the Group as a result of (i) his death or (ii) his retirement or reaching normal retirement age in accordance with his terms of employment or (iii) his permanent disability or incapacity due to ill-health (except where such ill health arises as a result of an abuse of drink or drugs) which, in the reasonable opinion of the Investor or the Investor Representative is sufficiently serious to prevent him from carrying out his normal duties; or b) who does not fall within category (a) above, but who is determined by the Investor Representative in its absolute discretion to be a Good Leaver. <p>In this definition the Relevant Individual will be deemed to cease to be an employee or consultant (as applicable) on the Cessation Date;</p>
Group	means the Company and any company which is a subsidiary or a subsidiary-undertaking of the Company from time to time (if any), a holding company or parent undertaking company of the Company from time to time or a subsidiary or a subsidiary undertaking of such holding company or parent undertaking company and references to a "Member of the Group" or a

	"Group Member" or "Group Company" shall be construed accordingly;
Independent Accountant	means the accountants appointed to act as independent accountants pursuant to clause 1.16 as stated therein;
Investment Agreement	means a subscription of even date with the adoption of these Articles between (1) the Subsidiary (2) the Managers and (3) the Investor and (4) the Company;
Investor	means the Department of Economic Development of the Isle of Man, (acting by its manager, the Investor Representative);
Investor Consent	means the consent in writing of the Investor or the Investor Representative;
Investor Direction	means the giving of a prior written direction by the Investor, the Investor Director or the Investor Representative;
Investor Director	shall have the meaning given in Article 22.1;
Investor Loan Note Instruments	means the 'D' Loan Stock Instrument and the 'C' Loan Notes;
Investor Loan Notes	means the 'D' Stock and the 'C' Loan Notes;
Investor Representative	means Spark Impact Limited or such other person as is nominated in writing by each Investor from time to time to represent it;
Issue Price	means in respect of a Share in the capital of the Company, the aggregate of the amount paid up or credited as paid up in respect of the nominal value thereof, including any share premium credited as having been paid thereon;
Leavers Shares	means the aggregate number of Shares held by a Compulsory Seller, or to which he is entitled, on the Leaving Date and any Shares acquired by such Compulsory Seller after the Leaving Date whether under an employee share scheme or otherwise, or to which he becomes entitled after the Leaving Date
Leaving Date	means the relevant Cessation Date of the Relevant Individual to whom a Compulsory Sales Notice Applies
Liquidation	means the passing of a resolution for the winding up of the Company;
Liquidation Date	means the date of a Liquidation;

Listing	<p>means either:</p> <ul style="list-style-type: none"> a) the effective admission of all or any of the Equity Shares to trading on a market for listed securities operated by the London Stock Exchange plc, together with the admission of such Shares to the Official List of the UK Listing Authority; or b) the effective admission of such Equity Shares to AIM, a market operated by the London Stock Exchange plc; or c) if the Investor in its absolute discretion so determine(s), the effective admission of such Equity Shares to, or to trading on, any other market wherever situated, together, if necessary, with the effective admission of such Equity Shares to listing on any official or otherwise prescribed list maintained by a competent or otherwise prescribed listing authority; <p>and "Listed" will be construed accordingly;</p>
Listing Date	means a date on which all or any of the Equity Shares are Listed (subject only (where relevant) to any announcement under rule 7.1 of the Listing Rules or under equivalent rules applicable to any other jurisdiction);
Listing Rules	means the rules of the UK Listing Authority;
London Stock Exchange	means London Stock Exchange plc;
Managers	means each of Thomas Taylor and Adam Ross and any other persons given that title from time to time in accordance with the Investment Agreement;
Material Default	<p>means:</p> <ul style="list-style-type: none"> a) any Event of Default shall have occurred that has not been waived in writing by the Investor; b) there shall have occurred a breach of the Investment Agreement (including but not limited to the warranties given thereunder) or the Articles by any of the Managers, the Company or the Subsidiary which in the opinion of the Investor has had or is likely to have a material and adverse effect on the value of any of the Investor's investment in the Group; c) the business of a meeting of the Company or of the Subsidiary includes a resolution for the winding up of the

Company or the Subsidiary (other than where undertaken for the purposes of a solvent reconstruction or amalgamation), a reduction in the capital of the Company or of the Subsidiary (other than where undertaken for the purposes of a solvent reconstruction or amalgamation) or a resolution adversely altering, varying or abrogating any of the special rights and privileges attaching to the 'D' Shares and/or the Investor Loan Notes (with such enhanced voting rights continuing only until such meeting is concluded and such resolution has been voted and resolved upon);

- d) any interest payable by the Company or the Subsidiary in respect of the Investor Loan Notes is not paid within 7 days of its due date for payment in accordance with the Investor Loan Note Instruments (for whatever reason) other than with the consent of the Investor or the Investor Representative;
- e) the Company or the Subsidiary has failed or been unable to redeem any of the Investor Loan Notes in any instance within 7 days of their due date for redemption in accordance with the Investor Loan Note Instruments (for whatever reason) other than with the consent of the Investor or the Investor Representative;
- f) the Company's or the Subsidiary's bank or any asset financier gives notice to the Company or the Subsidiary of its intention to demand immediate repayment of any amounts due to it; or
- g) the Managers and/or the Subsidiary being in breach of their post completion obligations in the Investment Agreement.

Member means a registered holder of any Shares as recorded in the Company's register of members;

Model Articles means the model articles for private companies limited by shares contained in schedule 1 of the Companies (Model Articles) Regulations 2008 (SI 2008/3229), as amended prior to the Completion Date;

No Vesting Bad Leaver means a Relevant Individual who ceases to be an employee and/or director and/or consultant of the Group as a result of:

- a) his resignation (save where his resignation is by agreement with the Investor) or

- b) a breach (without the consent of the Company and the Investor) of any of the restrictive covenants contained in his then current Service Agreement or clause 7 of the Investment Agreement

Non Vested Shares	means <ul style="list-style-type: none"> a) without prejudice to sub-paragraph (d) below, 50% of the Leaver Shares if the Leaving Date is on or before the second anniversary of the Completion Date, b) without prejudice to sub-paragraph (d) below, 40% of the Leaver Shares if the Leaving Date is after the second anniversary but on or before the third anniversary of the Completion Date, c) without prejudice to sub-paragraph (d) below, 30% of the Leaver Shares if the Leaving Date is after the third anniversary but on or before the fourth anniversary of the Completion Date, d) 20% of the Leaver Shares if the Leaving Date is after the fourth Anniversary of the Completion Date,
Permitted Transferee	shall mean any person to whom Shares may be transferred by a Member pursuant to Article 14;
PR's	means the legal representatives of a deceased Member;
Proportionate Entitlement	means the number of Shares held by the 'D' Shareholders when expressed as a percentage of the total number of Shares in issue;
Realisation	means a Sale or a Listing or an Asset Sale;
Relevant Individual	means an employee or director of the Company or an individual who is contracted to any member of the Group to provide services to the Company, the Subsidiary or a member of the Group on a personal basis (whether or not through a consultancy agreement and/or through a corporate entity which enters into such contract in relation to services to be provided by him personally);
Sale	means the completion of any transaction or series of transactions whereby any person or Connected Persons Acting in Concert purchases or otherwise acquires or obtains at least 50% in nominal value of the Equity Shares (to the extent not already owned by the purchaser or persons Acting in Concert or Connected Persons);

Sale Date	means the date of completion of a Sale or an Asset Sale;
Sale Shares	shall have the meaning given in Article 15.3;
Shares	means a share in the capital of the Company of whatever class;
Subsidiary	means E-Sign Limited a company registered in the Isle of Man with company number 130978C whose registered office address is 30 Ridgeway Street, Douglas, IM1 1EL, Isle of Man
Tag Along Appropriate Offer	<p>means an offer in writing served on all Members holding Equity Shares for all the Equity Shares (including any shares which may be allotted during the offer period or upon the offer becoming unconditional pursuant to the exercise or conversion of options or rights to subscribe for or securities convertible into shares in existence at the date of such offer) on equal consideration terms as if the Equity Shares were all one class (unless in the case of a particular Member less favourable terms are agreed by that Member in writing) and which:</p> <ol style="list-style-type: none"> states the identity of the proposed third party purchaser and is stipulated to be open for acceptance for at least 21 days; offers the same or equivalent consideration for each Share (whether in cash, securities or otherwise in any combination) provided that if the Seller is receiving non cash consideration, the Appropriate Offer may, at the option of the Investor or the Investor Representative, be permitted to only have to offer to the Minority/Called Shareholders the cash equivalent of any such non cash consideration being received by the Seller as determined by the Investor or the Investor Representative; includes an undertaking by the offeror that no other consideration (subject to (b)) is to be received or receivable by any Member 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 to be sold by such member and that neither it nor any person acting by agreement or understanding with it has entered into more favourable terms or has agreed more favourable terms with any other Member for the purchase of Shares;

- d) is on terms that the sale and purchase of all Shares in respect of which the offer is accepted will be completed at the same time; and
- e) is approved by the Investor Representative;

Total Transfer Condition	means a condition in a Transfer Notice stipulating that such Transfer Notice is conditional upon all and not some only of the Sale Shares specified in it being sold;
Transfer Notice	shall have the meaning given in Article 15.1;
Transfer Price	means the price per share in relation to any transfer of Shares subject to service or deemed service of a Transfer Notice being the price determined in accordance with Article 15 or in the case of a Compulsory Transfer Notice the price determined in accordance with Article 19 or in the absence of any such determination in Article 19, the price determined in accordance with Article 20;
UK Listing Authority	means the Financial Services Authority acting in its capacity as the competent authority for the purposes of part VI of the FSMA and in the exercise of its functions in respect of the admission to the Official List otherwise than in accordance with part VI of the FSMA including, where the context so permits any committee employee officer or servant to whom any function of the UK Listing Authority may for the time being be delegated;
Vendor	shall have the meaning given in Article 15.1; and
Venture Capitalist	means any person, body, firm or partnership whose business comprises to a material extent the holding for investment purposes of securities in United Kingdom unlisted companies and includes any nominee, custodian or manager used by such person, firm or partnership to hold such investments.
Very Bad Leaver	means a Relevant Individual who ceases to be an employee and/or director and/or consultant of the Group as a result of: <ul style="list-style-type: none"> a) him having been dismissed where he has committed any act of fraud, dishonesty or fraudulent misrepresentation or wilful concealment against the Company and/or the Investor, or b) him having been summarily dismissed without notice under the terms of clause 15 of his Service Agreement (or the equivalent clauses in any subsequent replacement service agreement)

Vested Shares

Means

- a) without prejudice to sub-paragraph (d) below, 50% of the Leaver Shares if the Leaving Date is on or before the second anniversary of the Completion Date,
- b) without prejudice to sub-paragraph (d) below, 60% of the Leaver Shares if the Leaving Date is after the second anniversary but on or before the third anniversary of the Completion Date,
- c) without prejudice to sub-paragraph (d) below, 70% of the Leaver Shares if the Leaving Date is after the third anniversary but on or before the fourth anniversary of the Completion Date,
- d) 80%% of the Leaver Shares if the Leaving Date is after the fourth Anniversary of the Completion Date,

- 1.2 These Articles and the provisions of the Model Articles (subject to any modifications set out in these Articles) shall constitute the articles of association of the Company.
- 1.3 Articles 7(1), 8, 9(3), 11(2), 14(1), (2), (3) and (4), 17(2), 21, 24(2)(c), 26(5), 52 and 53 of the Model Articles shall not apply to the Company.
- 1.4 Article 7 of the Model Articles shall be amended by the insertion of the words “for the time being” at then end of Article 7(2)(a) and the insertion in Article 7(2) of the words “(for so long as he remains the sole director)” after the words “and the director may”.
- 1.5 Article 20 of the Model Articles shall be amended by the insertion of the words “including alternate directors and the secretary” before the words “properly incur”.
- 1.6 Article 26(1) of the Model Articles shall be amended by the insertion of the words “and unless the share is fully paid, the transferee” at the end of the article.
- 1.7 Article 29 of the Model Articles shall be amended by the insertion of the words “or the name of any person(s) named as the transferee(s) in an instrument of transfer executed under article 28(2)” after the words “the transmittee's name”.
- 1.8 Article 31 (a) to (d) (inclusive) of the Model Articles shall be amended by the deletion, in each case, of the words “either” and “or as the directors may otherwise decide”.
- 1.9 Article 44(3) of the Model Articles shall be amended by the insertion of the words “A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made” as a new paragraph at the end of that article.
- 1.10 The rules of interpretation set out in Articles 10 to 18 (inclusive) apply in these articles.
- 1.11 A reference to:
 - (a) a **“person”** includes a reference to:

- (i) any individual, firm, partnership, unincorporated association or company wherever incorporated or situate; and
 - (ii) that person's legal personal representatives, trustees in bankruptcy and successors;
 - (b) **"bankruptcy"** includes individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy;
 - (c) a **"document"** includes, unless otherwise specified, any document sent or supplied in Electronic Form; and
 - (d) a **"company"** shall include any company, corporation or other body corporate, wherever and however incorporated or established;
 - (e) a **"Qualifying Shareholder"** means for the purposes of Article 33.1 a Member holding 10% or more of the issued Equity Shares for the time being and for the purposes of Article 33.2 a Member holding 5% or more of the issued Equity Shares for the time being.
- 1.12 Unless the context otherwise requires:
- (a) words denoting the singular shall include the plural and vice versa;
 - (b) words denoting a gender shall include all genders; and
 - (c) references to (or to any specified provision of) these articles or any other document shall be construed as references to these articles, that provision or that document as in force and as amended from time to time.
- 1.13 Unless stated to the contrary, a reference to a statute, statutory provision or subordinate legislation includes a reference to it as modified, replaced, amended and/or re-enacted from time to time (before or after the Adoption Date) and any prior or subsequent legislation made under it but this Article 1.13 shall not operate so as to impose on any person any greater obligation than would otherwise apply.
- 1.14 Unless the context otherwise requires, words or expressions used in these articles shall have the same meaning as in the Act.
- 1.15 Any phrase introduced by the terms **"including"**, **"include"**, **"in particular"** or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.
- 1.16 A reference to an **"Article"** is to an article of these articles.
- 1.17 A reference to a **"transfer of Shares"** or any similar expression shall include a sale or transfer of any interest in any Shares (whether legal, beneficial or otherwise) and any charge, mortgage or other encumbrance granted over any Shares.

- 1.18 A reference to a **"subsidiary"** shall include a reference to a **"subsidiary"** and a **"subsidiary undertaking"** (each as defined in CA 2006) and a reference to a **"holding company"** shall include a reference to a **"holding company"** and a **"parent undertaking"** (each as defined in CA 2006).
- 1.19 Any question as to whether a person is connected with another shall be determined in accordance with section 1122 of the Corporation Tax Act 2010 (except that in construing section 1122 **"control"** has the meaning given by section 1124 or section 450 of that Act so that there is control whenever section 1122 or 450 requires) which shall apply in relation to this agreement as it applies in relation to that Act.
- 1.20 Reference to an address for the purpose of any Electronic Communication means any number or address used for the purpose of such communication.
- 1.21 Reference to **"written"** or **"in writing"** includes any method of representing or reproducing words in a legible form including, for the avoidance of doubt, Electronic Communication.
- 1.22 Unless it is specifically stated otherwise, any dispute as to value, or as to calculations or adjustments to be made, or as to amount, whether to or in respect of amount of Exit Proceeds, distribution of Exit Proceeds (Article 11) or the Transfer Price of Sale Shares under Article 15, will be referred immediately to a firm of independent accountants for final determination. The independent firm of chartered accountants shall be agreed for the purpose by the parties concerned or, in default of agreement within ten Business Days after either party notifies the other of its intention to appoint such independent accountants to so determine, appointed by the incumbent president of the Institute of Chartered Accountants in England and Wales. The independent accountants will act as expert and not as arbiter and their costs will be borne as directed by the Article in question or, if the Article is silent on the point, as directed by the independent accountants. In the absence of any such direction, such costs will be borne equally between parties concerned. The written certificate of the independent accountants will be conclusive and binding on the Company and the Members (except in the case of fraud).
- 1.23 The headings in these Articles are included for convenience only and do not affect the meaning of these Articles.
- 1.24 Where, for any purpose, an ordinary resolution of the Company is required, a special or an extraordinary resolution is also effective for that purpose, and where, for any purpose, an extraordinary resolution is required, a special resolution is also effective for that purpose.

GENERAL MEETINGS AND ACCOUNTS

2. Quorum

- 2.1 No business shall be transacted at any general meeting unless a quorum of Members is present at the time when the meeting proceeds to business and for its duration. Two persons, one of whom shall be the Investor or a duly authorised representative of it (for as long as the Investor holds the 'C' Loan Notes and/or the 'D' Loan Stock and/or the D Shares) being Members present in person or by proxies or duly authorised representatives of corporations shall be a quorum at any general meeting. If a meeting is adjourned under Article 41 of the Model Articles because a quorum is not present, and at the adjourned meeting a quorum is not present within

half an hour from the time appointed for the meeting, the meeting shall be dissolved and Article 41 of the Model Articles shall be modified accordingly.

- 2.2 Without prejudice to the provisions of section 302 of CA 2006, an Investor Director acting alone may call a general meeting of the Company.
- 2.3 A poll may be demanded by the Chairman or by any Members present in person or by proxy or its duly authorised representative and having the right to vote at the meeting and Article 44(2) of the Model Articles shall not apply to the Company.
- 2.4 Article 40(2) of the Model Articles shall be amended by the insertion of the following words at the start of that article: "Subject to Investor Consent,"
- 2.5 Article 45(1) of the Model Articles shall be amended as follows:
 - (a) by the deletion of the words in Article 45(1)(d) and the substitution therefor of the following: "is delivered to the Company in accordance with the articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is exercised and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate."; and
 - (b) by the insertion of the following as a new paragraph at the end of Article 45(1): "and a proxy notice which is not delivered in such manner shall be invalid unless the Directors, in their discretion but subject to Investor Consent accept the proxy notice at any time before the meeting."
- 2.6 The Company shall not be required to give notice of a general meeting to a Member:
 - (a) Who is a 'B' Investment Shareholder; or
 - (b) whose registered address is outside the United Kingdom unless he has provided an address for service within the United Kingdom; or
 - (c) for whom the Company no longer has a valid UK address.

3. **Written Resolutions**

With respect to any such resolution in writing as is referred to in the CA 2006 in the case of a corporation which holds a share, the signature of any director or the secretary thereof shall be sufficient for the purposes of the CA 2006. Without prejudice to the provisions of section 288(3) of CA 2006, an Investor Director acting alone may propose a written resolution of the Company (and the provisions of section 291 CA 2006 shall apply to any such proposed written resolution).

4. **Accounts and Annual General Meetings**

- 4.1 No Annual General Meeting of the Company need be held, unless the Members resolve by ordinary resolution that an Annual General Meeting of the Company shall be held. The Board shall cause to be prepared, and to be laid before each such Annual General Meeting (if such shall be held), the Accounts for such Financial Year together with the respective reports thereon of the Board (and of the Auditors if required by the Investor or

Shareholders) such Accounts and reports complying with the provisions (and available exemptions) of the CA 2006.

- 4.2 The Investor requires the Accounts for each particular Financial Year to be audited unless the Investor (acting by the Investor Director) (entirely at its own discretion) in response to a request from the Board consents to dispense with the requirement for the Accounts to be audited in any particular Financial Year.

SHARE CAPITAL AND RIGHTS

5. Share Capital

- 5.1 Shares in the following classes of shares will have been allotted either prior to or simultaneous with the adoption of these Articles by the Company:

- (a) a number of 'A' Shares; and
- (b) a number of 'B' Investment Shares;

and there will also be a class of 'D' Shares which will remain unissued and will be available to be issued to the Investor under the provisions of the 'D' Loan Note Instruments.

- 5.2 The special rights and restrictions attached to and imposed on each class of share capital of the Company are as set out in Articles 6 to 9 (inclusive) below.

6. Rights attaching to Shares

- 6.1 The share capital of the Company shall comprise 'A' Shares, 'B' Investment Shares and 'D' Shares and such classes of shares shall rank pari passu in all respects save as provided in these Articles.
- 6.2 The 'B' Investment Shares shall have no voting rights attached to them and holders of 'B' Investment Shares shall not have the right to receive notices of any general meetings, or the right to attend at such general meetings.
- 6.3 No dividend shall be payable in respect of any Shares without the Company first having obtained the prior written consent of the Investor such consent not to be unreasonably withheld.
- 6.4 The Company shall procure that each of its subsidiaries from time to time which has profits available for distribution shall, from time to time and to the extent to which it may lawfully do so, declare and pay to the Company (or its immediate holding company, as the case may be) the dividends necessary to enable the prompt and lawful payment of the dividends referred to in this Article 6, the payment of the interest due on the Investor Loan Note Instruments and the payment of any sum due on the redemption of the Investor Loan Note Instruments in accordance with the terms of the Investor Loan Note Instruments.

7. Capital

In the event of a return of assets on a Liquidation (other than a redemption of Shares or the purchase by the Company of its own Shares) the surplus assets of the Company available for distribution to Members remaining after payment of all other debts and liabilities of the Company

(including payment of all outstanding principal and interest in respect of the Investor Loan Notes) and of the costs charges and expenses of such Liquidation, shall be applied in the following manner and order of priority:

- 7.1 firstly, in paying to the D Shareholders (in proportion to the number of D Shares or in proportion to the number of any other class of shares derived from any D shares (as a result of a conversion under Article 8) held by them respectively) all unpaid arrears and accruals of any dividend due in respect of the D Shares;
- 7.2 secondly, in paying to the D Shareholders (in proportion to the number of D Shares or in proportion to the number of any other class of shares derived from any D shares (as a result of a conversion under Article 8) held by them) the Issue Price of such outstanding D Shares;
- 7.3 thirdly, in paying to the A Shareholders and the B Shareholders (in proportion to the number of Ordinary Shares held by them) all unpaid arrears and accruals of any dividend due in respect of the Shares;
- 7.4 fourthly, in paying to the A Shareholders and the B Shareholders (in proportion to the numbers of A Shares and B Shares held by them) the Issue Price of such shares;
- 7.5 fifthly in paying to the 'A' Shareholders and the 'B' Investment Shareholders (in proportion to the number of 'A' Shares and 'B' Investment Shares held by them) the sum of £1,000,000.
- 7.6 last, in distributing the balance distributed amongst the holders of the Shares pro rata to the number of Shares held by them as if they all constituted shares of one class:

8. Conversion

- 8.1 At the option of the Investor or the Investor Representative, immediately prior to a Listing or Sale (but conditionally upon such Listing being obtained or Sale taking place) ("Conversion Event") such number of 'D' Shares then in issue and held by that Investor or on its behalf shall convert into the same number of fully paid 'A' Shares;
- 8.2 Any conversion which an Investor elects in writing to make pursuant to Article 8.1 shall be made on the following terms:
 - (a) conversion shall take effect immediately prior to the Conversion Event at no cost to the holders thereof;
 - (b) forthwith after the Conversion Event the Company shall issue to the persons entitled thereto certificates for the 'A' Shares resulting from the Conversion and the Certificates for the shares falling to be converted shall be deemed to be invalid for all purposes and the holders thereof shall be bound to deliver the same to the Company for cancellation;
 - (c) the 'A' Shares arising on Conversion of any 'D' Shares shall in all respects rank as one uniform class of shares with the Shares in the capital of the Company then in issue; save that the D Shares will not be entitled to participate in any distribution under Article 7.5; and

- (d) any conversion of 'D' Shares shall be without prejudice to the right of the holders of those shares immediately before conversion to any unpaid arrears or accruals of dividend whether or not the same shall become due and payable as at Completion.

9. Class Rights

- 9.1 Whenever the capital of the Company is divided into different classes of shares the special rights attached to any class may be varied or abrogated either whilst the Company is a going concern or during or in contemplation of a winding up with the consent in writing of the holders of more than 75% of the issued shares of that class, or with the sanction of an Extraordinary Resolution passed at a separate meeting of (or by written resolution of) the holders of that class, but not otherwise provided always that the rights to receive a dividend as set out in Article 6 shall only be altered by the Company in general meeting or by written resolution and with the sanction of the holders of not less than 75% of the Equity Shares plus the sanction of 75% of the holders of the D Shares or in the absence of any prior 'D' Shares the sanction of the Investor Loan Note holder. To every such separate meeting of holders of a class of shares all the provisions of these Articles relating to general meetings of the Company or to the proceedings thereat shall, mutatis mutandis, apply, except that the necessary quorum shall be two persons who together hold or represent by proxy at least one-third in nominal value of the issued shares of the class unless all the shares of any class are registered in the name of a single shareholder in which case the quorum shall be that person his proxy or his duly authorised representative (but so that if, at any adjourned meeting of such holders, the necessary quorum referred to above is not present those members who are present shall be a quorum) and that any holder of shares of the class present in person or by proxy may demand a poll and that the holders of shares of the class shall, on a poll, have one vote in respect of every share of the class held by them respectively.
- 9.2 Without prejudice to the restrictions contained in these Articles as to the modification of rights attached to any class of shares in the Company, the rights conferred upon the Investor shall be deemed to be varied by the Company undertaking any of the matters referred to in schedule 6 and/or schedule 7 to the Investment Agreement without prior Investor Consent being obtained for such matters in accordance with the terms and procedure as set out in the Investment Agreement or without the prior consent or sanction of the Investor (obtained in accordance with the provisions of Article 9.1).
- 9.3 Without prejudice to the general effect of Article 9.1 and 9.2 and 9.3, the following will be deemed to constitute a variation of the special rights attached to the D Shares:
 - (a) any variation of the rights attaching to any of the D Shares or of the Investor or of the Investor Loan Notes provided always that the redemption of Investor Loan Notes in accordance with their terms shall not be deemed to be a variation of the special rights attached to the D Shares;
 - (b) the convening of a meeting to consider the passing of any resolution to reduce the Company's share capital or any amount standing to the credit of its share account or capital redemption reserve fund, or to reduce any uncalled liability in respect of partly paid shares;

- (c) the convening of a meeting to consider the passing of any resolution to alter the Company's memorandum or articles of association;
- (d) the payment of any distribution or return of a capital nature to any shareholder other than to the holders of the Investor Loan Note Instruments in accordance with the Investor Loan Note Instruments;
- (e) the capitalisation of any undistributed profits (whether or not the same are available for distribution, and including profits standing to the credit of any reserve) or of any sums standing to the credit of the Company's share account or capital redemption reserve fund;
- (f) the payment of any distribution or return of an income nature to any shareholder (in his capacity as a shareholder) otherwise than in accordance with these Articles; or
- (g) any variation of the authorised or issued share capital of the Company;
- (h) the creation or grant of any option or other right to subscribe for, convert into or issue any shares or loan notes or other securities in the capital of the Company; or
- (i) the making of a material change in the nature of the business of the Company taken as a whole;
- (j) the taking of any steps to wind up or dissolve the Company or to put it into administration;
- (k) the removal of an Investor Director (if appointed) otherwise than in accordance with Article 22;
- (l) any Exit;
- (m) the registration or purported registration of any transfer of Shares otherwise than in accordance with these Articles.

9.4 The requirements of Article 9.2 may be disapplied (or reapplied in respect of a previous disapplication) to any extent by a notice signed by the holders of a majority in nominal value of the 'D' Shares and served on the Company.

10. Subscription Rights

10.1 Notwithstanding anything contained in these Articles, the Board may by ordinary resolution of the Company be authorised for the purposes of section 551 of CA2006 to allot relevant securities.

10.2 Subject to Article 9 and Article 10.11 to 10.15 inclusive, all Shares which the Company proposes to allot wholly for cash or otherwise shall first be offered for subscription ("New Issue Offer") to the holders of Equity Shares in the proportion that the aggregate nominal value of such Equity Shares for the time being held respectively by each such holder bears to the total number of such Equity Shares in issue, save in respect of new D Shares which shall always be offered first to the Investor, in each case without any requirement to offer any proportion of such Shares to the other 'A' Shareholders provided that such other 'A' Shareholders are also offered a

proportionate number of Equity Shares having regard to their respective pro rata shareholdings. The Company does not have to make an offer under this Article 10.2 if:

- (a) members holding 75% or more of the Shares holding the rights to vote (with Investor Consent) confirm in writing that the pre-emption provisions of this Article 10 may be disapplied for such proposed issue; or
- (b) the proposed issue is an Emergency Issue (as defined in Article 10.11); or
- (c) the proposed issue is an issue of 'A' Ordinary Shares to be made to any employee (other than the Founder Shareholders) or prospective employee as approved by the Board (with prior Investor Consent) provided that the pool of shares available for issue to employees (other than the Founder Shareholders) do not amount to more than 5% of the entire issued share capital of the Company.

10.3 The New Issue Offer shall be made by notice in writing specifying the number of Shares to which the holder is entitled and limiting a time (being not less than one week) within which the offer if not accepted will be deemed to be declined.

10.4 Members who accept the offer shall be entitled to indicate that they would accept additional shares, on the same terms, specifying a maximum number of Shares that have not been accepted by other Members ("Excess Shares") and any Excess Shares shall be allotted to Members who have indicated they would accept Excess Shares. Excess Shares shall be allotted pro rata to the aggregate number of Equity Shares held by Members accepting Excess Shares providing that no such shareholder shall be allotted more than the maximum number of Excess Shares that such shareholder has indicated he is willing to accept.

10.5 After the expiration of such time or upon receipt by the Company of an acceptance or refusal of every New Issue Offer so made, the Board shall be entitled to dispose of any shares so offered and which are not required to be allotted in accordance with the foregoing provisions in such manner as the Board may, with the prior Investor Consent, think most beneficial to the Company. However:

- (a) no Shares will be issued at a discount;
- (b) no Shares will be issued more than three months after the end of the period for acceptance of the last offer of such Shares under Articles 10.1, 10.2 and 10.3 unless the procedure set out in those Articles is repeated in respect of such Shares; and
- (c) no Shares will be issued on terms which are more favourable than those on which they were offered to the holders of Equity Shares.

10.6 If, owing to the inequality in the number of new shares to be issued and the number of shares held by holders entitled to receive the offer of new Shares, any difficulty shall arise in the apportionment of any such new Shares amongst the holders such difficulties shall in the absence of direction by the Company be determined by the Board with prior Investor Consent.

10.7 In accordance with section 567(1) of CA 2006, the provisions of section 561 and sections 562 of CA 2006 shall not apply to any allotments of equity securities (as defined in section 560(1) CA 2006) by the Company.

- 10.8 The Company shall not issue any new Shares pursuant to this Article 10 or otherwise without prior Investor Consent to do so.
- 10.9 Any Shares allotted to an existing A Ordinary Shareholder pursuant to Article 10.2 shall immediately following such issue be reclassified as A Ordinary Shares and any Shares issued to an 'D' Shareholder pursuant to Article 10.2 shall immediately following such issue be reclassified as D Shares.
- 10.10 At any time whilst enhanced voting rights of the Investors are at that time in force pursuant to either of Articles 21.4 and/or 22.4, the time period referred to in brackets in Article 10.3 shall be deemed varied to read "(being not more than 2 Business Days)".
- 10.11 For the purposes of this Article 10, there shall be an Emergency Issue where there is a Material Default continuing unremedied and the Investor reasonably considers that the Company requires additional capital ("Emergency Issue").
- 10.12 Subject to Article 10.14, where an issue of Shares is proposed by the Investor to the Board as an Emergency Issue, the Company shall allot to the Investor such number of Equity Shares as may be necessary or appropriate to raise the additional capital at a subscription price which the Investor considers (acting reasonably) reflects the fair market value of a share in the Company at that time.
- 10.13 Where there has been an Emergency Issue, the Company shall notify holders of Equity Shares (other than the Investor) ("Non-Participating Holders") of the number of Shares issued to the Investor as an Emergency Issue and the price at which they were issued ("Emergency Issue Notice"). The Non-Participating Holders shall each be entitled, by serving notice on the Company within 21 days of service of the Emergency Issue Notice by the Company to subscribe for a maximum of 'A' Shares at the same price per Share paid by the Investor pursuant to the Emergency Issue where:
- $X = A/B \times C$ where
- A is the number of Equity Shares subscribed for by the Investor pursuant to the Emergency Issue
- B is the number of Equity Shares held by the Investor immediately prior to the Emergency Issue
- C is the number of Equity Shares held by the Non-Participating Holder immediately prior to the Emergency Issue.
- 10.14 The Managers shall only be entitled to subscribe for Shares pursuant to Article 10.13 provided that at the same time as any such Manager subscribes for any Shares such Manager also subscribes in cash for his proportionate amount of any debt instruments or any other securities which have been subscribed for by the Investor or otherwise by any person as part of the capital support provided pursuant to Articles 10.11 to 10.13 in the same proportion(s) and on the same terms as the Investor or any other person has subscribed for such debt instruments or other securities.

11. Exit Proceeds

- 11.1 On the occurrence of an Exit, the net Exit Proceeds shall be paid into the joint account referred to in Article 11.2 and shall be distributed to the Members in accordance with the order of priority and payment set out in Article 7 generally and sub article 7.1 to 7.6 to as if such Exit was a return of assets on Liquidation.
- 11.2 On the occurrence of an Exit, the net Exit Proceeds shall be paid into a joint account at a UK clearing bank on terms agreed by the Investor Representative immediately prior to the Exit or at the option of the Investors Representative, into a nominated interest bearing account with the Company's principal bankers at that time that is a separate account to the Company's other trading or client accounts. The Exit Proceeds shall in such circumstances be allocated and paid by distributing the Exit Proceeds amongst the holders of the Shares in accordance with these Articles.
- 11.3 Exit Proceeds attributable to the holders of D Shares before any conversion in accordance with Article 8, or the holders of Shares other than the D Shares respectively pursuant to this Article 11 shall be divided amongst the holders of those respective classes of Share pro rata to their respective holdings of such specific class of shares as a proportion of that particular class of shares on the Exit Date.
- 11.4 Agreement to the apportionments of the Exit Proceeds to be made pursuant to this Article 11 which is reached between the Investor and a majority of the holders of the Equity Shares will be final and binding on the Company and the Members. In the absence of such agreement, any dispute as to apportionments of the Exit Proceeds to be made under this Article 11 will be determined by the Independent Accountant in accordance with Article 1.16.

12. Lien and Calls

- 12.1 The Company shall have a first and paramount lien on every Share (whether fully paid or not) registered in the name of any person indebted or under liability to the Company or other Group Company whether he be the sole registered holder thereof or one of several joint holders and shall be for all monies (whether presenting payable or not) payable or otherwise owing by such a person to the Company or other Group Company. The directors may at any time declare any Share to be wholly or in part exempt from the provisions of this Article.
- 12.2 The Company may sell in such manner as the directors determine any Shares on which the Company has a lien if a sum in respect of which the lien exists is presently payable and is not paid within fourteen clear days after notice has been given to the holder of the Share or to the person entitled to it in consequence of the death or bankruptcy of the holder, demanding payment and stating that if the notice is not complied with the Shares may be sold.
- 12.3 To give effect to a sale the directors may authorise some person to execute an instrument of transfer of the Shares sold to, or in accordance with the directions of, the purchaser. The title of the transferee to the Shares shall not be affected by any irregularity or invalidity in the proceedings in reference to the sale.
- 12.4 The net proceeds of the sale, after payment of the costs, shall be applied in payment of so much of the sum for which the lien exists as is presently payable, and any residue shall (upon

surrender to the Company for cancellation of the certificate for the Shares sold and subject to a like lien for any moneys not presently payable as existed before the sale) be paid to the person entitled to the Shares at the date of the sale.

- 12.5 Subject to the terms of allotment, the directors may make calls upon the Shareholders in respect of any moneys unpaid on their Shares (whether in respect of nominal value or premium) and each Shareholder shall (subject to receiving at least fourteen clear days' notice specifying when and the method by which payment is to be made) pay to the Company as required by the notice the amount called on his Shares. A call may be required to be paid by instalments. A call may, before receipt by the Company of any sum due thereunder, be revoked in whole or in part and payment of a call may be postponed in whole or part. A person upon whom a call is made shall remain liable for calls made upon him notwithstanding the subsequent transfer of the Shares in respect of which of the call was made.
- 12.6 A call shall be deemed to have been made at the time when the resolution of the directors authorising the call was passed.
- 12.7 The joint holders of a Share shall be jointly and severally liable to pay all calls in respect thereof.
- 12.8 If a call remains unpaid after it has become due and payable the person from whom it is due and payable shall pay interest on the amount unpaid from the day it became due and payable until it is paid at the rate fixed by the terms of allotment of the Share or in the notice of the call or, if no rate is fixed, at the appropriate rate (as defined by the Act) but the directors may waive payment of the interest wholly or in part.
- 12.9 An amount payable in respect of a Share on allotment or at any fixed date, whether in respect of nominal value or premium or as an instalment of a call, shall be deemed to be a call, and if it is not paid when due all the provisions of the Articles shall apply as if that amount had become due and payable by virtue of a call.
- 12.10 Subject to the terms of allotment, the directors may make arrangements on the issue of Shares for a difference between the holders in the amounts and times of payment of calls on their Shares.
- 12.11 If a call remains unpaid after it has become due and payable the directors may give to the person from whom it is due not less than fourteen clear days' notice requiring payment of the amount unpaid, together with any interest which may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment. The notice shall state the method by which payment is to be made and shall state that if the notice is not complied with the Shares in respect of which the call was made will be liable to be forfeited.
- 12.12 If the notice is not complied with any Share in respect of which it was given may, before the payment required by the notice has been made, be forfeited by a resolution of the directors and the forfeiture shall include all dividends or other moneys payable in respect of the forfeited Shares and not paid before the forfeiture.
- 12.13 Subject to the provisions of the CA 2006, a forfeited Share may be sold, re-allotted or otherwise disposed of on such terms and in such manner as the directors determine either to the person who was before the forfeiture the holder or to any other person and at any time before a sale,

re-allotment or other disposition, the forfeiture may be cancelled on such terms as the directors think fit. Where for the purposes of its disposal a forfeited Share is to be transferred to any person the directors may authorise some person to execute an instrument of transfer of the Share to that person.

12.14 A person any of whose Shares have been forfeited shall cease to be a Shareholder in respect of them and shall surrender to the Company for cancellation the certificate for the Shares forfeited but shall remain liable to the Company for all moneys which at the date of forfeiture were presently payable by him to the Company in respect of those Shares with interest at the rate at which interest was payable on those moneys before the forfeiture or, if no interest was so payable, at the appropriate rate (as defined in the CA2006) from the date of forfeiture until payment but the directors may waive payment wholly or in part or enforce payment without any allowance for the value of the Shares at the time of forfeiture or for any consideration received on their disposal.

12.15 A statutory declaration by a director or the secretary that a Share has been forfeited on a specified date shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share and the declaration shall (subject to the execution of an instrument of transfer if necessary) constitute a good title to the Share and the person to whom the Share is disposed of shall not be bound to see to the application of the consideration, if any, nor shall his title to the Share be affected by any irregularity in or invalidity of the proceedings in reference to the forfeiture or disposal of the Share.

13. **Transfer of Shares - General**

13.1 Subject as provided in these Articles, no transfer of any Shares shall be made or registered and the Board shall not register a transfer of Shares on which the Company has a lien unless the Investor or the Investor Director consents to such registration.

13.2 Without prejudice to the generality of the term "transfer":

- (a) any direction (by way of renunciation or otherwise) by a Member entitled to an allotment or transfer of Shares that a Share be allotted or issued or transferred to some person other than himself;
- (b) any sale or any other disposition of any legal or equitable interest in a Share (including any voting right attached thereto) ("Interest") whether or not by the registered holder of such share and whether or not for consideration and whether or not effected by an instrument in writing;
- (c) any grant of an option to acquire either or both of the legal and equitable ownership of any Share by any Member entitled to any such Share or the creation of any mortgage, charge, ledger or other encumbrance over any Interest;

shall be deemed to be a transfer.

13.3 The holders of the Shares and their Permitted Transferees shall be prohibited from transferring any of the Shares held by him unless it is a Permitted Transfer pursuant to Article 14 or he first

obtains written Investor Consent to such transfer, except where a Transfer Notice is deemed to have been given pursuant to Article 19 in which case the provisions of Article 19 shall apply.

13.4 The Directors shall not register a transfer of Shares unless:

- (a) The transfer is permitted by Article 14 (Permitted Transfers); or has been made in accordance with Article 15 (Pre-emption); and
- (b) any proposed transferee who is not a Crowd Cube Investor has entered into a deed of adherence to, and in the form required by the Investment Agreement, unless the Investor Director or the Investor Representative determines otherwise.

13.5 For the purposes of ensuring that:

- (a) no transfer of Shares is proposed or has taken place which is not permitted under these Articles; or
- (b) no circumstances have arisen whereby a Transfer Notice is required to be or ought to have given; or
- (c) no circumstances have arisen whereby the tag along provisions are required to be or ought to have been triggered pursuant to Article 17

the Board may, and will if so requested by the Investor, require any Member to procure that any person whom the Board or the Investor reasonably believes to have information relevant to such purpose provides the Company with such information and evidence as the Board or the Investor think fit. Pending the provision of such information the Board will be entitled to (and if so required by the Investor shall) refuse to register any relevant transfer.

13.6 Notwithstanding anything else contained in these Articles no Share shall be issued or transferred to any infant, bankrupt or person of unsound mind or who does not otherwise have legal capacity to transfer such Shares or comply fully with these Articles.

13.7 The Directors will not register any transfer of Shares to any person who in the reasonable opinion of any of the Investor is carrying on business directly or indirectly in competition with the Company except this restriction will not apply to any transfer of Shares pursuant to Articles 17 (Tag Along) or 18 (Drag Along) or any transfer to any of the Investors.

14. Permitted Transfers

14.1 Subject to Articles 14.2 to 14.4 (inclusive), any Share may be transferred:

- (a) by any Member to any other person with prior Investor Consent, consent not to be unreasonably withheld;
- (b) when required by, and in accordance with, Article 19 (Compulsory Transfers); or
- (c) to a Buyer in acceptance of an Appropriate Offer pursuant to Article 17 (Tag Along Rights) or Article 18 (Drag Along Rights); or
- (d) in the case of Shares held by an undertaking, subject to Article 14.3, to a group undertaking of the transferor; or

- (e) in the case of Shares held by or on behalf of a Fund:
 - (i) to another nominee or trustee for, or general partner of, the Fund, and by any such nominee or trustee to another nominee or trustee for that Fund or to the Fund itself; or
 - (ii) on a distribution in kind under the constitutive documents of the Fund, to the partners in or holders of units in, or to the shareholders of, participants in or the holders of other interests in the Fund (or to a nominee or trustee for any such partners, holders, members or investors), and by a nominee or trustee for such holders, partners, members or investors to such holders, partners, members or investors or to another nominee or trustee for such holders, partners, members or investors; or
 - (iii) to another Fund which is managed or advised by the same manager or advisor as the transferor (or as the Fund on behalf of whom any such Share is held by the transferor as nominee or trustee) or by a group undertaking of such manager or advisor; or
- (f) (only in the case of Shares held by or on behalf of the Investor) to any member of the BVCA or the EVCA or other Venture Capitalist; or
- (g) in the case of any Shares held by an Employee Benefit Trust, with prior Investor Consent, to any beneficiary of that trust or to any replacement trustees or into the joint name of the existing and any new or additional trustees at a price not less than the price per share paid by the Employee Benefit Trust for those shares.

14.2 Where Shares are held by one or more nominees of their beneficial owner and any such person ceases to be a nominee of the beneficial owner of the Shares such person will on or before the cessation transfer such Shares back to the beneficial owner.

14.3 Where Shares have been transferred under Article 14.1(e) and the transferee ceases to be a subsidiary undertaking or parent undertaking of the transferor, it will, on or before the cessation, transfer such Shares to the original transferor or to another subsidiary undertaking or parent undertaking of the original transferor.

14.4 If a Member or his Permitted Transferee fails or refuses to execute and deliver any transfer in respect of any Shares pursuant to its obligations under Article 14.2 or Article 14.3, the Board shall authorise any Director to execute and deliver the necessary transfer(s) on the defaulting Member's or Permitted Transferee's behalf. The Board will authorise registration of the transfer, and of the transferee as the holder of the Shares so transferred, once appropriate stamp duty (if any) has been paid. After registration, the title of the transferee as registered holder of such Shares will not be affected by any irregularity in or invalidity of such proceedings, which will not be questioned by any person.

15. **Transfer Notice and Pre-Emption Rights**

15.1 Any member holding Shares who wishes to transfer such Shares or is required to transfer such Shares ("Vendor") otherwise than as a permitted transfer in accordance with Article 14

(Permitted Transfers) to which this Article 15 shall not apply (and subject always to the prohibitions on transfers set out in Article 13) shall give notice in writing ("Transfer Notice") to the Company of his wish specifying:

- (a) the number and classes of Shares which he wishes to transfer;
- (b) the name of any third party to whom he proposes to sell or transfer the Shares;
- (c) whether or not the Transfer Notice is subject to a Total Transfer Condition. In the absence of any such stipulation it will be deemed not to be so conditional. No Total Transfer Condition will apply in respect of any Transfer Notice deemed to have been given to pursuant to Article 19.

15.2 No Transfer Notice once given or deemed to be given in accordance with these Articles shall be withdrawn without the consent in writing of the Board or (if it is a deemed compulsory Transfer Notice pursuant to these Articles) prior written Investor Consent and the Board.

15.3 The Transfer Notice shall constitute the Company the agent of the Vendor for the sale of all of the Shares then held by the Vendor (in the case of a Compulsory Transfer or such number of the Vendor's Shares as are specified in the Compulsory Sale Notice if less than all of the Vendors Shares) or (in the case of a Transfer Notice arising pursuant to Article 15.1) such number of Shares as are specified pursuant to Article 15.1(a) ("Sale Shares") at a price ("Transfer Price") which (save as provided otherwise in Article 19 (Compulsory Transfers)) for the purposes of this Article 15 shall be the price agreed between the Vendor, the Investor Representative and the Board (other than the Vendor if he is a Board member) or in default of such agreement within 21 days of the date of the Transfer Notice the price shall be deemed to be the market value as determined by the Independent Accountant pursuant to Article 20.1. The Transfer Price for any compulsory transfer pursuant to a Compulsory Sale Notice shall be determined as set out in Article 19.

15.4 Within 14 days of the later of the receipt by the Company of a Transfer Notice or a Transfer Notice having been deemed served by these Articles and the determination of the Transfer Price the Investor Representative may direct the Company (in their capacity as agent for the Vendor) immediately to offer at the Transfer Price such number of the Sale Shares as the Investor Representative may determine to:

- (a) the Company pursuant to the provisions of the CA 2006; and/or
- (b) such employees of the Company as the Investor Representative may specify; and/or
- (c) any person (including the Investors) who will hold the Sale Shares for the benefit of existing or future employees including (without limitation) any Employee Benefit Trust of the Company or any professional trustee, in any such case to hold the Sale Shares upon the terms of a discretionary trust for the benefit of the class of beneficiaries which includes (without limitation) existing or future employees and directors of the Company.

15.5 If none or some only of the Sale Shares are allocated pursuant to the provisions of Article 15.4 within 28 days of the later of the date of the Transfer Notice and the date of determination of the Transfer Price the Company shall forthwith upon the agreement or determination of the

Transfer Price (as appropriate) give notice in writing to each of the Members of the Company (other than the Vendor or any other Member who has served or is deemed to have served a Transfer Notice which is still outstanding):

- (a) informing them that the Sale Shares are available;
- (b) of the Transfer Price; and
- (c) inviting each Member, in the order of priority set out in this Article 15.5 to state in writing within 28 days from the date of the said notice (which date shall be specified therein) whether he is willing to purchase any and, if so, how many of the Sale Shares;
- (d) the order of priority in which Sale Shares of differing classes shall be offered for sale to the other eligible members of the Company is:

(A)	(B)	(C)	(D)
Sale Shares	Offered First to holders of	Offered Secondly to holders of	Offered thirdly to the holders of
A Shares	A Shares	Investor	B Shares
B Investment Shares	B Investment Shares	Investor	A Shares

- (e) the Sale Shares shall be offered to each class of Member on terms that in the event of competition within a class of Members the Sale Shares offered to that class (being the Sale Shares not accepted by the class or classes of Members having pre-emptive rights to such Sale Shares in accordance with Article 15.5(d)) shall be sold to the Members accepting the offer in proportion (as nearly as may be) to their existing holdings of Shares of the relevant class ("Proportionate Entitlement"). It shall be open to each Member to specify if he is willing to purchase Shares in excess of his Proportionate Entitlement ("Excess Shares") and if the Member does so specify he shall state the number of Excess Shares.
- (f) After the expiry of the offers to be made pursuant to Article 15.5(a) or sooner if all the Sale Shares offered shall have been accepted in the manner provided in Article 15.5(a) the Board shall in respect of each offer made allocate the Sale Shares in the following manner:
 - (i) if the total number of shares applied for is equal to the available number of Sale Shares the Company shall allocate the number applied for in accordance with the application (subject to Article 15.8); or
 - (ii) if the total number of shares applied for is more than the available number of Sale Shares, the Sale Shares shall be allocated in accordance with applications made by each class of Members in accordance with the pre-emption rights set out in Article 15.5(d) until such time as there is competition within a class of Members over the Sale Shares available to that class of

Members when each Member shall be allocated his Proportionate Entitlement. If any Member of any class of Members applied for no Sale Shares or a lesser number of Sale Shares than his Proportionate Entitlement applications for Excess Shares shall be allocated to Members of that class of Members (before allocating shares to any other class of Members) in such proportions as the Board may determine is reasonable in the circumstances having regard to the proportion of shares of that class held by each such applicant and the number of Excess Shares applied for.

- 15.6 The Company shall forthwith give notice of each allocation of Sale Shares pursuant to Articles 15.4 and/or 15.5 ("Allocation Notice") to the Vendor and each of the persons to whom Sale Shares have been allocated ("Member Applicant") and shall specify in the Allocation Notice the place and time (being not later than 14 days after the date of the Allocation Notice) at which the sale of the Sale Shares shall be completed subject to Article 15.8 and Article 16.
- 15.7 Subject to Articles 15.8 and 15.9 below, upon such allocation being made as aforesaid, the Vendor shall be bound, on payment of the Transfer Price, to transfer the Sale Shares comprised in the Allocation Notice to the Member Applicants named therein at the time and place therein specified. If he makes default in so doing the Chairman for the time being of the Company or failing him the Investor Director or some other person duly nominated by a resolution of the Board or the Investor Representative for that purpose, shall forthwith be deemed to be the duly appointed attorney of the Vendor with full power to execute complete and deliver in the name and on behalf of the Vendor a transfer of the relevant Sale Shares to the Member Applicant such attorney shall forthwith thereafter transfer the relevant Sale Shares to the Member Applicant and any Director may receive and give a good discharge for the purchase money on behalf of the Vendor and (subject to the transfer being duly stamped) enter the name of the Member Applicant in the register of members as the holder or holders by transfer of the Shares so purchased by him or them. The Board shall forthwith pay the purchase money into a separate bank account in the Company's name and shall hold such money on trust (but without interest) for the Vendor until he shall deliver up his certificate or certificates for the relevant Shares (or an indemnity in respect thereof reasonably satisfactory to the Board) to the Company when he shall thereupon be paid the Transfer Price.
- 15.8 If the Transfer Notice included a Total Transfer Condition (which it cannot if it is a deemed compulsory Transfer Notice given pursuant to Article 19) and the total number of Shares applied for is less than the number of Sale Shares:
- (a) the Allocation Notice will refer to such Total Transfer Condition and will contain a further offer, open for 14 days, to those persons to whom Sale Shares have been allocated to apply for further Sale Shares; and
 - (b) completion of the transfer in accordance with the preceding paragraphs of this Article 15 will be conditional upon all such Sale Shares being so allocated.
- 15.9 In the event that all of the Sale Shares are not accepted for purchase pursuant to Articles 15.3 and/or 15.5 the Vendor may, with Investor Consent, at any time within three calendar months after receiving confirmation from the Company that the pre-emption provisions herein contained have been exhausted, transfer all, but not some only, of the remaining Sale Shares that have

not been so accepted for purchase to any person or persons at any price not less than the Transfer Price provided that:

- (a) any such sale shall be a bona fide sale and the Board may require to be satisfied in such manner as it may reasonably require that all of the Sale Shares are being sold in pursuance of a bona fide sale for not less than the Transfer Price without any deduction, rebate or allowance whatsoever to the purchaser and if acting reasonably the Board is not so satisfied it may (and if acting reasonably the Investors are not so satisfied the Board is so required by the Investors shall) refuse to register the instrument or transfer;
- (b) the Board will refuse registration of any transfer to a Proposed Transferee who is a person to whom it considers Shares may not be transferred by virtue of Article 13;
- (c) if any such transfer would, if made and registered, result in the Proposed Transferee obtaining a Controlling Interest, the Board will refuse registration of such transfer until such time as an Approved Offer has been made and the provisions of Article 16 (Change of Control) and Article 17 (Tag Along Rights) have been complied with;
- (d) if the Vendor included a Total Transfer Condition in the Transfer Notice which has not been satisfied, the Vendor will be entitled to transfer all (but not some only) of the Sale Shares; and
- (e) in the case of any deemed transfer process pursuant to a Compulsory Sale Notice under Article 19, the Vendor will not be entitled to transfer any unsold Sale Shares to any third party and shall retain those Shares if they are not acquired pursuant to the process in this Article.

16. Change of Control

No sale or transfer of the legal or beneficial interest in any Shares in the Company may be made or validly registered without Investor Consent if as a result of such sale or transfer and registration thereof a Controlling Interest would be obtained in the Company by any person or persons or company who is not the Investor.

17. TAG Along Rights

- 17.1 Subject to Article 17.3 and Article 18, no sale or transfer of the legal or beneficial interest in any Shares in the Company may be made or validly registered if as a result of such sale or transfer and registration thereof a Controlling Interest is obtained in the Company by a person or persons or company unless the proposed transferee or transferees or his or their nominees are independent third parties acting in good faith and has or have made a Tag Along Appropriate Offer to purchase the Shares of the other shareholders ("Minority").
- 17.2 Every shareholder on receipt of a Tag Along Appropriate Offer shall be bound within 28 days of the date of such offer (which date shall be specified therein) in writing either to accept or reject such offer (and in default of so doing shall be deemed to have rejected the offer which shall lapse on the expiry of such period). Until a Tag Along Appropriate Offer has been made and completed the Board shall not sanction the making and registration of the relevant transfer.

17.3 The provisions of this Article 17 shall not apply to a Permitted Transfer of Shares pursuant to Article 14.

18. Drag Along Rights

18.1 In the event that at any time:

- (a) with the consent of the Investor or of the Investor Representative and Members holding more than 50% of the Equity Shares; or
- (b) during any period following the service of any enhanced voting rights notice by the Investor on the Company pursuant to the provisions of Articles 21.4 and/or 22.4; or
- (c) following the fifth anniversary of the Completion Date;

the Investor ("the Seller") proposes to sell the legal or beneficial interest in its entire holding of Equity Shares to a proposed purchaser ("Buyer") and the Seller procures that an offer is made by the proposed transferee (or any person or persons acting in concert with it) to the holders of all other issued Equity Shares in the Company to acquire their entire holdings of Equity Shares and that offer is not accepted within 7 days of being made, the Seller shall in each such instance, have the right but not any obligation (the "Drag Along Right") to require all of the other Members holding Shares (the "Called Shareholders") to accept in full the Drag Along Appropriate Offer that it has procured to be made to them and to require any of the Members to transfer all their Shares with full title guarantee to the proposed purchaser pursuant to this Article 18.

18.2 Any Drag Along Right may be exercised by the Seller serving notice to that effect ("Drag Along Notice") on the Called Shareholders at the same time as, or within the later of seven days following the making of an Appropriate Offer and the Drag Along Notice shall specify:

- (a) that the other Members are required to transfer all their Shares (the "Remaining Shares") pursuant to this Article 18;
- (b) the identity of the proposed Buyer;
- (c) the consideration for which, or the price at which, the Remaining Shares are to be transferred in accordance with the Appropriate Offer; and
- (d) the proposed date of transfer (if known).

18.3 A Drag Along Notice once given may be revoked at any time prior to completion of the sale and purchase of the remaining Shares referred to in it.

18.4 Upon the exercise of a Drag Along Right in accordance with this Article 18:

- (a) each of the Called Shareholders shall be deemed to have accepted the Drag Along Appropriate Offer made to it/him in respect of all Shares held by it/him in accordance with the terms of the Drag Along Appropriate Offer applicable to it/him in the Drag Along Notice, to comply with the obligations assumed by virtue of such acceptance and to have irrevocably waived any pre-emption rights it/he may have in relation to the transfer of any of such Shares; and

- (b) each of the Called Shareholders shall become obliged to deliver up to such transferee or its/his nominee an executed transfer of such Shares with full title guarantee and the certificates in respect of the same together with an executed waiver of all such pre-emption rights provided that the terms of the Drag Along Appropriate Offer are complied with.
- 18.5 Completion of the sale and purchase of the Remaining Shares shall take place on the same date as completion of the sale and purchase of the Seller(s) Shares (unless the Investors and all of the Remaining Members) shall agree otherwise).
- 18.6 Upon the service of a Drag Along Notice each Remaining Member shall be deemed to have irrevocably appointed severally each of the Investor Director (if appointed) and the Investor Representative to be able to each act alone as the lawful attorneys of each Remaining Member, in the name of and on behalf of that Remaining Member, to execute any stock transfer form and covenant for full title guarantee and indemnities for lost share certificates in respect of the Remaining Shares registered in the name of that Remaining Member and to do such other things as the attorney may consider necessary or desirable to transfer and complete the sale of the Remaining Shares pursuant to this Article 18.
- 18.7 The provisions of this Article 18 shall prevail over any contrary provisions of these Articles and, for the avoidance of doubt, the rights of pre-emption and other restrictions on transfer of Shares contained in these Articles shall not apply to the transfer of any Shares to a proposed Buyer named in a Drag Along Notice (or as that Buyer may direct). Any Transfer Notice or Compulsory Sale Notice served in respect of a Share which has not been allocated to a Buyer in accordance with Article 15 shall automatically be revoked by the service of a Drag Along Notice.
- 18.8 Upon any person (a "New Member") becoming, at any time after the service of a Drag Along Notice, a registered holder of any Shares pursuant to the exercise of any option, warrant or other right to subscribe for or acquire Shares, a Drag Along Notice, on the same terms as the previous Drag Along Notice, shall immediately be deemed to have been served upon that New Member who shall thereupon be bound to sell and transfer all the Shares acquired by him to the Buyer (or as the Buyer may direct). The provisions of this Article 18 shall apply mutatis mutandis to the sale of any Shares by such New Member provided that completion of the sale and purchase of those Shares shall take place on whichever is the later of:
 - (a) the date on which a Drag Along Notice is deemed to have been served on the New Member pursuant to this Article 18.8; and
 - (b) the date of completion of the sale and purchase of the Remaining Shares pursuant to the original Drag Along Notice.

19. **Compulsory Transfers**

Circumstances which trigger compulsory transfer

- 19.1 This Article 19 applies when:
 - (a) a Relevant Individual is an 'A' Shareholder; and/or

- (b) an 'A' Shareholder holds 'A' Shares as the nominee or trustee or permitted transferee of a Relevant Individual; and/or
- (c) 'A' Shares are held by a company, any part of the issued share capital of which is beneficially owned by the Relevant Individual;

and the Relevant Individual ceases for any reason (including death or bankruptcy) to be an employee and/or director or consultant of the Company (and is not a continuing employee, director or consultant of any other member of the Group) or, though still an employee or director or consultant of the Company or any member of the Group, becomes eligible for benefits under a permanent health insurance policy.

- 19.2 For the purposes of this Article, the Relevant Individual will cease to be an employee (or employed or engaged in the capacity employed at the Completion Date) and/or director or consultant of the Company on the Cessation Date.

Compulsory Pre-emption Procedure

- 19.3 Unless otherwise determined by Investor Direction at any time on or following a Relevant Individual's Cessation Date, the Relevant Individual and/or any holder of Ordinary Shares referred to in Article 19.1 (or the PR's of any deceased Member or the trustee in bankruptcy of any bankrupt Member) (each a "Compulsory Seller" and together "Compulsory Sellers") shall be deemed to have served on the Company on the Cessation Date a Transfer Notice ("Compulsory Sale Notice") requiring each such person to offer for sale such number as the Investor Representative may decide of the Shares registered in his or their name(s) or to which he is or they are or may become entitled whether as a result of his or their holding of Shares or otherwise ("Sale Shares"). The Investor Representative shall have discretion as to the number and class of Shares held by a Compulsory Seller that are to be the subject of any Compulsory Sale Notice. If the Investor Representative does not require all of the Leaver's Shares held by a Compulsory Seller to be offered for sales and if the Compulsory Seller is a Founder Member whose Sale Shares are required to be valued as a Bad Leaver under Article 19.7, any Sale Share that are the subject of such a Compulsory Sale Notice connected to such Founder Member becoming a Compulsory Seller shall (unless the Investor Representative directs otherwise in writing) first be drawn from his Leaver's Shares that are Non-Vested Shares and any balance of his Leaver's Shares that are required to be offered for sale to satisfy a Compulsory Sale Notice (after their Non-Vested Shares have been included and exhausted) shall be drawn from his Leaver's Shares that are Vested Shares.
- 19.4 The Sale Shares which are the subject of the Compulsory Sale Notice will be offered for sale (other than to any Compulsory Seller or any other Member who has served or who is deemed to have served a Transfer Notice in respect of his entire holding of Shares which is still outstanding) in accordance with the provisions of Article 15 (as if the Compulsory Sale Notice is the Transfer Notice), which will apply as if set out in full in this Article except to the extent that they are varied by the following provisions of this Article 19. The Investor Representative may also determine in their absolute discretion to revoke any Transfer Notice previously given or deemed to have been given by the Compulsory Seller(s) which is still outstanding at the Cessation Date.

Sale Price - Good Leaver/Bad Leaver

19.5 The price for the Sale Shares shall be:

- (a) If the Relevant individual is not a Founder Member and is a Bad Leaver, the Lower of:-
 - (i) the Issue Price of the Sale Shares (or where any Sale Shares were acquired by a Compulsory Seller by way of transfer rather than allotment the amount paid by such Compulsory Seller on the transfer by which they acquire them); or
 - (ii) the Market Value of the Sale Shares on the Cessation Date to be agreed or determined in accordance with Articles 1.16 and 19.6.
- (b) If the Relevant Individual is a Founder Member and is a Bad Leaver:
 - (i) the price for any Sale Shares that are Non Vested Shares at the Cessation Date shall be the lower of (a) the Issue Price of such Sale Shares (or where any Sale Shares were acquired by a Compulsory Seller by way of transfer rather than allotment the amount paid by such Compulsory Seller on the transfer of which they acquire them) or (b) the Market Value of such Sale Shares on the Cessation Date to be agreed or determined in accordance with Articles 1.16 and 19.6; or
 - (ii) the price for any Sale Shares that are Vested Shares at the Cessation Date shall be the Market Value of such Sale Shares on the Cessation Date to be agreed and determined in accordance with clause 1.16 and 19.6;
- (c) If the Relevant Individual is a Good Leaver the price will be the Market Value of the Sale Shares on the Cessation Date to be agreed or determined in accordance with Articles 1.16 and 9.6; and
- (d) If the Relevant Individual is a Very Bad Leaver the price for any Sale Shares shall be £1 in aggregate for all of the Sale Shares.

19.6 "Market Value" for the purposes of Article 19 will be:

- (a) the price agreed between the Compulsory Seller(s) and the Investor Representative; or
- (b) if they fail to agree a price within 15 Business Days of the date of service of the Compulsory Sale Notice or within such other timetable as may be determined by the Investor Representative, the price determined by the Independent Accountant to be the Market Value of such Sale Shares on the Cessation Date, according to the principles set out in Articles 20 and 1.16.

Suspension of voting rights during compulsory transfer procedure

19.7 Unless an Investor Direction states otherwise, any Shares held by a Compulsory Seller on the Cessation Date (and any Shares issued to a Compulsory Seller after such date by virtue of the exercise of any right or option granted or arising by virtue of his holding of the Sale Shares) will

cease to confer the right to be entitled to receive notice of, attend and vote at any general meeting of the Company, or any meeting of the holders of any class of Shares with effect from the Cessation Date (or, where appropriate, the date of issue of such Shares, if later), and such Shares will not be counted in determining the total number of votes which may be cast at any such meeting, or for the purposes of a written resolution of any Members or class of Members. That right will be restored immediately upon the Company registering a transfer of the Sale Shares in accordance with this Article 19.

- 19.8 A dispute as to whether the Member in question is a Good Leaver or Bad Leaver shall not affect the validity of a Compulsory Sale Notice but any person who acquires Shares pursuant to a Compulsory Sale Notice ("Compulsory Buyer") while such a dispute is continuing shall pay to the Compulsory Seller an amount equal to the lowest price payable for such Shares and shall pay the difference between that amount and (if higher) the aggregate price which is determined to be payable once the dispute is determined ("Balance Payment") in each case within 14 days of such dispute being finally agreed or determined by a court requiring such payment or transfer (but not otherwise), together with interest thereon at the base rate of Barclays Bank plc for the time being for the period between completion of the purchase and the making of such Balance Payment.
- 19.9 In the event that following the issue of any Compulsory Sale Notice to acquire any Shares of a Compulsory Seller (where such notice was served within six months of the Cessation Date), not all of the Shares of such Compulsory Seller and/or his Permitted Transferees have been acquired pursuant to the operation of Article 19, the Investor Representative may continue to issue and serve further subsequent Compulsory Sale Notices on the Compulsory Seller at any time thereafter in respect of all or some of any such balance of the remaining Shares held by such persons requiring them to be transferred in accordance with this Article 19.

Transmission of Shares

- 19.10 Articles 27 to 29 of the Model Articles shall take effect regarding the transmission of shares subject to Articles 19.1, 19.3, 19.11 and 19.12 below.
- 19.11 Without prejudice to Articles 19.1, 19.3, 19.7 and 19.9 (the provisions of which, when operable, will override the provisions of this Article 19.11 and the provisions of Articles 19.10 and 19.12), a person entitled to a Share or Shares in consequence of the death of a Member or otherwise by operation of law shall be bound at any time, (if called upon in writing to do so by the Directors (who shall so call if required to do so by the Investor Representative) with the consent of the Investor Representative not later than 90 days after the Directors receive notice from the person concerned that he has become so entitled), to give a Transfer Notice (without specifying a Transfer Price) in respect of all of the Shares then registered in the name of the deceased in accordance with the provisions of Article 15, which will apply as if set out in full in this Article.
- 19.12 If any such person fails to give a Transfer Notice in accordance with Article 19.11 within 10 Business Days after being called upon to do so:
- (a) the Board may (and will if requested by the Investor Representative) authorise any Director to execute and deliver a transfer of the Shares concerned to a person appointed by the Directors as a nominee for the person entitled to the Shares; and

- (b) the Company may give a good receipt for the purchase price of such Shares, register the purchaser or purchasers as the holders of them and issue certificates for the same to such purchasers.

After registration, the title of such purchaser or purchasers as registered holder(s) of such Shares will not be affected by any irregularity in, or invalidity of, such proceedings, which will not be questioned by any person. In any such case the person entitled to the Shares as a consequence of the death, insolvency or otherwise by operation of law will be bound to deliver up the certificates for the Shares concerned to the Company whereupon he will become entitled to receive the purchase price. In the meantime, the purchase price will be held by the Company on trust for such person without interest.

- 19.13 If the transfer of the Compulsory Seller's Shares has not been completed in accordance with Articles 15 and 19 prior to a Listing or Sale, such Shares shall be deemed for the purpose of such Listing or Sale to have been transferred immediately prior to such Listing or Sale to the members of the Company (other than the Compulsory Seller) in proportion (as nearly as may be) to their existing holdings of shares at the price determined in accordance with Article 19. Following such Listing or Sale each of the Members shall account to the Compulsory Seller in respect of the Shares that were deemed to be transferred to him for the price for such Shares determined in accordance with Article 19.

- 19.14 The provisions of Article 15.9 (save for Article 15.9(e)) shall not apply to any Compulsory Sale Notice served pursuant to this Article 19.

20. Transfer Price

- 20.1 In the event that the Independent Accountant is required to determine the Market Value or the price at which Shares are to be transferred pursuant to these Articles such price shall be the amount that the Independent Accountant shall on the application of the Board or the Investor Representatives (which application shall be made as soon as practicable following the time it becomes apparent that a valuation pursuant to this Article 20 is required) certify in writing to be the price which in their opinion represents a fair price for such Shares being the fair market value for such Shares as between a willing vendor and a willing purchaser of the whole of the issued share capital of the Company as a going concern and on an arms length basis in an open market as at the date the Transfer Notice or Compulsory Sale Notice is given and ascribing an aliquot valuation of the value of the whole of such issued share capital to the Shares in question and taking account of any Shares which may be allotted pursuant to any options issued by the Company which are outstanding and the proportionate rights of the Shares under Article 7. In making such determination the Independent Accountant shall not take any account of whether the Sale Shares comprise a majority or a minority interest in the Company or of any rights or restrictions on such Sale Shares pursuant to these Articles.

- 20.2 Having valued the Company as a whole the Independent Accountant will determine the fair market value of the Shares concerned having deducted from the value of the Company as a whole (if not already taken into account when so valuing the Company):

- (a) any arrears, accruals or deficiencies of dividends on the 'A' Shares and Ordinary Shares respectively; and

- (b) any redemption monies, premium and interest due to any holders of the Investor Loan Note Instruments pursuant to the terms of the Investor Loan Note Instruments; and
 - (c) all bank and other indebtedness of the Company.
- 20.3 In so certifying, the Independent Accountant shall act as experts and not as arbitrators and their decision shall be final and binding on the parties.
- 20.4 The costs of the Independent Accountant shall be borne by the Vendor unless in the case of a determination required pursuant to the provisions of Article 15.3 the amount determined by the Independent Accountant is more than 10% greater than that valuation originally suggested by the Board and the Investor Representative in which event the costs of the Independent Accountant shall be borne by the Company.

Voting Rights

- 21. **Voting**
- 21.1 Article 42 of the Model Articles shall be modified in accordance with the following provisions of this Article 21.
- 21.2 The 'B' Investment Shares shall have no voting rights attaching to them.
- 21.3 A proxy shall be entitled to vote on a show of hands.
- 21.4 The Investor will be entitled to such number of votes in general meetings of the Company as it would be entitled to if the 'D' Loan Stock had been converted into 'A' Shares.
- 21.5 If any Material Default shall have occurred then for a period so long only as the circumstances comprising such Material Default triggering the rights under this Article continue to subsist without being remedied to the satisfaction of the Investor acting reasonably so that they are no longer occurring, the number of votes attaching to the Shares held by the Investor (or its nominee or successor in title to its Shares) and its Permitted Transferees will on the Investor Representative giving notice to the Company to that effect, at any general meeting of the Company together represent 95% of the voting rights attaching to all Shares after the application of this Article.

Directors

- 22. **Investor Director**
- 22.1 The Investor may, from time to time and on more than one occasion:
 - (a) collectively appoint one person to be a non-executive director of the Company (a "Investor Director") and, from time to time and on more than one occasion, remove any such person appointed by them and appoint a substitute replacement for them.
 - (b) appoint any person to attend, observe or speak at meetings of the Board and/or any committee thereof as an observer and from time to time and on more than one occasion remove any such person appointed by it as an observer.

- 22.2 Subject to section 168 CA 2006, on any resolution to remove an Investor Director, the D Shares held by the Investor or its nominee shall together carry one vote in excess of 50%. If of all the other votes exercisable in relation to such resolution and if any such Investor Director is removed pursuant to section 168 CA 2006 or otherwise the Investor that appointed that Investor Director may reappoint him or any other person as an Investor Director at any time by notice to the Company.
- 22.3 Any appointment or removal of an Investor Director pursuant to Article 22.1 shall be in writing served on the Company and signed by or on behalf of the Investor or by its duly authorised Investor Representative. Such notice must be left at or sent by post to the registered office of the Company and the appointment or removal (as the case may be) shall take effect when the notice is received by the Company or, if later, on such date (if any) as may be specified in the notice.
- 22.4 If any Material Default shall have occurred then for a period so long only as the circumstances comprising such Material Default triggering the rights under this Article continue to subsist without being remedied to the satisfaction of the Investor acting reasonably so that they are no longer occurring and upon the Investor Representative giving notice to the Company confirming it wishes to trigger the enhanced voting rights referred to in this Article, the Investor Director then appointed shall be entitled during such period to cast such number of votes at Board meetings and any meetings of any committee thereof as shall equate to a majority of all of the votes capable of being cast thereat.
- 22.5 Upon written request from any Investor Representative that has appointed him, the Company shall procure that any Investor Director is forthwith appointed as a director and (if requested) Chairman of any other Group Company indicated in such request.
- 22.6 If at any time there is no Investor Director serving, or the serving Investor Director declines to give a decision on any matter, then any matter in these Articles requiring the consent or approval of the Investor Director may be consented to or approved by the Investor Representative and any notice, information, document or other matter or thing required to be given or delivered to the Investor Director shall be given or delivered directly to the Investor Representative.
- 22.7 Article 12(1) to 12 (3) of the Model Articles shall not apply to the Company.

23. Conflicts

- 23.1 Subject to sections 177 and 182 of the CA 2006 and subject to Investor Consent being given (save for an Investor Director), and provided he has declared the nature and extent of his interest in accordance with the requirements of the CA 2006, a Director who is in any way (whether directly or indirectly) interested in an existing or proposed transaction or arrangement with the Company:
- (a) may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested;

- (b) shall be an Eligible Director for the purposes of any proposed decision of the Directors (or a committee of Directors) in respect of such contract or proposed contract in which he is interested;
 - (c) shall be entitled to vote at a meeting of Directors (or of a committee of the Directors) or participate in any unanimous decision of the Directors, in respect of such contract or proposed contract in which he is interested;
 - (d) may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a Director;
 - (e) may be a Director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is otherwise (directly or indirectly) interested; and
 - (f) shall not, save as he may otherwise agree, be accountable to the company for any benefit which he (or a person connected with him (as defined in section 252 of CA 2006)) derives from any such contract, transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such contract, transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of CA 2006.
- 23.2 Subject to Investor Consent (other than in relation to an Investor Director), the Directors may, in accordance with the requirements set out in this Article 23, authorise any matter or situation proposed to them by any Director which would, if not authorised, involve a Director breaching his duty under section 175 of the CA 2006 to avoid conflicts of interest (a "Conflict").
- 23.3 Any authorisation under this Article will be effective only if:
- (a) the matter in question shall have been proposed by any Director for consideration at a meeting of Directors in the same way that any other matter may be proposed to the Directors under the provisions of these Articles or in such other manner as the Directors, with the consent of an Investor Director may determine;
 - (b) any requirement as to the quorum at the meeting of the Directors at which the matter is considered is met without counting the Director in question; and
 - (c) the matter was agreed to without the Director in question voting or would have been agreed to if his vote had not been counted.
- 23.4 Any authorisation of a Conflict under this Article 23 may (whether at the time of giving the authorisation or subsequently):
- (a) extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter so authorised;
 - (b) be subject to such terms and for such duration, or impose such limits or conditions as the Directors may determine; and

- (c) be terminated or varied by the Directors at any time.

This will not affect anything done by the Director prior to such termination or variation in accordance with the terms of the authorisation.

23.5 In authorising a Conflict the Directors may decide (whether at the time of giving the authorisation or subsequently) that if a Director has obtained any information through his involvement in the Conflict otherwise than as a Director of the Company and in respect of which he owes a duty of confidentiality to another person, the Director is under no obligation to:

- (a) disclose such information to the Directors or to any Director or other officer or employee of the Company; or
- (b) use or apply any such information in performing his duties as a Director,

where to do so would amount to a breach of that confidence.

23.6 Where the Directors authorise a Conflict they may (whether at the time of giving the authorisation or subsequently) provide, and they will so provide if directed to do so by an Investor Director, in either case without limitation, that the Director:

- (a) is excluded from discussions (whether at meetings of Directors or otherwise) related to the Conflict;
- (b) is not given any documents or other information relating to the Conflict; and
- (c) may or may not vote (or may or may not be counted in the quorum) at any future meeting of Directors in relation to any resolution relating to the Conflict.

23.7 Where the Directors authorise a Conflict:

- (a) the relevant Director will be obliged to conduct himself in accordance with any terms imposed by the Directors in relation to the Conflict; and
- (b) the Director will not infringe any duty he owes to the Company by virtue of sections 171 to 177 of the Act provided he acts in accordance with such terms, limits and conditions (if any) as the Directors impose in respect of its authorisation.

23.8 A Director may, notwithstanding his office, be a director or other officer of, or employed by or otherwise interested in:

- (a) a holder of D Shares or Investor Loan Notes or any Investor Representative;
- (b) any company which is for the time being a subsidiary or holding company of a holder of D Shares or another subsidiary of such holding company or is a company in which the holder of D Shares has invested;
- (c) any investment fund or co-investment plan for whom D Shares or Investor Loan Notes are held; or
- (d) a manager, custodian, nominee or trustee for, or general partner of, any investment fund or co-investment plan for whom D Shares or Investor Loan Notes are held,

and no authorisation under Article 23.2 shall be necessary in respect of such interest.

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

24. General Directors and Secretary

- 24.1 The office of any Director shall be vacated if:

- (a) being an executive Director he shall for whatever reason cease to be employed or engaged as a consultant by the Company or any subsidiary of the Company;
- (b) in the case of an Investor Director notice of his removal shall be served in accordance with Article 22;

and the provisions of Article 18 of the Model Articles shall be extended accordingly.

- 24.2 Article 19(2) of the Model Articles shall be amended by the insertion of the following words at the start of that article: "Subject to Investor Consent,".

- 24.3 Article 19(3) of the Model Articles shall be amended by the insertion of the following words at the start of that article: "Subject to Investor Consent,".

- 24.4 Subject to Investor Consent, the Directors may appoint any person who is willing to act as the Secretary of the Company for such term, on such remuneration and on such conditions as they may think fit and may from time to time remove or replace such person.

25. Alternative Directors

- 25.1 Subject to Article 25.2, any Director (in this Article 25, an "appointor") may appoint as an alternate any other Director, or any other person approved by resolution of the Directors, to:

- (a) exercise that director's powers; and
- (b) carry out that director's responsibilities, in relation to the taking of decisions by the Directors, in the absence of the alternate's appointor.

- 25.2 The appointment by an Investor Director of an alternate director shall not be subject to approval by resolution of the Directors.

- 25.3 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 with the consent of an Investor Director.

- 25.4 The notice must:

- (a) identify the proposed alternate; and

- (b) in the case of a notice of appointment, contain a statement signed by the proposed alternate that the proposed alternate is willing to act as the alternate of the Director giving the notice.
- 25.5 An alternate Director may act as alternate director to more than one Director and has the same rights in relation to any decision of the Directors as the alternate's appointor.
- 25.6 Save as provided otherwise in these Articles, alternate Directors:
 - (a) are deemed for all purposes to be Directors;
 - (b) are liable for their own acts and omissions;
 - (c) are subject to the same restrictions as their appointors; and
 - (d) are not deemed to be agents of or for their appointors,

and, in particular (without limitation), each alternate Director shall be entitled to receive notice of all meetings of Directors and of all meetings of committees of Directors of which his appointor is a member.
- 25.7 A person who is an alternate Director but not a Director:
 - (a) may be counted as participating for the purposes of determining whether a quorum is present (but only if that person's appointor is not participating);
 - (b) may participate in a unanimous decision of the Directors (but only if his appointor is an Eligible Director in relation to that decision and does not himself participate); and
 - (c) shall not be counted as more than one Director for the purposes of Articles 25.7(a) and 25.7(b).
- 25.8 A Director who is also an alternate Director is entitled, in the absence of his appointor, to a separate vote on behalf of his 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), but shall not count as more than one Director for the purposes of determining whether a quorum is present.
- 25.9 An alternate Director is not entitled to receive any remuneration from the Company for serving as an alternate Director except such part of the remuneration of the alternate's appointor as the appointor may direct by notice in writing to the Company. An alternate Director shall be entitled to be reimbursed by the Company such expenses as might properly be reimbursed to him if he were a Director.
- 25.10 The appointment of an alternate Director terminates:
 - (a) when the alternate's appointor revokes the appointment by notice in writing to the Company specifying when it is to terminate;
 - (b) on the occurrence, in relation to the alternate, of any event which, if it occurred in relation to the alternate's appointor, would result in the termination of the appointor's appointment as a Director;

- (c) on the death of the alternate's appointor;
- (d) when the appointment of the alternate's appointor as a Director terminates; or
- (e) when written notice from the alternate, resigning his office, is received by the Company.

26. Proceedings of Directors

26.1 Decisions of the directors may be taken either:

- (a) by a majority at a board meeting; or
- (b) by a Directors' written resolution made in accordance with Articles 26.2 and 26.3.

26.2 Any Director may propose a Directors' written resolution and the Company secretary must propose a Directors' written resolution if a Director so requests. A Directors' written resolution is proposed by notice in writing of the proposed Directors' written resolution being given to each Director indicating the proposed resolution and the time by which it is proposed that the Directors should adopt it. Any decision which a person giving notice of a Directors' proposed written resolution takes regarding the process of adopting that resolution must be taken reasonably in good faith.

26.3 A proposed Directors' written resolution is adopted when all the Eligible Directors in relation to the resolution(s) contained in the proposed Directors' written resolution have signed one or more copies of it, provided that those Eligible Directors would have formed a quorum at a meeting of the Directors to consider such resolution(s). It is immaterial whether a Director signs the resolution before or after the time by which the notice proposed that it should be adopted.

26.4 Two Eligible Directors, of whom one shall be an Investor Director (unless no Investor Director is an Eligible Director in relation to the relevant meeting), present either in person or by a duly appointed alternate, shall be a quorum. For the purpose of any meeting held to authorise a director's conflict of interest under Article 23 if there is only one Eligible Director in office other than the conflicted Director(s), the quorum for such meeting shall be one Eligible Director. Article 11(2) of the Model Articles shall not apply to the Company.

26.5 If the number of votes for and against a proposal at a Directors' meeting are equal the chairman shall have a casting vote. Article 13.1 of the Model Articles shall not apply to the Company.

26.6 Not less than 5 Business Days' notice of a Directors' meeting must be given to each Director in writing provided that the requirements of this Article may be waived or varied, subject to Investor Consent, with the prior approval of all Eligible Directors. Article 9(3) of the Model Articles shall not apply to the Company.

26.7 Article 5 of the Model Articles shall be modified so that the Directors may only delegate any of their powers to a person or committee with prior Investor Consent. Article 6(2) of the Model Articles shall be amended by the insertion of the following words before the word "may": "with Investor Consent".

26.8 Article 16 of the Model Articles shall be amended by the insertion of the following words after the word "may": "with Investor Consent".

- 26.9 Article 51 of the Model Articles shall be amended by the insertion of the following words at the start of that article: "Subject to prior Investor Consent".
- 26.10 Article 4(1) of the Model Articles shall be amended by the insertion of the following words at the start of that article: "Subject to Investor Consent".
- 26.11 Any Director or member of a committee of the Board may participate in a meeting of the Board or such committee by means of conference telephone or similar communications equipment whereby all persons participating in the meeting can hear and speak to each other and any Director or member of a committee participating in a meeting in this manner shall be deemed to be present in person at such meeting.

Company Seal

27. Share Certificates

- 27.1 The conditions of issue of any Shares shall not require the Company to issue any Share Certificate although the Board may resolve to do so.
- 27.2 The Company shall not be bound to issue more than one certificate in respect of shares held jointly by two or more persons. Delivery of a certificate to a person first named in the register shall be sufficient delivery to all joint holders.
- 27.3 If the Board resolves to issue a Share Certificate it may be issued in the electronic format, under seal (by affixing the seal to or printing the seal or a representation of it on the Certificate) or signed by at least two Directors or at least one Director and Secretary. Such Certificate shall specify the number and class of the Shares in respect of which it is issued and the amount or respective amounts paid up on it. The Board may by resolution decide, either generally or in any particular case or cases, that any signature on any Share Certificates need not be autographic but may be applied to the Certificates by some mechanical or other means or may be printed on them or that the Certificates need not be issued under seal or signed by any person.
- 27.4 Every Share Certificate sent in accordance with these Articles will be sent at the risk of the Member or other person entitled to the Certificate. The Company will not be responsible for any Share Certificate lost or delayed in the course of delivery.

28. The Seal

If the Company has a seal it shall only be used with the authority of the Board or of a committee of the Board. The obligations under Article 49 of The Model Articles shall apply only if the Company has a seal.

29. Borrowing Powers

- 29.1 Subject as hereinafter provided the Board may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof, and, subject to the provisions of the CA 2006 to issue debentures, debenture stock, and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party.

- 29.2 No lender or other person dealing with the Company shall be concerned to see or enquire whether the limit imposed by this Article is observed and no debt or liability incurred in excess of such limit shall be invalid and no security given for the same shall be invalid or ineffectual except in the case of express notice to the lender or recipient of the security or person to which the liability is incurred at the time when the debt or liability was incurred or the security given that the limit hereby imposed has been or was thereby exceeded.

30. Accounts and Information

Every member who holds more than 5% of the Equity Shares (other than a person who would be a Compulsory Seller under the provisions of Article 19 but whose shares have been retained by such shareholder for whatever reason) shall be entitled, either himself or through his agents duly authorised in writing, during the Company's normal hours of business to inspect and take copies of the books of account and all other records and documents of the Company and each of its subsidiaries on giving not less than 48 hours, written notice to the secretary (or, if there is none for the time being, the chairman). The Company shall give each such member all such facilities as he may reasonably require for such purposes including the use of copying facilities. The Company shall not charge for any facilities requested as aforesaid. Article 50 of the Model Articles shall be amended accordingly.

31. Indemnity

- 31.1 Subject to Article 30.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:

- (a) each relevant officer shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer:
 - (i) in the actual or purported execution and/or discharge of his duties, or in relation to them; and
 - (ii) in relation to the activities of the Company (or any Group Company) as trustee of an occupational pension scheme (as defined in section 235(6) of CA 2006), including (in each case) any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which the court grants him, in his capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company (or any Group Company); and
- (b) the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in Article 30.1 and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

- 31.2 This Article 30 does not authorise any indemnity which would be prohibited or rendered void by any provision of CA 2006 or by any other provision of law.

31.3 In this Article 30 a "relevant officer" means any director or other officer or former director or other officer of the Company or any Group Company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of CA 2006), but excluding in each case any person engaged by the Company (or any Group Company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor).

31.4 Subject to Investor Consent, the Directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant officer in respect of any loss or liability which has been or may be incurred by that relevant officer in connection with his duties or powers in relation to the Company, any Group Company or any pension fund or employees' share scheme of the Company or Group Company.

32. Service of Documents

32.1 Any notice, document or other information given in accordance with these Articles shall be deemed served on or delivered to the intended recipient:

- (a) 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;
- (b) if properly addressed and sent by reputable international overnight courier to an address outside the United Kingdom or from outside the United Kingdom to an address within the United Kingdom, 5 Business Days after posting provided that delivery in at least 5 Business Days was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the courier service provider;
- (c) if properly addressed and delivered by hand, when it was given or left at the appropriate address;
- (d) if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied; and
- (e) 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.

For the purposes of this Article 31.1, no account shall be taken of any part of a day that is not a Business Day.

32.2 In proving that any notice, document or other information was properly addressed, it shall be sufficient to show that the notice, document or other information was delivered to an address permitted for the purpose by CA 2006.

33. Board Representation

33.1 A Qualifying Shareholder, which for the purposes of this Article 33.1 shall be a Member holding at least 10% of the Equity Shares for the time being, shall be entitled to be a Director of the Board, or to appoint one nominee Director to the Board and to remove and replace such nominee Director upon written notice to the Board provided that such nominee Director shall

have been previously approved by the Board such approval not to be unreasonably withheld or delayed; or

- 33.2 A Qualifying Shareholder which for the purposes of this Article 33.2 shall be a Member holding at least 5% of the Equity Shares for the time being and provided he has not been appointed a Director under Article 33.1 shall, for so long as he remains a Qualifying Shareholder under this Article 33.2, be entitled to attend meetings of the Board as an observer or to appoint someone to attend meetings as an observer on his behalf provided that such nominee observer shall have been previously approved by the Board such approval not to be unreasonably withheld.
- 33.3 Any Director appointed to the Board in accordance with Article 33.1, or any observer appointed in accordance with Article 33.2 above, shall immediately resign as a Director or observer should his appointing Qualifying Shareholder cease to be a Qualifying Shareholder.

34. **Data Protection**

- 34.1 Each of the Shareholders and Directors consent to the processing of their personal data by the Company, the Shareholders and the Directors (each a "**Recipient**") for the purposes of performing the Company's obligations to the Recipient and the purposes ancillary thereto, 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 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 the Employees, Directors and professional advisers of that Recipient or the Recipient Group Companies and the funds managed by any of the Recipient Group Companies. Each of the Shareholders and the Directors consent to the transfer of relevant personal data to persons acting on behalf of the Recipient and to the offices of any of the Recipient both within and outside the European Economic Area for the purposes stated above, where it is necessary or desirable to do so.