

Company Number: 08642156

**THE COMPANIES ACT 2006**  
**PRIVATE COMPANY LIMITED BY SHARES**  
**WRITTEN RESOLUTIONS**  
**OF**  
**KUDOS INNOVATIONS LIMITED (the "Company")**

THURSDAY



21 November ..... 2018 (the "**Circulation Date**")

Pursuant to chapter 2 of part 13 of the Companies Act 2006 (the "**Act**"), the directors of the Company propose that the following resolutions are passed as an ordinary resolution or as special resolutions (as indicated) (each a "**Resolution**" and together the "**Resolutions**").

**ORDINARY RESOLUTION**

1. **THAT** the directors be generally and unconditionally authorised for the purposes of section 551 of the Act to exercise all the powers of the Company to allot shares in the Company or to grant rights to subscribe for or to convert any security into shares in the Company, up to a maximum aggregate nominal amount of £65.44205 provided that:
  - (a) the authority granted under this resolution shall expire five years after the passing of this resolution; and
  - (b) the Company may, before such expiry under paragraph (a) above of this resolution, make an offer or agreement which would require shares to be allotted or rights to subscribe for or to convert any security into shares to be granted after such expiry and the directors may allot such shares or grant such rights (as the case may be) in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired.

This authority is in substitution to all subsisting authorities.

**SPECIAL RESOLUTIONS**

2. **THAT** any and all pre-emption rights to which the current shareholders of the Company may be entitled, howsoever arising, (including but not limited to under the Company's articles of association or the Act) in respect of the allotment of shares pursuant to Resolution 1, are hereby waived or otherwise disapplied.
3. **THAT** the articles of association in the form attached to these written resolutions (the "**New Articles**") be adopted as the Company's articles of association in substitution for and to the exclusion of all existing articles of association of the Company.

## AGREEMENT

Please read the notes at the end of this document before signifying your agreement to the Resolutions. The undersigned, being a member of the Company entitled to vote on the Resolutions on the Circulation Date, hereby irrevocably agrees to the Resolutions.

**SIGNED by DAVID SOMMER**

) *David Sommer*  
) \_\_\_\_\_

Dated: 28 November 2018

**SIGNED by MELINDA KENNEWAY**

) *Helen Melinda Kenneway*  
) \_\_\_\_\_

Dated: 28 November 2018

**SIGNED by CHARLOTTE  
ARBUTHNOTT**

)  
) *Charlotte*  
) \_\_\_\_\_

Dated: 28 November 2018

**SIGNED by CALLUM CAMPBELL**

) *C Campbell*  
) \_\_\_\_\_

Dated: 28 November 2018

**SIGNED by RICHARD DAVEY**

)  
) \_\_\_\_\_

Dated:

**SIGNED by ANDREW DIXON**

) *Andrew Dixon*  
) \_\_\_\_\_

Dated: 28 November 2018

**SIGNED by JACQUES DE COCK**

)  
) \_\_\_\_\_

Dated:

**SIGNED by ROBERT CAMPBELL**

) *Robert Campbell*  
) \_\_\_\_\_

Dated: 28 November 2018

**SIGNED by PETER SHEPHERD**

) *Peter Shepherd*  
) \_\_\_\_\_

Dated: 28 November 2018

## AGREEMENT

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**SIGNED by DAVID SOMMER**

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**SIGNED by MELINDA KENNEWAY**

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Dated:

**SIGNED by CHARLOTTE  
ARBUTHNOTT**

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Dated:

**SIGNED by CALLUM CAMPBELL**

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Dated:

**SIGNED by RICHARD DAVEY**

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Dated:

**SIGNED by ANDREW DIXON**

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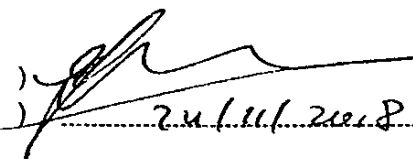
Dated:

**SIGNED by JACQUES DE COCK**

)

)

Dated:

  
24/11/2008

**SIGNED by ROBERT CAMPBELL**

)

)

Dated:

**SIGNED by PETER SHEPHERD**

)

)

Dated:

**SIGNED for and on behalf of CONDUIT  
MEAD VENTURES LIMITED**

)  
)  
) *Julian Pagandini*  
.....

Dated: 28 November 2018

**SIGNED by BRIAN WOOD**

)  
) *Brian Wood*  
.....

Dated: 28 November 2018

**SIGNED by ANDREW MACKINTOSH**

)  
) *Andrew Mackintosh*  
.....

Dated: 28 November 2018

**SIGNED by MARK LAWSON**

)  
) *Mark Lawson*  
.....

Dated: 28 November 2018

**SIGNED by DAN CHAMBERLAIN**

)  
)  
.....

Dated:

**SIGNED by BARBARA BARRETT**

)  
) *Barbara Barrett*  
.....

Dated: 28 November 2018

**SIGNED by RATAN GOYAL**

)  
)  
.....

Dated:

**SIGNED by JAMES PETERSON**

)  
)  
.....

Dated:

**SIGNED by GRAHAM ELTON**

)  
) *Graham Elton*  
.....

Dated: 28 November 2018

**SIGNED for and on behalf of  
CHARLESWORTH FAMILY  
INVESTMENT COA LTD**

)  
)  
) *Neil Charlesworth*  
)  
.....

Dated: 28 November 2018

**SIGNED by HELEN THORNTON**

) *Helen Thornton*  
) \_\_\_\_\_

Dated: 28 November 2018

**SIGNED by JONATHAN CONIBEAR**

) *Jon Conibear*  
) \_\_\_\_\_

Dated: 28 November 2018

**SIGNED by HERMAN SPRUIJT**

)  
) \_\_\_\_\_

Dated:

**SIGNED for and on behalf of  
MONTIKO GMBH**

)  
) *Jan Maier*  
) \_\_\_\_\_

Dated: 28 November 2018

**SIGNED by DOMINIC ELY**

) *Dominic Ely*  
) \_\_\_\_\_

Dated: 28 November 2018

**SIGNED for and on behalf of CACTUS  
COMMUNICATIONS SERVICES PTE  
LTD**

)  
)  
) *[Signature]*  
) \_\_\_\_\_

Dated: 28 November 2018

**SIGNED by HENRY TURMAN**

) *Henry Turman*  
) \_\_\_\_\_

Dated: 28 November 2018

**SIGNED by NICK FOSTER**

) *Nick Foster*  
) \_\_\_\_\_

Dated: 28 November 2018

#### NOTES:

1. You may choose to agree to all of the Resolutions or none of them; however, you may not agree to some only of the Resolutions.
2. If you agree to all of the Resolutions, please signify your agreement by signing and dating this document where indicated above and returning it to the Company using one of the following methods:
  - (a) by delivering the signed copy personally or sending it by post to Orrick Herrington & Sutcliffe (UK) LLP, 107 Cheapside, London EC2V 6DN marked for the attention of Joanna Oleniuk; or
  - (b) by faxing the signed copy to 020 7862 4800 marked for the attention of Joanna Oleniuk; or
  - (c) by sending a scanned copy of the signed document by email to [joleniuk@orrick.com](mailto:joleniuk@orrick.com).
3. The signed copy of this document should be returned to the Company using one of the above methods as soon as possible and, in any event, so as to be received by the Company by not later than that date which is 28 days from and including the Circulation Date.
4. If any of the Resolutions has not been passed by the date falling 28 days from the Circulation Date, they will lapse.
5. Once you have signified your agreement to the Resolutions, you may not revoke your agreement.
6. If you do not agree to all of the Resolutions, you need not take any action; you will not be deemed to agree to any of the Resolutions if you do not reply.
7. If you are signing this document on behalf of a member under a power of attorney or other authority, please send a copy of the power of attorney or other authority when returning this document to the Company.

**FINAL VERSION**

**Company Number: 08642156**

**THE COMPANIES ACT 2006**

**PRIVATE COMPANY LIMITED BY SHARES**

(adopted by special resolution dated 28 November 2018)

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**ARTICLES OF ASSOCIATION**

of

**KUDOS INNOVATIONS LIMITED**

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MARRIOTT  
HARRISON LLP

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## **1 Introduction**

- 1.1 The model articles for private companies limited by shares contained or incorporated in Schedule 1 to the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the date of adoption of these articles (the "**Model Articles**") shall apply to the Company, save insofar as they are varied or excluded by, or are inconsistent with, the following Articles.
- 1.2 In these Articles and the Model Articles any reference to any statutory provision shall be deemed to include a reference to each and every statutory amendment, modification, re-enactment and extension thereof for the time being in force.
- 1.3 In these Articles:
- 1.3.1 article headings are used for convenience only and shall not affect the construction or interpretation of these Articles;
  - 1.3.2 words denoting the singular include the plural and vice versa and reference to one gender includes the other gender and neuter and vice versa;
  - 1.3.3 any reference to a person includes any individual, firm, company, corporation, government, state or agency or a state or any association, trust, joint venture, consortium or partnership (whether or not having separate legal personality).and
  - 1.3.4 Articles 8(2), 9(4), 10(3), 11(2), 13, 14, 17(2), 17(3), 19, 21, 26(5), 27, 28, 29, 30(5) to (7) (inclusive), 44(4), 51, 52 and 53 of the Model Articles shall not apply to the Company.

## **2 Definitions**

- 2.1 In these Articles the following words and expressions shall have the following meanings:

<b>"A1 Ordinary Shares"</b>	the A1 ordinary shares of £0.00001 each in the capital of the Company;
<b>"A1 Issue Price"</b>	means £0.3111 per A1 Ordinary Share;
<b>"A2 Ordinary Shares"</b>	the A2 ordinary shares of £0.00001 each in the capital of the Company;
<b>"A2 Issue Price"</b>	means £0.3518 per A1 Ordinary Share;
<b>"A3 Ordinary Shares"</b>	the A3 ordinary shares of £0.00001 each in the capital of the Company;
<b>"A3 Issue Price"</b>	means £0.4603 per A3 Ordinary Share;
<b>"A4 Ordinary Shares"</b>	the A4 ordinary shares of £0.00001 each in the capital of the Company;

<b>"A4 Issue Price"</b>	means £0.5115 per A4 Ordinary Share;
<b>"Act"</b>	the Companies Act 2006 including any statutory modification or re-enactment thereof for the time being in force;
<b>"Acquisition Cost"</b>	<p>the aggregate price paid for the relevant Shares (which shall include, where such Shares are issued as consideration for other shares, the value ascribed to such other shares) whether by purchase or subscription and including any premium paid on subscription and:</p> <ul style="list-style-type: none"> <li>a) in respect of the A1 Ordinary Shares, means the A1 Issue Price;</li> <li>b) in respect of the A2 Ordinary Shares, means the A2 Issue Price;</li> <li>c) in respect of the A3 Ordinary Shares, means the A3 Issue Price;</li> <li>d) in respect of the A4 Ordinary Shares, means the A4 Issue Price;</li> </ul>
<b>"Acting in Concert"</b>	has the meaning set out in The City Code on Takeovers and Mergers published by the Panel on Takeovers and Mergers (as amended from time to time);
<b>"Annual Business Plan"</b>	has the meaning set out in the SSA;
<b>"Arrears"</b>	in relation to any Share, all arrears of any dividend or other sums payable in respect of that Share, whether or not earned or declared and irrespective of whether or not the Company has had at any time sufficient Available Profits to pay any dividend or sums, together with all interest and other amounts payable on that Share;
<b>"Articles"</b>	these articles of association as from time to time altered by special resolution;
<b>"Associate"</b>	<p>in relation to any person means:</p> <ul style="list-style-type: none"> <li>(a) any person who is an associate of that person and the question of whether a person is an associate of another is to be determined in accordance with section 435 of the Insolvency Act 1986 and (whether or not an associate as so determined);</li> <li>(b) any Member of the same Group;</li> </ul>

	(c) any Member of the same Fund Group;
<b>"Auditors"</b>	the auditors of the Company from time to time;
<b>"Available Profits"</b>	profits available for distribution within the meaning of part 23 of the Act;
<b>"Bad Leaver"</b>	any Shareholder who ceases to be an Employee or Consultant and who is not a Good Leaver;
<b>"Bank"</b>	Barclay's Bank Plc;
<b>"Board"</b>	the board of Directors and any committee of the board of Directors constituted for the purpose of taking any action or decision contemplated by these Articles;
<b>"Business"</b>	means the provision of an online system to researchers, publishers and institutions, through which they can measure, monitor and maximise their visibility and the discoverability, usage, impact and discussion of their research as carried on by the Group at Completion, including any such other businesses as may be agreed from time to time pursuant to this Agreement should be carried on by the Group;
<b>"Business Day"</b>	a day on which English clearing banks are ordinarily open for the transaction of normal banking business in the City of London (other than a Saturday or Sunday);
<b>"Civil Partner"</b>	in relation to a Shareholder, a civil partner (as defined in the Civil Partnership Act 2004) of the Shareholder;
<b>"Company"</b>	Kudos Innovations Limited (company number: 08642156);
<b>"Company's Lien"</b>	has the meaning set out in Article 26.1;
<b>"Compulsory Transfer Notice"</b>	where a Shareholder is deemed to have served a Transfer Notice;
<b>"Consultant"</b>	an individual (other than an Employee) whose services are made available to the Company, or any of its subsidiaries, either directly or through a third party means, including without limitation, any non-executive chairman of the Company, or any of its subsidiaries;
<b>"Controlling Interest"</b>	an interest in Shares giving the holder or holders control of the Company within the meaning of section 1124 of the CTA 2010;

<b>"Conversion Rate"</b>	means: <ul style="list-style-type: none"> <li>(a) in respect of A1 Ordinary Shares, the rate of one Ordinary Share for every one A1 Ordinary Share; and</li> <li>(b) in respect of A2 Ordinary Shares, the rate of one Ordinary Share for every one A2 Ordinary Share;</li> <li>(c) in respect of A3 Ordinary Shares, the rate of one Ordinary Share for every one A3 Ordinary Share;</li> <li>(d) in respect of A4 Ordinary Shares, the rate of one Ordinary Share for every one A4 Ordinary Share;</li> </ul>
<b>"CTA 2010"</b>	the Corporation Tax Act 2010;
<b>"Date of Adoption"</b>	the date on which these Articles were adopted;
<b>"Deed of Adherence"</b>	has the meaning set out in the SSA;
<b>"Director(s)"</b>	a director or directors of the Company from time to time;
<b>"Drag Documents"</b>	has the meaning set out in Article 13.2;
<b>"EBT"</b>	a trust, the terms of which are approved by the Investor Director, which is established for the benefit of employees of the Company or any Group Company and/or any of the persons referred to in section 1166 of the Act;
<b>"Effective Termination Date"</b>	the date on which the Employee's employment or the Consultant's consultancy terminates;
<b>"electronic address"</b>	has the same meaning as in section 333 of the Act;
<b>"electronic form" and "electronic means"</b>	have the same meaning as in section 1168 of the Act;
<b>"Eligible Director"</b>	a Director who would be entitled to vote on a matter had it been proposed as a resolution at a meeting of the Directors;
<b>"Employee"</b>	an individual who is employed by the Company or any member of the Group;
<b>"Encumbrance"</b>	any option, mortgage, charge (whether fixed or floating), restriction, pledge, lien, security interest or

other third party right of interest (legal or equitable) over or in respect of the relevant asset, security or rights;

**"Equity Shares"**

the A1 Ordinary Shares, the A2 Ordinary Shares, the A3 Ordinary Shares, the A4 Ordinary Shares and the Ordinary Shares;

**"Expert Valuer"**

is as determined in accordance with Article 9.2;

**"FMV"**

is as determined in accordance with Article 9.3;

**"Family Trusts"**

as regards any particular individual member or deceased or former individual member, trusts (whether arising under a settlement, declaration of trust or other instrument by whomsoever or wheresoever made or under a testamentary disposition or on an intestacy) under which no immediate beneficial interest in any of the shares in question is for the time being vested in any person other than the individual and/or Privileged Relations of that individual; and so that for this purpose a person shall be considered to be beneficially interested in a share if such share or the income thereof is liable to be transferred or paid or applied or appointed to or for the benefit of such person or any voting or other rights attaching thereto are exercisable by or as directed by such person pursuant to the terms of the relevant trusts or in consequence of an exercise of a power or discretion conferred thereby on any person or persons;

**"Financial Institution"**

any Financial Conduct Authority registered financial investor (or a financial investor registered with the equivalent body or authority in the country of the relevant financial investor's principal place of business);

**"Financial Year"**

an accounting reference period (as defined by the Act) of the Company;

**"Fund Manager"**

a person whose principal business is to make, manage or advise upon investments in securities;

**"Good Leaver"**

a person who ceases to be an Employee or Consultant at any time:

- (a) by reason of death;
- (b) by reason of permanent incapacity to the Employee or Consultant in question or a Privileged Relation of such Employee or Consultant due to ill-health which, in the opinion of the Board (having received a written determination from an appropriate medical

professional), is considered sufficiently serious to prevent him from carrying out his normal duties;

- (c) in circumstances which have resulted in a successful claim against (or the compromise of a claim by) the Company or a member of the Group for wrongful dismissal;
- (d) in circumstances which have resulted in a successful claim against (or the compromise of a claim by) the Company or a member of the Group for unfair dismissal (otherwise than as a result of procedural error);
- (e) in circumstances of redundancy (with the Investor Director voting in favour); or
- (f) where the Board (with the Investor Director voting in favour) perceive that special circumstances apply such that the individual in question should be treated as a Good Leaver;

**"Group"** the Company and its Subsidiary Undertaking(s) (if any) from time to time and **"Group Company"** shall be construed accordingly;

**"hard copy form"** has the same meaning as in section 1168 of the Act;

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

**"Independent Director"** the director of the Company nominated by the Managers and the Investors under Article 19.3;

**"IGF"** The Income and Growth VCT Plc (company number: 4069483);

**"Institutional Investor"** a fund, partnership, body corporate, trust or other person or entity whose principal business is to make investments or a person whose business is to make, manage or advise upon investments for any of the foregoing;

**"Investor Director"** the director of the Company nominated by the Investors under Article 19.1;

**"Investor Fund"** a Fund Manager which advises or manages an Investor;

***Manager"***

***"Investor Consent"*** the written approval of the Investor Director which shall be deemed given if the Investor Director gives approval at a meeting of the Board by voting in favour of a resolution on such matter, or, if there is no Investor Director, the written approval of MEP;

***"Investors"*** MIG1, MIG2, MIG4 and IGF and includes any party who subsequently adheres to the SSA as an Investor by entering into a Deed of Adherence thereto, and any such person's Permitted Transferees;

***"ITA"*** the Income Tax Act 2007;

***"Leaver"*** has the meaning set out in Article 11.1;

***"Leaver's Percentage"*** means, in relation to and for the purposes of determining the number of Shares to be transferred as a result of an Employee or a Consultant ceasing to be an Employee or Consultant:

(a) in the case of any Employee or Consultant (other than any Manager), 100 per cent; and

(b) in the case of any Manager:

- (i) if his or her Effective Termination Date occurs prior to the first anniversary of the Date of Adoption, 50 per cent.;
- (ii) if his or her Effective Termination Date occurs prior to the second anniversary of the Date of Adoption, 40 per cent.;
- (iii) if his or her Effective Termination Date occurs prior to the third anniversary of the Date of Adoption, 30 per cent.;
- (iv) if his or her Effective Termination Date occurs prior to the fourth anniversary of the Date of Adoption, 20 per cent.;
- (v) if his Effective Termination Date occurs on or following the fourth anniversary of the Date of Adoption, 10 per cent.;

***"Lien Enforcement"*** has the meaning set out in Article 26.3;



***Notice"***

***"Listing"***

the admission of all or any of the Shares or the shares of a Parent Undertaking or securities representing those shares ("**Listing Shares**") to or the grant of permission by any like authority for the same to be admitted to or traded or quoted on Nasdaq or the Official List of the United Kingdom Listing Authority or the AIM Market operated by the London Stock Exchange Plc or any other recognised investment exchange (as defined in section 285 of the Financial Services and Markets Act 2000);

***"Listing Value"***

the market value of the Listing Shares determined by reference to a price per share equal to the market price on Listing;

***"Managers"***

means Helen Melinda Kenneway, Charlotte Arbuthnott and David Sommer;

***"Manager Director"***

the director nominated the Managers under Article 19.2;

***"a Member of the same Fund Group"***

regards any Shareholder, if the Shareholder is a fund, partnership, company, syndicate or other entity whose business is managed by a Fund Manager (an "**Investment Fund**") or a nominee of that person:

- (a) any participant or partner in or member of any such Investment Fund or the holders of any unit trust which is a participant or partner in or member of any Investment Fund (but only in connection with the dissolution of the Investment Fund or any distribution of assets of the Investment Fund pursuant to the operation of the Investment Fund in the ordinary course of business);
- (b) any Investment Fund managed by that Fund Manager;
- (c) any Parent Undertaking or Subsidiary Undertaking of that Fund Manager, or any Subsidiary Undertaking of any Parent Undertaking of that Fund Manager; or
- (d) any trustee, nominee or custodian of such Investment Fund and vice versa;

***"a Member of the same Group"***

with regard to any company, a company which is from time to time a Parent Undertaking or a Subsidiary Undertaking of that company or a Subsidiary Undertaking of any such Parent Undertaking;

<b>"MEP"</b>	Mobeus Equity Partners LLP (company number: OC320577) or any MEP Successor;
<b>"MEP Successor"</b>	any company, limited liability company or partnership or person who takes over from MEP as manager or adviser to any of the Investors;
<b>"MIG1"</b>	Mobeus Income and Growth VCT Plc (company number: 5153931;
<b>"MIG2"</b>	Mobeus Income and Growth 2 VCT Plc (company number: 3946235);
<b>"MIG4"</b>	Mobeus Income and Growth 4 VCT Plc (company number: 3707697);
<b>"Nasdaq"</b>	the Nasdaq Global Select Stock Market or Nasdaq Global Market of the Nasdaq OMX Group Inc.;
<b>"New Securities"</b>	any shares or other securities convertible into, or carrying the right to subscribe for, those shares issued by the Company after the Date of Adoption;
<b>"Offer"</b>	has the meaning set out in Article 12.1;
<b>"Offer Period"</b>	has the meaning set out in Article 12.2;
<b>"Ordinary Shares"</b>	the ordinary shares of £0.00001 each in the capital of the Company;
<b>"Permitted Transfer"</b>	a transfer of Shares in accordance with Article 7;
<b>"Permitted Transferee"</b>	<ul style="list-style-type: none"> <li>(a) in relation to a Shareholder who is an individual, any of his Privileged Relations or Trustees;</li> <li>(b) in relation to a Shareholder which is an undertaking (as defined in section 1161(1) of the Act), any Member of the same Group;</li> <li>(c) in relation to a Shareholder which is an Investment Fund, any Member of the same Fund Group; and</li> <li>(d) in relation to an Investor: <ul style="list-style-type: none"> <li>(i) to any Member of the same Group;</li> <li>(ii) to any member of the Investor</li> </ul> </li> </ul>

	Group;
(iii)	to any Member of the same Fund Group;
(iv)	to any other Investor;
(v)	to any Financial Institution or Institutional Investor; or
(vi)	to any nominee of an Investor;
<b>"Pre-Tax Profits"</b>	the profits on ordinary activities of the Company and its subsidiaries as shown by the audited consolidated profit and loss account of the Company and its subsidiaries for the relevant financial period, adjusted to the nearest £1: <ul style="list-style-type: none"> <li>(a) before the payment of any interest;</li> <li>(b) before taking into account any payment in respect of or provision for corporation tax or any other tax which may be imposed on or by reference to profits, gains, income or distributions (whether in respect of the Company or any wholly-owned subsidiary;</li> <li>(c) before the amortisation or writing off of any goodwill;</li> </ul>
<b>"Privileged Relation"</b>	in relation to a Shareholder who is an individual member or deceased or former member means a spouse, Civil Partner, child or grandchild (including step or adopted or illegitimate child and their issue);
<b>"Proceeds of Sale"</b>	the consideration payable, including all cash and non-cash consideration and any contingent consideration on a Sale;
<b>"Prohibited Control"</b>	as defined by section 296 of Chapter 4 of Part 6 of ITA by reason of the operation of section 450 and 451 of CTA 2010 (but not a Sale or Listing);
<b>"Proposed Purchaser"</b>	a proposed purchaser who at the relevant time has made an offer on arm's length terms;
<b>"Proposed Sale Date"</b>	has the meaning set out in Article 12.2;
<b>"Proposed Sale Notice"</b>	has the meaning set out in Article 12.2;

<b>"Proposed Sale Shares"</b>	has the meaning set out in Article 12.2;
<b>"Proposed Seller"</b>	any person proposing to transfer any shares in the capital of the Company;
<b>"Qualifying Person"</b>	has the meaning set out in section 318(3) of the Act;
<b>"Relevant Interest"</b>	has the meaning set out in Article 22.5;
<b>"Sale"</b>	a Share Sale or the disposal by the Company of all or substantially all of its undertaking and assets;
<b>"Sale Shares"</b>	has the meaning set out in Article 8.2.1;
<b>"Seller"</b>	has the meaning set out in Article 8.2;
<b>"Share"</b>	any issued share in the capital of the Company from time to time;
<b>"Share Sale"</b>	either: <ul style="list-style-type: none"> <li>(a) the acquisition of a Controlling Interest in the Company; or</li> <li>(b) the purchase of the Investors' holding of A4 Ordinary Shares;</li> </ul>
<b>"Shareholder"</b>	any holder of any Shares;
<b>"SSA"</b>	the subscription and shareholders' agreement dated on or around the Date of Adoption between, amongst others, the Company and the Investors, as the same may be amended, varied and/or supplemented from time to time;
<b>"Subsidiary", "Subsidiary Undertaking" and "Parent Undertaking"</b>	have the respective meanings set out in sections 1159 and 1162 of the Act;
<b>"Surplus Assets"</b>	has the meaning set out in Article 3.14;
<b>"Transfer Notice"</b>	has the meaning set out in Article 8.2;
<b>"Transfer Price"</b>	has the meaning set out in Article 8.2.3;

**"Trustees"** in relation to a Shareholder means the trustee or the trustees of a Family Trust; and

**"Weighted Issue Price"** means the quotient of (A) the sum of (i) the A1 Issue Price multiplied by the number of A1 Ordinary Shares in issue plus (ii) the A2 Issue Price multiplied by the number of A2 Ordinary Shares in issue, divided by (B) the sum of the A1 Ordinary Shares in issue and A2 Ordinary Shares in issue.

### **3 Share capital**

- 3.1 The share capital of the Company at the Date of Adoption is divided into 9,000,000 Ordinary Shares, 1,800,073 A1 Ordinary Shares, 3,835,330 A2 Ordinary Shares, 1,520,740 A3 Ordinary Shares and 2,932,549 A4 Ordinary Shares.
- 3.2 Except as otherwise provided in these Articles, the A1 Ordinary Shares, the A2 Ordinary Shares, A3 Ordinary Shares, A4 Ordinary Shares and the Ordinary Shares shall rank pari passu in all respects but shall constitute separate classes of shares.
- 3.3 Subject to these Articles, but without prejudice to the rights attached to any existing share, the Company may (with Investor Consent) issue shares with such rights or restrictions as may be determined by ordinary resolution.
- 3.4 Shares may be issued by the Company which are nil, partly or fully paid.
- 3.5 Paragraph (c) of article 24(2) of the Model Articles shall be amended by the replacement of the words "that the shares are fully paid; and" with the words "the amount paid up on them; and".
- 3.6 In article 25(2) of the Model Articles, the words "payment of a reasonable fee as the directors decide" in paragraph (c) shall be deleted and replaced by the words "payment of the expenses reasonably incurred by the Company in investigating and obtaining such evidence as the directors may determine".
- 3.7 The Shares shall have and enjoy the following rights and be subject to the following restrictions:

#### *Dividends*

- 3.8 With regard to dividends, from the Date of Adoption, the Board (with Investor Consent) may determine to distribute in cash a dividend in respect of any Financial Year, to be distributed among the holders of the Shares (pari passu as if the Shares constituted one class of share) pro rata to their respective holdings of Shares.
- 3.9 Following the third anniversary of the Date of Adoption, the Board shall determine to distribute in cash a dividend equal to not less than 30 per cent. of the Pre-Tax Profits lawfully available for distribution in any Financial Year among the holders of the Shares (pari passu as if the Shares constituted one class of share) pro rata to their respective holdings of Shares.
- 3.10 Except as otherwise provided by these Articles or the rights attached to Shares, all dividends must be:

3.10.1 declared and paid according to the amounts paid up on the Shares on which the dividend is paid; and

3.10.2 apportioned and paid proportionately to the amounts paid up on the Shares during any portion or portions of the period in respect of which the dividend is paid.

3.11 If:

3.11.1 a Share is subject to the Company's Lien; and

3.11.2 the Directors are entitled to issue a Lien Enforcement Notice in respect of it,

the Directors may, instead of issuing a Lien Enforcement Notice, deduct from any dividend or other sum payable in respect of the Share any sum of money which is payable to the Company in respect of that Share to the extent that they are entitled to require payment under a Lien Enforcement Notice. Money so deducted shall be used to pay any of the sums payable to the Company in respect of that Share. The Company shall notify the distribution recipient in writing of the fact and sum of any such deduction.

3.12 In the event that the rights attributable to the Shares held by any company pursuant to the provisions of the SSA or Article 3.8 would operate in such a manner as to result in any holder of such shares being in Prohibited Control of the Company:

3.12.1 payment of such part of the dividend due to any such holder as the Auditors shall determine is sufficient to procure that the Company does not fall under the Prohibited Control of any such holder shall be made in accordance with Article 3.12.2; and

3.12.2 any dividend due and unpaid in accordance with Article 3.12.1 shall, subject to the Prohibited Control provisions in this Article 3.12, become due and payable on the next dividend date in addition to any other dividends due to such holder on such date.

3.13 In the event that any Director owes any sum of money to the Company, the Company shall be entitled to deduct from any dividend or other sum payable in respect of any Shares any such sum of money which is then due and payable to the Company. The Company shall notify the Director in writing of the fact and sum of any such deduction.

#### *Return of Capital*

3.14 The Shares shall be entitled to the following capital rights:

3.14.1 on a distribution of assets on a liquidation or a return of capital (other than a conversion, redemption or purchase of Shares) the surplus assets of the Company remaining after payment of its liabilities (the "**Surplus Assets**") shall be applied (to the extent that the Company is lawfully permitted to do so) as follows:

(a) in the event that there shall be any A4 Ordinary Shares in issue which have not been converted into Ordinary Shares pursuant to Articles 3.23 to 3.29:

- (i) firstly, to the holders of the A4 Ordinary Shares, in priority to all other Shareholders, an amount equal to two times the Acquisition Cost for the A4 Ordinary Shares plus any arrears or accruals of dividends (if any) on the A4 Ordinary Shares (as the case may be) due or declared but unpaid down to the date of the return of assets; PROVIDED that if there are insufficient Surplus Assets to pay such amounts to all holders of A4 Ordinary Shares in full, the available Surplus Assets shall be distributed to the holders of A4 Ordinary Shares in proportion to the Acquisition Cost of the A4 Ordinary Shares held by them and arrears or accruals of dividend due to them respectively;
- (ii) secondly, to the holders of the A3 Ordinary Shares, an amount equal to the Acquisition Cost for the A3 Ordinary Shares plus any arrears or accruals of dividends (if any) on the A3 Ordinary Shares due or declared but unpaid down to the date of the return of assets; PROVIDED that if there are insufficient Surplus Assets to pay such amounts to all holders of A3 Ordinary Shares in full, the available Surplus Assets shall be distributed to the holders of A3 Ordinary Shares in proportion to the Acquisition Cost of the A3 Ordinary Shares held by them and arrears or accruals of dividend due to them respectively;
- (iii) third, to the holders of the A2 Ordinary Shares and A1 Ordinary Shares, an amount equal to the aggregate Acquisition Cost for the A2 Ordinary Shares and the A1 Ordinary Shares plus any arrears or accruals of dividends (if any) on the A2 Ordinary Shares and A1 Ordinary Shares (as the case may be) due or declared but unpaid down to the date of the return of assets; PROVIDED that if there are insufficient Surplus Assets to pay such amounts to all holders of A2 Ordinary Shares and A1 Ordinary shares in full, the available Surplus Assets shall be distributed to the holders of A2 Ordinary Shares and A1 Ordinary Shares in proportion to the Acquisition Cost of the A2 Ordinary Shares and A1 Ordinary Shares held by them and arrears or accruals of dividend due to them respectively;
- (iv) fourth, to the holders of the Ordinary Shares, an amount equal to the Weighted Issue Price multiplied by the number of Ordinary Shares in issue such that each holder of Ordinary Shares receives in respect of each Ordinary Share held the Weighted Issue Price; PROVIDED that if there are insufficient surplus assets to pay such amounts to all holders of Ordinary Shares in full, the available Surplus Assets shall be distributed to the holders of Ordinary Shares pro rata to the number of Ordinary Shares held by them respectively; and
- (v) thereafter the balance of the Surplus Assets, if any, shall be distributed to the holders of A3 Ordinary Shares, A2 Ordinary Shares, A1 Ordinary Shares and

Ordinary Shares pro rata to the number of Equity Shares held by them respectively.

- (b) in the event that all of the A4 Ordinary Shares have been converted into Ordinary Shares, to the holders of the Equity Shares (as if the Equity Shares together constituted one class of Shares) pro rata to the number of Equity Shares held by them respectively.

- 3.15 In applying the provisions of Article 3.14.1(a)(i), the Surplus Assets shall be allocated 99.9999 per cent. to the holders of the A4 Ordinary Shares (on the one hand) and 0.0001 per cent. to the holders of the A1 Ordinary Shares, A2 Ordinary Shares, A3 Ordinary Shares and Ordinary Shares (as if they were one class) in respect of those shares pro rata to their holding of such shares (on the other hand).
- 3.16 In applying the provisions of Article 3.14.1(a)(ii), the Surplus Assets shall be allocated 99.9999 per cent. to the holders of the A3 Ordinary Shares (on the one hand) and 0.0001 per cent. to the holders of the A4 Ordinary Shares, A2 Ordinary Shares, A1 Ordinary Shares and Ordinary Shares (as if they were one class) in respect of those shares pro rata to their holding of such shares (on the other hand).
- 3.17 In applying the provisions of Article 3.14.1(a)(iii), the Surplus Assets shall be allocated 99.9999 per cent. to the holders of the A2 Ordinary Shares and A1 Ordinary Shares (on the one hand) and 0.0001 per cent. to the holders of the A4 Ordinary Shares, A3 Ordinary Shares and Ordinary Shares (as if they were one class) in respect of those shares pro rata to their holding of such shares (on the other hand).
- 3.18 In applying the provisions of Article 3.14.1(a)(iv), the Surplus Assets shall be allocated 99.9999 per cent. to the holders of the Ordinary Shares (on the one hand) and 0.0001 per cent. to the holders of the A4 Ordinary Shares, A3 Ordinary Shares, A2 Ordinary Shares and A1 Ordinary Shares (as if they were one class) in respect of those shares pro rata to their holding of such shares (on the other hand).
- 3.19 In the event that the rights attributable to the Shares held by any company pursuant to Article 3.14.1 would operate in such a manner as to result in any holder of such Shares (together with any persons connected with such holder (within the meaning of section 1122 of CTA 2010) being in Prohibited Control of the Company, such part of the rights of such Shareholder to repayment of capital and unpaid Arrears shall be waived so as to ensure that such Shareholder does not have Prohibited Control of the Company, provided that such amounts shall not be waived in the case of a Sale or Listing.

*Proceeds on Sale or Listing*

- 3.20 On a Sale, the Proceeds of Sale shall be distributed in the order of priority set out in Article 3.14.1 which is expressed as taking effect as a contract entered into between each of the members of the Company and such Proceeds of Sale shall be applied in such order of priority.
- 3.21 Immediately prior to and conditionally upon a Listing all Shares shall be converted into Ordinary Shares at the Conversion Rate and the Listing Value shall be allocated between the members in the same proportions as the provisions of Article 3.14.1 would provide on a Sale at that Listing Value.



- 3.22 In the event that the application of any provision of any of Articles 3.14.1 or 3.19 cannot be agreed between the Shareholders, any such matters in dispute shall be referred by the Board to the Expert Valuer whose costs shall be borne by the Shareholders in such proportions as the Expert Valuer may determine having regard to the conduct of the Shareholders and the merits of their arguments in relation to the matter(s) in dispute (or in the absence of such determination, shall be borne by the Shareholders pro rata to their respective holdings of Shares) and the decision of the Expert Valuer shall be final and binding on all Shareholders (save in the case of manifest error).

#### *Conversion*

- 3.23 Immediately on the request in writing, at any time, by a holder of A4 Ordinary Shares, such number of his A4 Ordinary Shares as such holder of A4 Ordinary Shares shall specify shall on the date of such request automatically be converted into and redesignated as Ordinary Shares at the Conversion Rate.
- 3.24 The "**Conversion Date**" for the purposes of this article 3 means the date upon which the A1 Ordinary Shares, A2 Ordinary Shares, A3 Ordinary Shares or A4 Ordinary Shares (as the case may be) are to be converted into Ordinary Shares as specified in the applicable article.
- 3.25 The Ordinary Shares arising on such conversion and redesignation shall rank pari passu with the Ordinary Shares then in issue and fully paid up and shall entitle the holders of the Ordinary Shares to all dividends and other distributions declared, made or paid on the Ordinary Shares by reference to any record date occurring after the Conversion Date.
- 3.26 If the Shares are consolidated or sub-divided, then the number of Ordinary Shares into which A1 Ordinary Shares, A2 Ordinary Shares, A3 Ordinary Shares or A4 Ordinary Shares (as the case may be) are to be converted and redesignated shall be reduced or increased accordingly and if any doubt arises as to the number of them the certificate of the opinion of the Expert shall be conclusive and binding save in the case of manifest error.
- 3.27 If the Company shall make any capital distribution to the holders of Ordinary Shares (but not to the holders of A1 Ordinary Shares, A2 Ordinary Shares, A3 Ordinary Shares and A4 Ordinary Shares), then the Conversion Rate shall be adjusted accordingly by such amount determined to be appropriate by the Expert, whose certificate shall be conclusive and binding save in the case of manifest error. For the purposes of this article 3.27 "capital distribution" means:
- 3.27.1 any distribution of capital profits (whether realised or not) or capital reserves, except by means of a capitalisation issue made in the form of fully paid Ordinary Shares in relation to which an adjustment pursuant to article 3.28 is made; or
- 3.27.2 a repayment of capital or purchase of the Company's own Ordinary Shares (other than a redemption or purchase of redeemable shares in accordance with the terms of issue of such shares).
- 3.28 If there is an allotment of Ordinary Shares (which shall only be allotted fully paid) pursuant to a capitalisation of profits or reserves (including share premium account and capital redemption reserve) to holders of Ordinary Shares while any A1 Ordinary Shares and/or A2 Ordinary Shares and/or A3 Ordinary Shares and/or A4 Ordinary Shares remain capable of being converted into Ordinary Shares, then the number of Ordinary Shares to be issued on conversion of A1 Ordinary Shares

and/or A2 Ordinary Shares and/or A3 Ordinary Shares and/or A4 Ordinary Shares after that allotment shall be adjusted by an amount, which in the reasonable opinion of the Board is fair and reasonable, so as to ensure that each Shareholder is in no better or worse position as a result of such capitalisation of profits or reserves and provided that where Investor Consent is not obtained in relation to the adjustment proposed by the Board, such amount as determined by the Accountants whose opinion shall, in the absence of manifest error, be final and binding.

- 3.29 Upon the Conversion Date, each holder of A1 Ordinary Shares, A2 Ordinary Shares, A3 Ordinary Shares or A4 Ordinary Shares (as the case may be) shall deliver to the Company at its registered office the certificates for his A1 Ordinary Shares, A2 Ordinary Shares, A3 Ordinary Shares or A4 Ordinary Shares (as the case may be) or an indemnity for lost share certificates in favour of the directors and the Company, duly executed by such holder of A1 Ordinary Shares, A2 Ordinary Shares, A3 Ordinary Shares or A4 Ordinary Shares, and upon such delivery there shall be issued to him a certificate for the number of Ordinary Shares resulting from the conversion and re-designation of his A1 Ordinary Shares, A2 Ordinary Shares, A3 Ordinary Shares or A4 Ordinary Shares (as the case may be).

#### **4 Votes in general meeting**

- 4.1 The Ordinary Shares shall confer on each holder of Ordinary Shares the right to receive notice of and to attend, speak and vote at all general meetings of the Company and to receive and vote on proposed written resolutions of the Company.
- 4.2 The A1 Ordinary Shares shall confer on each holder of A1 Ordinary Shares the right to receive notice of and to attend, speak and vote at all general meetings of the Company and to receive and vote on proposed written resolutions of the Company.
- 4.3 The A2 Ordinary Shares shall confer on each holder of A2 Ordinary Shares the right to receive notice of and to attend, speak and vote at all general meetings of the Company and to receive and vote on proposed written resolutions of the Company.
- 4.4 The A3 Ordinary Shares shall confer on each holder of A3 Ordinary Shares the right to receive notice of and to attend, speak and vote at all general meetings of the Company and to receive and vote on proposed written resolutions of the Company.
- 4.5 The A4 Ordinary Shares shall confer on each holder of A4 Ordinary Shares the right to receive notice of and to attend, speak and vote at all general meetings of the Company and to receive and vote on proposed written resolutions of the Company.
- 4.6 Where Shares confer a right to vote, on a show of hands each holder of such shares who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or by proxy shall have one vote and on a poll each such holder so present shall have one vote for each Share held by him.
- 4.7 Notwithstanding Articles 4.1 and 5.4 but subject to Article 22.13, the aggregate number of votes exercisable by all the Investors shall not exceed 49.9 per cent. of the total aggregate votes exercisable at a general meeting of the Company. All

the Investors shall have the normal voting rights, not subject to any maximum limit, that attach to their shareholding at any class meeting to which they are entitled to attend.

## **5 Allotment of new shares**

5.1 The Company shall not be empowered to issue any further classes or number of shares without prior Investor Consent.

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

5.3 Unless otherwise agreed by special resolution passed in general meeting or as a written resolution passed in accordance with Part 13 of the Act, if the Company proposes to allot any New Securities those New Securities shall not be allotted or granted to any person unless the Company has in the first instance offered them to the holders of Equity Shares (taken together as if they constitute one class) on the same terms and at the same price as those New Securities are being offered to other persons on a pari passu and pro rata basis to the number of Shares held by those holders (as nearly as may be without involving fractions). The offer:

5.3.1 shall be in writing and served by the Board on the holders of the Equity Shares, give details of the number and Acquisition Cost of the New Securities;

5.3.2 shall invite the holders of the Equity Shares to respond in writing to the Company stating the number of New Securities for which they wish to subscribe and may stipulate that any holder of Equity Shares who wishes to subscribe for a number of New Securities in excess of the proportion to which he is entitled shall in their acceptance state the number of excess New Securities (the "**Excess Securities**") for which they wish to subscribe; and

5.3.3 shall expire, and the offer made therein to an offeree shall be deemed to be withdrawn if not previously accepted by such offeree, on the date specified therein, being not less than 20 nor more than 30 Business Days after the date of the offer notice.

5.4 After the expiry of the period referred to in the offer notice or, if sooner, upon all holders of Equity Shares having responded to the offer notice (in either case, the "**Subscription Allocation Date**"), the Board shall allocate the New Securities in accordance with the applications received provided that any New Securities not accepted by the holders of Equity Shares pursuant to the offer made to them in accordance with Article 5.3 shall be used for satisfying any requests for Excess Securities made pursuant to Article 5.3 and in the event that there are insufficient Excess Securities to satisfy such requests, the Excess Securities shall be allotted to the applicants on a pro rata basis to the number of Equity Shares held by the applicants immediately prior to the offer made to the holders of Equity Shares in accordance with Article 5.3 (as nearly as may be without involving fractions or increasing the number allotted to any Shareholder beyond that applied for by him).

5.5 Within five Business Days of the Subscription Allocation Date the Board shall give notice in writing (a "**Subscription Allocation Notice**") to each holder of Equity Shares to whom New Securities have been allocated pursuant to Article 5.3 (each a "**Subscriber**"). A Subscription Allocation Notice shall state:

- 5.5.1 the number and class of New Securities allocated to that Subscriber;
  - 5.5.2 the aggregate Acquisition Cost payable by the Subscriber in respect of the New Securities allocated to him; and
  - 5.5.3 the place, date and time (being not less than two nor more than five Business Days after the date of the Subscription Allocation Notice) at which completion of the subscription for the New Securities shall take place.
- 5.6 Completion of a subscription for New Securities pursuant to a Subscription Allocation Notice shall take place at the place, date and time specified in the Subscription Allocation Notice when the Subscriber will pay the relevant subscription monies to the Company in cleared funds and the Company will allot or grant the New Securities to that Subscriber and deliver to that Subscriber a duly executed share certificate or certificate of grant (as the case may be) in respect thereof. If a Subscriber shall fail for any reason to pay the relevant subscription monies in respect of any New Securities to the Company in cleared funds by the date specified in the Subscription Allocation Notice he shall be deemed to have declined the offer made to him in respect of those New Securities which shall immediately be deemed to be released from the provisions of Articles 5.2 to 5.3.
- 5.7 Subject to Articles 5.3 and 5.4 and to the provisions of section 551 of the Act, any New Securities shall be at the disposal of the Board who may allot, grant options over or otherwise dispose of them to any persons at those times and generally on the terms and conditions they think proper, provided that:
- 5.7.1 the allotment or grant to that person must be approved by Investor Consent;
  - 5.7.2 no New Securities shall be allotted, granted or otherwise disposed of on terms which are more favourable than those on which they were offered to the holders of Equity Shares pursuant to Article 5.2; and
  - 5.7.3 no New Securities shall be allotted, granted or otherwise disposed of more than three months after the date of the relevant offer notice in respect thereof (or, in the case of New Securities released from the provisions of Articles 5.2 to 5.3 by virtue of a special resolution, the date of that special resolution) unless the procedure in Article 5.2 is repeated in relation to those New Securities.
- 5.8 Notwithstanding any other provision of these Articles, no Share shall be allotted to a person who is not already a party to the SSA unless that person has entered into a Deed of Adherence.

## **6 Transfers of Shares – general**

- 6.1 In Articles 6 to 13 inclusive, reference to the transfer of a Share includes the transfer or assignment of a beneficial or other interest in that Share or the creation of a trust or Encumbrance over that Share and reference to a Share includes a beneficial or other interest in a Share.
- 6.2 No Share may be transferred unless the transfer is made in accordance with these Articles or with prior Investor Consent provided that Investor Consent may not be given so as to allow an Investor to transfer any Shares held by any of them without following the transfer provisions of these Articles.

- 6.3 If a Shareholder transfers or purports to transfer a Share otherwise than, in all material respects, in accordance with these Articles he will be deemed immediately to have served a Transfer Notice in respect of all Shares held by him.
- 6.4 The Board shall register a duly stamped transfer of any Share that is presented to it.
- 6.5 In any case where the Board requires a Transfer Notice to be given in respect of any Shares, if a Transfer Notice is not duly given within a period of 10 Business Days of demand being made, a Transfer Notice shall be deemed to have been given at the expiration of that period. If a Transfer Notice is required to be given or is deemed to have been given under these Articles, the Transfer Notice will be treated as having specified that:
  - 6.5.1 if the Transfer Price is not expressly provided under these Articles, the Transfer Price for the Sale Shares will be as agreed between the Board (any Director with whom the Seller is connected (within the meaning of section 252 of the Act) not voting) and the Seller, or, failing agreement within five Business Days after the date on which the Board becomes aware that a Transfer Notice has been deemed to have been given, will be the FMV of the Sale Shares;
  - 6.5.2 it does not include a Minimum Transfer Condition (as defined in Article 8.2.4);
  - 6.5.3 the Seller wishes to transfer all of the Shares held by it and its Permitted Transferees; and
  - 6.5.4 a Seller may retain any Sale Shares for which Applicant(s) (as defined in Article 8.1.1) are not found.
- 6.6 Shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the Directors, which is executed by or on behalf of:
  - 6.6.1 the transferor; and
  - 6.6.2 (if any of the shares is partly or nil paid) the transferee.

## **7 Permitted Transfers**

- 7.1 A Shareholder (the "**Original Shareholder**") may transfer all or any of his or its Shares to a Permitted Transferee without restriction as to price or otherwise.
- 7.2 Where under the provision of a deceased Shareholder's will or laws as to intestacy, the persons legally or beneficially entitled to any Shares, whether immediately or contingently, are Permitted Transferees of the deceased Shareholder, the legal representative of the deceased Shareholder may transfer any Share to those Permitted Transferees, in each case without restriction as to price or otherwise. Shares previously transferred as permitted by this Article 7.2 may be transferred by the transferee to any other Permitted Transferee of the Original Shareholder without restriction as to price or otherwise.
- 7.3 If a Permitted Transferee (other than an Investor) who was a Member of the same Group as the Original Shareholder ceases to be a Member of the same Group as the Original Shareholder, the Permitted Transferee must, not later than five Business Days after the date on which the Permitted Transferee so ceases,

transfer the Shares held by it to the Original Shareholder or a Member of the same Group as the Original Shareholder (which in either case is not in liquidation) without restriction as to price or otherwise failing which it will be deemed to have given a Transfer Notice in respect of those Shares.

- 7.4 If a Permitted Transferee (other than an Investor) who was a Member of the same Fund Group as the Original Shareholder ceases to be a Member of the same Fund Group, the Permitted Transferee must, not later than five Business Days after the date on which the Permitted Transferee so ceases, transfer the Shares held by it to the Original Shareholder or a Member of the same Fund Group as the Original Shareholder (which in either case is not in liquidation) without restriction as to price or otherwise failing which it will be deemed to give a Transfer Notice in respect of such Shares.

- 7.5 Trustees may:

- 7.5.1 transfer Shares to a company in which they hold the whole of the share capital and which they control (a "**Qualifying Company**"); or
- 7.5.2 transfer Shares to the Original Shareholder or to another Permitted Transferee of the Original Shareholder; or
- 7.5.3 transfer Shares to the new or remaining trustees upon a change of Trustees,

without restriction as to price or otherwise.

- 7.6 No transfer of Shares may be made to Trustees unless the Board is satisfied:

- 7.6.1 with the terms of the trust instrument and in particular with the powers of the trustees;
- 7.6.2 with the identity of the proposed trustees;
- 7.6.3 the proposed transfer will not result in 50 per cent. or more of the aggregate of the Company's equity share capital being held by trustees of that and any other trusts; and
- 7.6.4 that no costs incurred in connection with the setting up or administration of the Family Trust in question are to be paid by the Company.

- 7.7 If a company to which Shares has been transferred under Article 7.5, ceases to be a Qualifying Company it must within five Business Days of so ceasing, transfer the Shares held by it to the Trustees or to a Qualifying Company (and may do so without restriction as to price or otherwise) failing which it will be deemed to have given a Transfer Notice in respect of such Shares.

- 7.8 If a Permitted Transferee who is a spouse or Civil Partner of the Original Shareholder ceases to be a spouse or Civil Partner of the Original Shareholder whether by reason of divorce or otherwise he must, within 15 Business Days of so ceasing:

- 7.8.1 execute and deliver to the Company a transfer of the Shares held by him/her to the Original Shareholder (or, to any Permitted Transferee of the Original Shareholder) for such consideration as may be agreed between them; or

- 7.8.2 failing which he shall be deemed to have given a Transfer Notice.
- 7.9 On the death (subject to Article 7.2), bankruptcy, liquidation, administration or administrative receivership of a Permitted Transferee (other than a joint holder) his personal representatives or trustee in bankruptcy, or its liquidator, administrator or administrative receiver must within five Business Days after the date of the grant of probate, the making of the bankruptcy order or the appointment of the liquidator, administrator or the administrative receiver execute and deliver to the Company a transfer of the Shares held by the Permitted Transferee without restriction as to price or otherwise. The transfer shall be to the Original Shareholder if still living (and not bankrupt or in liquidation) or, if so directed by the Original Shareholder, to any Permitted Transferee of the Original Shareholder. If the transfer is not executed and delivered within five Business Days of such period or if the Original Shareholder has died or is bankrupt or is in liquidation, administration or administrative receivership, the personal representative or trustee in bankruptcy or liquidator, administrator or administrative receiver will be deemed to have given a Transfer Notice.
- 7.10 A transfer of any Shares that is a Permitted Transfer approved with Investor Consent may be made without restriction as to price or otherwise and each transfer shall, subject to being properly stamped and being lawful, be registered by the Directors.
- 7.11 Any Shares may at any time be transferred where there is a sale of the entire issued share capital of the Company to a Holding Company, which has been approved by a majority of the Board, including Investor Director Consent.

## **8 Transfers of Shares subject to pre-emption rights**

- 8.1 Save where the provisions of Articles 7, 11, 12 and 13 apply, any transfer of Shares by a Shareholder shall be subject to the pre-emption rights contained in this Article 8.
- 8.2 A Shareholder who wishes to transfer Shares (a "**Seller**") shall, except as otherwise provided in these Articles, before transferring or agreeing to transfer any Shares give notice in writing (a "**Transfer Notice**") to the Company specifying:
- 8.2.1 the number and class of Shares which he wishes to transfer (the "**Sale Shares**");
  - 8.2.2 if he wishes to sell the Sale Shares to a third party, the name of the proposed transferee;
  - 8.2.3 the price (in cash) at which he wishes to transfer the Sale Shares (the "**Proposed Price**"); and
  - 8.2.4 whether the Transfer Notice is conditional on all or a specific number of the Sale Shares being sold (a "**Minimum Transfer Condition**").
- 8.3 Except with Investor Consent, no Transfer Notice once given or deemed to have been given under these Articles may be varied or withdrawn.
- 8.4 A Transfer Notice constitutes the Company the agent of the Seller for the sale of the Sale Shares at the Transfer Price.

8.5 The Sale Shares will be offered for sale in accordance with this Article 8 at the following price (the "**Transfer Price**"):

8.5.1 subject to the consent of the Board, the Proposed Price; or

8.5.2 such other price as may be agreed between the Seller and the Board, within five Business Days of the date of service (or deemed service) of the Transfer Notice; or

8.5.3 if no price is agreed pursuant to Article 8.5.2 above within the period specified therein, or if the Board directs at any time during that period, FMV.

8.6 As soon as practicable, and in any event within 10 Business Days, following the later of:

8.6.1 receipt of a Transfer Notice; and

8.6.2 agreement of the Transfer Price under Article 8 or determination of the Transfer Price under Article 9,

the Board shall offer the Sale Shares for sale to the Shareholders in the manner set out in Articles 8.7 to 8.11. Each offer must be in writing and give details of the number and Transfer Price of the Sale Shares offered.

*Priority for offer of Sale Shares (the "**Priority Rights**")*

8.7 If the Sale Shares are A4 Ordinary Shares, the Company shall offer them in the following priority:

8.7.1 first, to the holders of the A4 Ordinary Shares;

8.7.2 second, to the holders of the A3 Ordinary Shares;

8.7.3 third, to the holders of the A1 Ordinary Shares, the A2 Ordinary Shares and the Ordinary Shares (as if one class of shares),

in each case on the basis as set out in Article 8.11.

8.8 If the Sale Shares are A3 Ordinary Shares, the Company shall offer them in the following priority:

8.8.1 first, to the holders of the A3 Ordinary Shares;

8.8.2 second, to the holders of the A4 Ordinary Shares;

8.8.3 third, to the holders of the A1 Ordinary Shares, the A2 Ordinary Shares and the Ordinary Shares (as if one class of shares),

in each case on the basis as set out in Article 8.11.

8.9 If the Sale Shares are A1 Ordinary Shares or A2 Ordinary Shares, the Sale Shares shall be offered in the following priority:

8.9.1 first, to the holders of the A1 Ordinary Shares and the A2 Ordinary Shares (as if one class of shares);



- 8.9.2 second, to the holders of the A4 Ordinary Shares;
  - 8.9.3 third, to the holders of the A3 Ordinary Shares; and
  - 8.9.4 fourth, to the holders of the Ordinary Shares,
- in each case on the basis set out in Article 8.11.
- 8.10 If the Sale Shares are Ordinary Shares, the Sale Shares shall be offered in the following priority:
- 8.10.1 first, to any EBT that the Board may nominate for this purpose;
  - 8.10.2 second, to the holders of the A4 Ordinary Shares;
  - 8.10.3 third, to the holders of the A3 Ordinary Shares; and
  - 8.10.4 fourth, to the holders of the A1 Ordinary Shares, A2 Ordinary Shares and Ordinary Shares (as if one class of share),
- in each case on the basis set out in Article 8.11.
- 8.11
- 8.11.1 The Board shall offer the Sale Shares pursuant to the Priority Rights to all Shareholders other than the Seller (the "**Continuing Shareholders**") inviting them to apply in writing within the period from the date of the offer to the date 15 Business Days after the date of the offer (inclusive) (the "**Offer Period**") for the maximum number of Sale Shares they wish to buy.
  - 8.11.2 If, at the end of the Offer Period, the number of Sale Shares applied for is equal to or exceeds the number of Sale Shares, the Board shall allocate the Sale Shares to each Continuing Shareholder in the proportion (fractional entitlements being rounded to the nearest whole number) which his existing holding of the relevant class of Shares bears to the total number of the relevant class of Shares held by those Continuing Shareholders who have applied for Sale Shares but no allocation shall be made to a Shareholder of more than the maximum number of Sale Shares which he has stated he is willing to buy.
  - 8.11.3 If not all Sale Shares are allocated in accordance with Article 8.11.2 but there are applications for Sale Shares that have not been satisfied those Sale Shares shall be allocated to the relevant applicant(s) in accordance with the procedure set out in Article 8.11.2.
  - 8.11.4 If at the end of the Offer Period, the number of Sale Shares applied for is less than the number of Sale Shares and the Transfer Notice contained a Total Transfer Condition then:
    - (a) the Board shall conditionally allocate the Sale Shares to the Continuing Shareholders in accordance with their applications but a further notice will be served on such Continuing Shareholders (the "**Further Notification**") reminding them of the Total Transfer Condition and such notice will contain a further offer (the "**Further Offer**") to such Continuing

Shareholders inviting them to apply for further Sale Shares at the Transfer Price;

- (b) the Further Offer shall expire, and shall be deemed to be withdrawn, upon the expiry of the period (being not more than 20 Business Days) specified in the Further Notification;
- (c) any Sale Shares accepted by the Continuing Shareholders pursuant to the Further Notification shall be allocated amongst them in accordance with the provisions of Articles 8.11.2 and 8.8.3; and
- (d) following the allocation of any Sale Shares amongst the Continuing Shareholders in accordance with paragraph 8.11.4(c), and provided all the Sale Shares have then been allocated, the Board shall issue Allocation Notices in accordance with Article 8.12,

provided that if after following the procedure set out in this Article 8.11.4 the total number of Sale Shares applied for and allocated to Continuing Shareholders remains less than the total number of Sale Shares then, notwithstanding any other provision of this Article 8, no Sale Shares shall be deemed to have been allocated to any Continuing Shareholder and the Seller and the Continuing Shareholders shall not be bound to sell or purchase any Sale Shares in accordance with this Article 8 and the Company shall notify the Seller that it has failed to find buyers for all or some (as the case may be) of the Sale Shares.

8.11.5 If, at the end of the Offer Period, the number of Sale Shares applied for is less than the number of Sale Shares and the Transfer Notice did not contain a Total Transfer Notice, the Board shall allocate the Sale Shares to the Continuing Shareholders in accordance with their applications and at any time within three calendar months of the date of expiry of the Offer Period, either:

- (a) sell the remaining Sale Shares comprised in the Transfer Notice to the person(s) named in the transfer notice or, if none was so named, any third party who is approved by the holders of a majority of the Equity Shares from time to time including the Investors; or
- (b) transfer such remaining Sale Shares to the EBT; or
- (c) if the EBT cannot or does not want to purchase the remaining Sale Shares then such Sale Shares shall be retained by the Seller provided that no Sale Shares shall be transferred at less than the Transfer Price.

#### *Completion of transfer of Sale Shares*

8.12 If allocations have been made in respect of the Sale Shares, the Board shall, when no further offers are required to be made, give written notice of allocation (an "**Allocation Notice**") to the Seller and each Shareholder to whom Sale Shares have been allocated (an "**Applicant**") specifying the number and class of Sale Shares allocated to each Applicant, the aggregate purchase price payable by the Applicant in respect of the Sale Shares and the place, date and time (being

not less than 10 Business Days nor more than 20 Business Days after the date of the Allocation Notice) for completion of the transfer of the Sale Shares.

8.13 Completion of a sale and purchase of Sale Shares pursuant to an Allocation Notice shall take place at the place, date and time specified in the Allocation Notice when the Seller must, against payment of the Transfer Price in respect of the Sale Shares allocated to the Applicant, transfer the Sale Shares and deliver the relevant share certificate(s) therefor in accordance with the requirements specified in it.

8.14 If the Seller fails to comply with the provisions of Article 8.12:

8.14.1 the chairman of the Company or, failing him, one of the Directors, or some other person nominated by a resolution of the Board, may on behalf of the Seller (and the Seller shall be deemed to have appointed such person as the Seller's agent and attorney):

- (a) complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Applicants; and
- (b) (subject to the transfer being duly stamped) enter the Applicants in the register of Shareholders as the holders of the Shares purchased by them; and
- (c) the Company shall receive the Transfer Price and give good discharge for it and transfer the same into a separate bank account in the Company's name on trust (but without interest) for the Seller and the Company shall not pay such money to the Seller until he has delivered to the Company his certificate or certificates for the relevant Shares (or an indemnity, in a form reasonably satisfactory to the Board, in respect of any lost certificate).

## **9 Valuation of Shares**

9.1 If a Transfer Price has not been agreed or if a Transfer Notice is deemed to have been served then, subject to an agreement being reached pursuant, five Business Days after the date on which the Board first becomes aware that a Transfer Notice had been deemed to have been given, the Board shall either:

9.1.1 appoint an expert valuer in accordance with Article 9.2 (the "**Expert Valuer**") to determine and certify the FMV of the Sale Shares; or

9.1.2 (if the FMV has been determined and certified by the Expert Valuer within the preceding 12 weeks) specify that the FMV of the Sale Shares will be calculated by dividing any FMV so certified by the number of Sale Shares to which it related and multiplying such FMV by the number of Sale Shares the subject of the Transfer Notice.

9.2 The Expert Valuer will be either:

9.2.1 the Auditors, if the Auditors are prepared to accept such assignment; or

9.2.2 if so specified in the relevant Transfer Notice or the Auditors cannot be appointed under Article 9.2.1 an independent firm of Chartered

Accountants to be agreed between the Board and the Seller or failing agreement not later than the date 10 Business Days after the date of service of the Transfer Notice (or, in the case of the deemed service of a Transfer Notice, on the date on which the Board first has actual knowledge of the facts giving rise to such deemed service), to be appointed by the then President of the Institute of Chartered Accountants in England and Wales on the application of either party,

and in either case, will act as agent for the Company and each relevant Shareholder.

- 9.3 The fair market value "**FMV**" of the Sale Shares shall be determined by the Expert Valuer on the following assumptions and bases:
- 9.3.1 valuing the Shares on the date of service of the Transfer Notice
  - 9.3.2 valuing the Sale Shares as on an arm's-length sale between a willing seller and a willing buyer;
  - 9.3.3 if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;
  - 9.3.4 that the Sale Shares are capable of being transferred without restriction;
  - 9.3.5 valuing the Sale Shares as a rateable proportion of the total value of all the issued Shares without any premium or discount being attributable to the percentage of the issued share capital of the Company which they represent; and
  - 9.3.6 reflecting any other factors which the Expert Valuer reasonably believe should be taken into account.
- 9.4 If any difficulty arises in applying any of these assumptions or bases then the Expert Valuer shall resolve that difficulty in whatever manner they shall in their absolute discretion think fit.
- 9.5 The Expert Valuer shall be requested to determine the FMV within 20 Business Days of their appointment and to notify the Board of their determination.
- 9.6 The Expert Valuer shall act as experts and not as arbitrators and their determination shall be final and binding on the parties (in the absence of fraud or manifest error).
- 9.7 The Board will give the Expert Valuer access to all accounting records or other relevant documents of the Company necessary to determine the FMV of the Sale Shares, subject to the Expert Valuer agreeing with the Board such confidentiality provisions as the Board may reasonably impose.
- 9.8 The Expert Valuer shall deliver their determination and certificate to the Company. As soon as the Company receives the certificate it shall deliver a copy of it to the Seller. Unless the Sale Shares are to be sold under a Transfer Notice, which is deemed to have been served, the Seller may by notice in writing to the Company within five Business Days of the service on him of the copy certificate, cancel the Company's authority to sell the Sale Shares.
- 9.9 The cost of obtaining the certificate shall be paid by the Company unless:

- 9.9.1 the Seller cancels the Company's authority to sell; or
- 9.9.2 the sale is pursuant to a Transfer Notice which is deemed to have been served, and the Sale Price certified by the Expert Valuer is less than the price (if any) offered by the Directors to the Seller for the Sale Shares before the Expert Valuer was instructed,

in which case the Seller shall bear the cost.

## **10 Compulsory transfers – general**

- 10.1 A person entitled to a Share in consequence of the bankruptcy of a Shareholder shall be deemed to have given a Transfer Notice in respect of that Share at a time determined by the Directors.
- 10.2 If a Share remains registered in the name of a deceased Shareholder for longer than one year after the date of his death the Directors may require the legal personal representatives of that deceased Shareholder either:
  - 10.2.1 to effect a Permitted Transfer of such Share (including for this purpose an election to be registered in respect of the Permitted Transfer); or
  - 10.2.2 to show to the satisfaction of the Directors that a Permitted Transfer will be effected before or promptly upon the completion of the administration of the estate of the deceased Shareholder.

If either requirement in this Article 10.2 shall not be fulfilled to the satisfaction of the Directors a Transfer Notice shall be deemed to have been given in respect of each such Share save to the extent that the Directors may otherwise determine.

- 10.3 If a Shareholder (other than an Investor) which is a company, either suffers or resolves for the appointment of a liquidator, administrator or administrative receiver over it or any material part of its assets, the relevant Shareholder (and all its Permitted Transferees) shall be deemed to have given a Transfer Notice in respect of all the shares held by the relevant Shareholder and its Permitted Transferees save to the extent that, and at a time, the Directors may determine.
- 10.4 If there is a change in control (as control is defined in section 1124 of the CTA 2010) of any Shareholder (other than an Investor) which is a company, it shall be bound at any time, if and when required in writing by the Directors to do so, to give (or procure the giving in the case of a nominee) a Transfer Notice in respect of all the Shares registered in its and their names and their respective nominees' names save that, in the case of the Permitted Transferee, it shall first be permitted to transfer those Shares back to the original Shareholder from whom it received its Shares or to any other Permitted Transferee before being required to serve a Transfer Notice. This Article 10.4 shall not apply to a member that is an Investor. If such Shareholder fails to give a Transfer Notice within the time period stipulated by the Directors, then such Shareholder and any Permitted Transferee of such Shareholder will be deemed to have given a Transfer Notice in relation to all Shares held by them.

## **11 Compulsory transfers – Leavers**

- 11.1 If any Employee or Consultant ceases for any reason to be an Employee or Consultant (a "**Leaver**") the relevant Leaver shall be deemed to have given a Transfer Notice in respect of the Leaver's Percentage of Shares held by the Leaver (or any of his Permitted Transferees) (the "**Leaver Shares**") on the

Effective Termination Date (or on such later date as the Investor Director may otherwise determine). In such circumstances the following provisions shall apply: The provisions of Article 8 will apply to the transfer of the Leaver Shares which are the subject of the Compulsory Transfer Notice provided that:

- 11.1.1 the EBT and/or the Company (subject to the Act) shall, subject to the approval of the Board have the first option but not the obligation, to purchase such Leaver Shares;
- 11.1.2 such a Transfer Notice shall not be capable of revocation by the Leaver;
- 11.1.3 in such circumstances the Transfer Price shall be as follows:
  - (a) where the relevant Leaver ceases to be an Employee or Consultant by reason of being a Bad Leaver, the lower of FMV and the Acquisition Cost of such Leaver Shares; and
  - (b) where the relevant Leaver ceases to be an Employee or Consultant by reason of being a Good Leaver, the FMV of such Leaver Shares.
- 11.2 All voting rights attached to Leaver Shares held by a Leaver (the "**Restricted Member**"), if any, shall upon the Effective Termination Date be suspended unless the Board (including the Investor Director) notify him otherwise.
- 11.3 Any Leaver Shares in respect of which voting rights are suspended pursuant to Article 11.2 (the "**Restricted Shares**") shall confer on the holders of Restricted Shares the right to receive a notice of and attend all general meetings of the Company but shall have no right to vote either in person or by proxy or to vote on any proposed written resolution. Voting rights suspended pursuant to Article 11.2 shall be automatically restored immediately prior to a Sale or Listing. If a Restricted Member transfers any Restricted Shares in the Company in accordance with these Articles all voting rights attached to the Restricted Shares so transferred shall upon completion of the transfer (as evidenced by the transferee's name being entered in the Company's register of members) automatically be restored.

## **12 Tag Along**

- 12.1 No sale or transfer of the legal or beneficial interest in any Shares may be made or validly registered without Investor Consent if, as a result of such sale or transfer and registration thereof, a Controlling Interest is obtained in the Company:
  - 12.1.1 by persons who were not members of the Company on the Date of Adoption; or
  - 12.1.2 by a company in which one or more of the members of the Company, or persons Acting in Concert with any member of the Company has or, as a result of such sale or transfer, will have a Controlling Interest (the "**Proposed Transfer**");

unless all accrued but unpaid dividends has been paid and the proposed transferees have offered to purchase all the A4 Ordinary Shares held by the Investors at the Specified Price (the "**Offer**").

- 12.2 A Proposed Seller must, before making the Proposed Transfer procure the making by the Proposed Purchaser of an offer (the "**Offer**") to the other Shareholders to acquire all of the Shares for a consideration per Share the value of which is at least equal to the Specified Price.
- 12.3 The Offer must be given by written notice (a "**Proposed Sale Notice**") at least 10 Business Days (the "**Offer Period**") prior to the proposed sale date (the "**Proposed Sale Date**"). The Proposed Sale Notice must set out, to the extent not described in any accompanying documents, the identity of the Proposed Purchaser, the purchase price and other terms and conditions of payment, the Proposed Sale Date and the number of Shares proposed to be purchased by the Proposed Purchaser and invite the relevant offerees to respond in writing to the Proposed Purchaser stating whether they wish to accept the Offer.
- 12.4 For the purpose of this Article:
- 12.4.1 the expression "**transfer**" and "**purchaser**" shall include the renunciation of a renounceable letter of allotment and the renouncee under any such letter of allotment respectively;
- 12.4.2 "**Specified Price**" shall mean in respect of each Share a sum in cash equal to the highest price per Share offered or paid by the Proposed Purchaser or its nominees for each of the other A1 Ordinary Shares, A2 Ordinary Shares, A3 Ordinary Shares, A4 Ordinary Shares and Ordinary Shares and (as the case may be) the subject of the transaction plus an amount per share equal to the relevant proportion of any other consideration (in cash or otherwise) received or receivable by the holders of such other Shares 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 such other Shares.
- 12.5 The provision of this Article 12 shall apply, mutatis mutandis, to any purported renunciation of rights pursuant to the allotment of any Shares to a member.
- 12.6 If any transferor fails to deliver stock transfer forms and share certificates (or indemnity) for its Shares in accordance with this Article, the Directors (or any of them) may authorise one of their number to execute a stock transfer form and indemnity for the Shares to the Proposed Purchaser (or as it may direct) and the Company may give a good receipt for the purchase price of such Shares and may register the Proposed Purchaser as holder thereof and issue to it (or as it may direct) certificates for the same. Such Shareholder shall be bound to deliver up its share certificate or a suitable indemnity in respect thereof for the Shares to the Company whereupon the Shareholder shall be entitled to receive the purchase price which shall in the meantime be held by the Company on trust for the Shareholder but without interest.
- 12.7 On any Share Sale effected under this Article 12 then, notwithstanding Article 12.4, the order of priority in Article 3.14.1 shall apply in determining how the proceeds from the sale of any Shares under this Article 12 shall be distributed.

### **13 Drag Along**

- 13.1 At any time after the Date of Adoption the Investors and those Managers who, in combination with the Investors, hold in aggregate more than 50 per cent. of the issued Equity Shares (hereafter the "**Selling Shareholders**") shall have the right (the "**Drag Along Right**") to require all the other holders of Shares (the "**Called**")

**Shareholders**") to sell and transfer all their Shares to any Proposed Purchaser to whom the Selling Shareholders wish to transfer all their interests in Shares.

- 13.2 The Selling Shareholders may exercise the Drag Along Right by giving a written notice to that effect (a "**Drag Along Notice**") to the Company which the Company shall forthwith copy to the Called Shareholders (including any option holders on the basis that all options issued by the Company will be deemed to have been exercised on the delivery of the Drag Along Notice) at any time before the transfer of the Selling Shareholders' Shares to the Proposed Purchaser. A Drag Along Notice shall specify that the Called Shareholders are required to transfer all their Shares (the "**Called Shares**") under this Article 13, the person to whom they are to be transferred, the consideration for which the Called Shares are to be transferred (calculated in accordance with this Article 13), the proposed date of transfer and the form of the stock transfer form to transfer the Called Shares, any indemnity for lost share certificate required and any sale agreement or form of acceptance or any other document of similar effect that the Called Shareholders are required to sign in connection with such sale (the "**Sale Agreement**") (the "**Drag Documents**").
- 13.3 Drag Along Notices shall be irrevocable but will lapse if for any reason there is not a sale of the Selling Shareholders' Shares to the Proposed Purchaser within 40 Business Days after the date of service of the Drag Along Notice. The Selling Shareholders shall be entitled to serve further Drag Along Notices following the lapse of any particular Drag Along Notice.
- 13.4 The Called Shareholders shall only be obliged to sell the Called Shares on terms that they shall be entitled to receive for their holdings of Shares consideration (in cash or otherwise) (the "**Drag Along Price**") equal to the price per Share paid or payable by, or due from, the Proposed Purchaser for the Selling Shareholders' Shares in accordance with the provisions of Article 3.20, provided that this Article shall not be construed as requiring the Called Shareholders to give any representations, indemnities or warranties other than warranties as to capacity to enter into any Sale Agreement, title to the Called Shares owned by them and an indemnity for lost share certificate.
- 13.5 Completion of the sale of the Called Shares shall take place on the date specified for that purpose by the Selling Shareholders to the Called Shareholders in the Drag Along Notice save that:
- 13.5.1 the Selling Shareholders may not specify a date that is less than five Business Days after the date of the Drag Along Notice; and
- 13.5.2 the date so specified by the Selling Shareholders shall be the same date as the date proposed for completion of the sale of the Sellers' Shares,
- unless, in the case of the sale by any particular Called Shareholder, that Called Shareholder and the Selling Shareholders otherwise agree.
- 13.6 The Called Shareholders shall deliver to the Selling Shareholders or the Company the Drag Documents as soon as possible and not later than the date of transfer notified in the Drag Along Notice.
- 13.7 If any Called Shareholder fails to deliver the Drag Documents for its Shares in accordance with this Article by the date stated in the Drag along Notice, the Directors (or any of them) may authorise one of their number to execute such Drag Documents for the Called Shares to the Proposed Purchaser (or as it may



direct) and to deliver such Drag Documents to the Proposed Purchaser, such Director constituted as agent of such defaulting Called Shareholder to take such actions and enter into any Drag Document or such other agreements or documents as are necessary to effect the transfer of the Called Shareholder's Shares pursuant to this Article. The Company may give a good receipt for the purchase price of such Called Shares and may register the Proposed Purchaser as holder thereof and issue to it (or as it may direct) certificates for the same. Such Called Shareholder shall be bound to deliver up its share certificate or a suitable indemnity in respect thereof for the Called Shares to the Company whereupon the Called Shareholder shall be entitled to receive the Drag Along Price which shall in the meantime be held by the Company on trust for the Called Shareholder but without interest.

- 13.8 Any transfer of Shares to a Proposed Purchaser (or as they may direct) pursuant to a sale in respect of which a Drag Along Notice has been duly served shall not be subject to the provisions of Article 8.
- 13.9 On any person, following the issue of a Drag Along Notice, becoming a Shareholder pursuant to the exercise of a pre-existing option or warrant to acquire shares in the Company or pursuant to the conversion of any convertible security of the Company (a "**New Shareholder**"), a Drag Along Notice shall be deemed to have been served on the New Shareholder on the same terms as the previous Drag Along Notice who shall then be bound to sell and transfer all Shares so acquired to the Proposed Purchaser and the provisions of this Article shall apply with the necessary changes to the New Shareholder except that completion of the sale of the Shares shall take place immediately on the Drag Along Notice being deemed served on the New Shareholder.

#### **14 General meetings**

- 14.1 No business shall be transacted at any general meeting unless the requisite quorum is present at its commencement and also when the business is voted on. Two Shareholders, of whom one shall be a holder of A4 Ordinary Shares present in person or by proxy (or, in the case of a corporate member, by representative) shall be a quorum for all purposes. Where all Shareholders have waived in writing the quorum requirement in relation to that class, the waiver shall be effective for the meeting or particular business, or otherwise, as specified in the waiver.
- 14.2 If any two or more Shareholders attend the meeting in different locations, the meeting shall be treated as being held at the location specified in the notice of the meeting, save that if no one is present at that location so specified, the meeting shall be deemed to take place where the largest number of Qualifying Persons is assembled or, if no such group can be identified, at the location of the chairman.
- 14.3 If a demand for a poll is withdrawn under Article 44(3) of the Model Articles, the demand shall not be taken to have invalidated the result of a show of hands declared before the demand was made and the meeting shall continue as if the demand had not been made.
- 14.4 Polls must be taken in such manner as the chairman directs. A poll demanded on the election of a chairman or on a question of adjournment must be held immediately. A poll demanded on any other question must be held either immediately or at such time and place as the chairman directs not being more than 14 days after the poll is demanded. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded.

- 14.5 No notice need be given of a poll not held immediately if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken.
- 14.6 If the poll is to be held more than 48 hours after it was demanded the Shareholders shall be entitled to deliver proxy notices in respect of the poll at any time up to 24 hours before the time appointed for taking that poll. In calculating that period, no account shall be taken of any part of a day that is not a working day.

## **15 Proxies**

- 15.1 Paragraph (c) of Article 45(1) of the Model Articles shall be deleted and replaced by the words: "is signed by or on behalf of the shareholder appointing the proxy and accompanied by any authority under which it is signed (or a certified copy of such authority or a copy of such authority in some other way approved by the directors)".
- 15.2 The instrument appointing a proxy and any authority under which it is signed or a certified copy of such authority or a copy in some other way approved by the Directors may:
- 15.2.1 be sent or supplied in hard copy form, or (subject to any conditions and limitations which the Board may specify) in electronic form, to the registered office of the Company or to such other address (including electronic address) as may be specified for this purpose in the notice convening the meeting or in any instrument of proxy or any invitation to appoint a proxy sent or supplied by the Company in relation to the meeting at any time before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote;
  - 15.2.2 be delivered at the meeting or adjourned meeting at which the person named in the instrument proposes to vote to the chairman or to the company secretary or to any Director; or
  - 15.2.3 in the case of a poll, be delivered at the meeting at which the poll was demanded to the chairman or to the company secretary or to any Director, or at the time and place at which the poll is held to the chairman or to the company secretary or to any Director or scrutineer,
- and an instrument of proxy which is not deposited or delivered in a manner so permitted shall be invalid.

## **16 Directors' borrowing powers**

- 16.1 Subject to the provisions of this Article, the Directors may exercise all the powers of the Company to borrow or raise money and to mortgage or charge its undertaking, property and uncalled capital and to issue debentures, debenture stock and other securities as security for any debt, liability or obligation of the Company or of any third party.
- 16.2 The Board shall restrict the borrowings of the Company and exercise all voting and other rights exercisable by the Company in relation to its subsidiaries (if any) so as to secure (as regards subsidiaries so far as by such exercise they can secure) that the aggregate amount for the time being remaining undischarged of

all moneys borrowed by the Company and its subsidiaries for the time being or any of such companies (exclusive of moneys borrowed by the Company from and for the time being owing to any such subsidiary, or by any such subsidiary from and for the time being owing to the Company or another such subsidiary) shall not at any time without Investor Consent exceed £20,000 plus any moneys for the time being outstanding pursuant to any existing facilities with the Bank at or around the Date of the Adoption.

16.3 For the purposes of these Articles the expression "**moneys borrowed**" shall include the principal amount (together with any fixed or minimum premium payable on final repayment) of any loan capital notwithstanding that the same may have been issued in whole or in part for a consideration other than cash but shall not include:

16.3.1 amounts borrowed for the express purpose of repaying (with or without premium) any moneys borrowed then outstanding and applied for that purpose within four months of being so borrowed (pending their being so applied); and

16.3.2 moneys borrowed by a partly-owned subsidiary to the extent of the proportionate interest in the issued ordinary share capital thereof not beneficially owned by the Company or another subsidiary.

16.4 The Board shall not be considered to have failed in its duty under this Article if the only reason for the breach of the limit in Article 16.1 is (a) the accruing of interest and/or (b) the imposition of default payments of any kind as a result of the Company failing to satisfy its obligations under the relevant borrowing.

## **17 Alternate Directors**

17.1 Notwithstanding any provision of these Articles to the contrary, any person appointed as a Director (the "**Appointor**") may appoint any director or any other person as he thinks fit to be his alternate Director to:

17.1.1 exercise that Director's powers; and

17.1.2 carry out that Director's responsibilities in relation to the taking of decisions by the Directors in the absence of the alternate's Appointor.

The appointment of an alternate Director shall not require approval by a resolution of the Directors.

17.2 Any appointment or removal of an alternate must be effected by notice in writing to the Company signed by the Appointor, or in any other manner approved by the Directors, and must identify the proposed alternate.

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

17.4 Except as these Articles specify otherwise, alternate directors:

17.4.1 are deemed for all purposes to be Directors;

17.4.2 are liable for their own acts and omissions;

17.4.3 are subject to the same restrictions as their Appointors; and

17.4.4 are not deemed to be agents of or for their Appointors,

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

17.5 A person who is an alternate Director but not a Director:

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

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

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

17.6 A Director who is also an alternate Director is entitled, in the absence of his Appointor, to a separate vote on behalf of each Appointor, in addition to his own vote on any decision of the Directors (provided that his Appointor is an Eligible Director in relation to that decision).

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

17.8 An alternate Director's appointment as an alternate shall terminate:

17.8.1 when the alternate's Appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;

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

17.8.3 on the death of the alternate's Appointor; or

17.8.4 when the alternate's Appointor's appointment as a Director terminates.

## **18 Number of Directors**

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

## **19 Appointment of Directors**

19.1 In addition to the powers of appointment under Article 17(1) of the Model Articles, for the period during which the Investors or any nominee of the Investors holds any Shares, MEP shall be entitled to appoint two persons as directors of the Company, one of which shall be designated as the Investor Director and the other shall be a non-executive director. MEP shall be entitled to remove any such person from office as Director and to appoint another person in the place of any Director so removed or who shall otherwise cease to be a Director.

- 19.2 In addition to the powers of appointment under Article 17(1) of the Model Articles, for the period during which the Managers hold any Shares, the Managers (by unanimous decision) shall be entitled to appoint one person as a Director of the Company, who shall be designated the Manager Director. The Managers shall (by unanimous decision) be entitled to remove any such person from office as Director and to appoint another person in the place of any Director so removed or who shall otherwise cease to be a Director.
- 19.3 For the period during which the Managers and MEP hold any Shares, the Managers, acting together with the consent of MEP, may appoint two persons as non-executive Directors of the Company, who shall be designated the Independent Directors. The Managers and MEP shall (by unanimous decision) be entitled to remove any such person from office as Director and to appoint another person in the place of any Director so removed or who shall otherwise cease to be a Director.
- 19.4 An appointment or removal of a Director under Articles 19.1 and 19.2 shall be made by notice in writing to the Company and will take effect at and from the time when the notice is received by the Company at its registered office or if produced to a meeting of the directors of the Company wherever held.
- 19.5 Each Investor Director shall be entitled at his request to be appointed to any committee of the Board established from time to time and to the board of directors of any Subsidiary Undertaking.

## **20 Disqualification of Directors**

In addition to that provided in Article 18 of the Model Articles, the office of a Director shall also be vacated if:

- 20.1 he is convicted of a criminal offence (other than a minor motoring offence) and the Directors resolve that his office be vacated; or
- 20.2 in the case of Directors other than an Investor Director, if a majority of his co-Directors serve notice on him in writing, removing him from office; or
- 20.3 he ceases to be an Employee or Consultant.

## **21 Proceedings of Directors**

- 21.1 The quorum for Directors' meetings shall be two Directors (or their alternates) of whom one shall be a Manager Director and one shall be an Investor Director (or his alternate) unless there is Investor Consent to any particular meeting being held with a quorum of two not including an Investor Director or provided that where a Relevant Interest of an Investor Director is being authorised by other Directors in accordance with section 175(5)(a) of the Act, such Investor Director and any other interested Director shall not be included for the purpose of such authorisation but shall be included for the purpose of forming the quorum). If such a quorum is not present within half an hour from the time appointed for the meeting, or if during a meeting such quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week at the same time and place or at such time and place as determined by the Directors. If a quorum is not present at any such adjourned meeting within half an hour from the time appointed, then the meeting shall proceed. At any meeting of the Directors where the removal of any Director (other than an Investor Director) is to be considered, the Director who is the subject of the resolution shall be included for the purpose of forming the quorum but shall not be permitted to vote on such resolution.

- 21.2 All meetings of the Directors shall, unless otherwise agreed by an Investor Director, be convened on not less than seven days notice to each of the Director's stating the time and place of the meeting and the matters to be dealt with at the meeting, and Board meetings shall be convened at regular intervals of no less than once a month. Model Article 9(2) shall be amended accordingly.
- 21.3 In the event that a meeting of the Directors is attended by a Director who is acting as alternate for one or more other Directors, the Director or Directors for whom he is the alternate shall be counted in the quorum despite their absence, and if on that basis there is a quorum the meeting may be held despite the fact (if it is the case) that only one Director is physically present.
- 21.4 Any Director may participate in a meeting of the Directors by means of a conference telephone or similar communicating equipment whereby all persons participating in the meeting can hear each other and participation in a meeting in this manner shall be deemed to constitute presence in person at such meeting.
- 21.5 If all the Directors participating in a meeting of the Directors are not physically in the same place, the meeting shall be deemed to take place where the largest group of participators in number is assembled. In the absence of a majority the location of the chairman shall be deemed to be the place of the meeting.
- 21.6 Notice of a Directors' meeting need not be given to Directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the Company at any time before or after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.
- 21.7 Provided (if these Articles so require) that he has declared to the Directors, in accordance with the provisions of these Articles, the nature and extent of his interest (and subject to any restrictions on voting or counting in a quorum imposed by the Directors in authorising a Relevant Interest), a Director may vote at a meeting of the Directors or of a committee of the Directors on any resolution concerning a matter in which he has an interest, whether a direct or an indirect interest, or in relation to which he has a duty and shall also be counted in reckoning whether a quorum is present at such a meeting.
- 21.8 Questions arising at any meeting of the Directors shall be decided by a majority of votes. If six directors are present at a meeting of the Board, the Chairman of the Board shall have a casting vote.
- 21.9 A decision of the Directors may take the form of a resolution in writing, where each Eligible Director has signed one or more copies of it, or to which each Eligible Director has otherwise indicated agreement in writing (including confirmation given by electronic means). Reference in Article 7(1) of the Model Articles to Article 8 of the Model Articles shall be deemed to include a reference to this Article also.

## **22 Directors' interests**

### *Specific interests of a Director*

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

- 22.1.1 where a Director (or a person connected with him) is party to or in any way directly or indirectly interested in, or has any duty in respect of, any existing or proposed contract, arrangement or transaction with the Company or any other undertaking in which the Company is in any way interested;
- 22.1.2 where a Director (or a person connected with him) is a director, employee or other officer of, or a party to any contract, arrangement or transaction with, or in any way interested in, any body corporate promoted by the Company or in which the Company is in any way interested;
- 22.1.3 where a Director (or a person connected with him) is a shareholder in the Company or a shareholder in, employee, director, member or other officer of, or consultant to, a Parent Undertaking of, or a Subsidiary Undertaking of a Parent Undertaking of, the Company;
- 22.1.4 where a Director (or a person connected with him) holds and is remunerated in respect of any office or place of profit (other than the office of auditor) in respect of the Company or body corporate in which the Company is in any way interested;
- 22.1.5 where a Director is given a guarantee, or is to be given a guarantee, in respect of an obligation incurred by or on behalf of the Company or any body corporate in which the Company is in any way interested;
- 22.1.6 where a Director (or a person connected with him or of which he is a member or employee) acts (or any body corporate promoted by the Company or in which the Company is in any way interested of which he is a director, employee or other officer may act) in a professional capacity for the Company or any body corporate promoted by the Company or in which the Company is in any way interested (other than as auditor) whether or not he or it is remunerated for this;
- 22.1.7 an interest which cannot reasonably be regarded as likely to give rise to a conflict of interest; or
- 22.1.8 any other interest authorised by ordinary resolution.

*Interests of an Investor Director*

- 22.2 In addition to the provisions of Article 22.1, subject to the provisions of the Act and provided (if these Articles so require) that he has declared to the Directors in accordance with the provisions of these Articles, the nature and extent of his interest, where a Director is an Investor Director he may (save as to the extent not permitted by law from time to time), notwithstanding his office, have an interest arising from any duty he may owe to, or interest he may have as an employee, director, trustee, member, partner, officer or representative of, or a consultant to, or direct or indirect investor (including without limitation by virtue of a carried interest, remuneration or incentive arrangements or the holding of securities) in:
  - 22.2.1 an Investor Fund Manager;
  - 22.2.2 any of the funds advised or managed by an Investor Fund Manager from time to time; or

- 22.2.3 another body corporate or firm in which an Investor Fund Manager or any fund advised by such Fund Manager has directly or indirectly invested, including without limitation any portfolio companies.

*Interests of which a Director is not aware*

- 22.3 For the purposes of this Article 22, an interest of which a Director is not aware and of which it is unreasonable to expect him to be aware shall not be treated as an interest of his.

*Accountability of any benefit and validity of a contract*

- 22.4 In any situation permitted by this Article 22 (save as otherwise agreed by him) a Director shall not by reason of his office be accountable to the Company for any benefit which he derives from that situation and no such contract, arrangement or transaction shall be avoided on the grounds of any such interest or benefit.

*Terms and conditions of Board authorisation*

- 22.5 Subject to Article 22.6, any authority given in accordance with section 175(5)(a) of the Act in respect of a Director (an "**Interested Director**") who has proposed that the Directors authorise his interest (a "**Relevant Interest**") pursuant to that section may:

- 22.5.1 be given on such terms and subject to such conditions or limitations as may be imposed by the authorising Directors as they see fit from time to time, including, without limitation:

- (a) restricting the Interested Director from voting on any resolution put to a meeting of the Directors or of a committee of the Directors in relation to the Relevant Interest;
- (b) restricting the Interested Director from being counted in the quorum at a meeting of the Directors or of a committee of the Directors where such Relevant Interest is to be discussed; or
- (c) restricting the application of the provisions in Articles 22.7 and 22.8, so far as is permitted by law, in respect of such Interested Director; and

- 22.5.2 be withdrawn, or varied at any time by the Directors entitled to authorise the Relevant Interest as they see fit from time to time,

subject to Article 22.6, an Interested Director must act in accordance with any such terms, conditions or limitations imposed by the authorising Directors pursuant to section 175(5)(a) of the Act and this Article 22.

*Terms and conditions of Board authorisation for an Investor Director*

- 22.6 Notwithstanding the other provisions of this Article 22, it shall not (save with Investor Consent) be made a condition of any authorisation of a matter in relation to that Investor Director in accordance with section 175(5)(a) of the Act, that he shall be restricted from voting or counting in the quorum at any meeting of, or of any committee of the Directors or that he shall be required to disclose, use or apply confidential information as contemplated in Article 22.8.

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



22.7 Subject to Article 22.8 (and without prejudice to any equitable principle or rule of law which may excuse or release the Director from disclosing information, in circumstances where disclosure may otherwise be required under this Article 22), if a Director, otherwise than by virtue of his position as director, receives information in respect of which he owes a duty of confidentiality to a person other than the Company, he shall not be required:

22.7.1 to disclose such information to the Company or to any Director, or to any officer or employee of the Company; or

22.7.2 otherwise to use or apply such confidential information for the purpose of or in connection with the performance of his duties as a Director.

22.8 Where such duty of confidentiality arises out of a situation in which a Director has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company, Article 22.7 shall apply only if the conflict arises out of a matter which falls within Article 22.1 or Article 22.2 or has been authorised under section 175(5)(a) of the Act.

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

22.9 Where a Director has an interest which can reasonably be regarded as likely to give rise to a conflict of interest, the Director may take such additional steps as may be necessary or desirable for the purpose of managing such conflict of interest, including compliance with any procedures laid down from time to time by the Directors for the purpose of managing conflicts of interest generally and/or any specific procedures approved by the Directors for the purpose of or in connection with the situation or matter in question, including without limitation:

22.9.1 absenting himself from any discussions, whether in meetings of the Directors or otherwise, at which the relevant situation or matter falls to be considered; and

22.9.2 excluding himself from documents or information made available to the Directors generally in relation to such situation or matter and/or arranging for such documents or information to be reviewed by a professional adviser to ascertain the extent to which it might be appropriate for him to have access to such documents or information.

*Requirement of a Director to declare an interest*

22.10 Subject to section 182 of the Act, a Director shall declare the nature and extent of any interest permitted by Article 22.1 or Article 22.2 at a meeting of the Directors, or by general notice in accordance with section 184 (notice in writing) or section 185 (general notice) of the Act or in such other manner as the Directors may determine, except that no declaration of interest shall be required by a Director in relation to an interest:

22.10.1 falling under Article 22.1.7;

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

22.10.3 if, or to the extent that, it concerns the terms of his service contract (as defined by section 227 of the Act) that have been or are to be

considered by a meeting of the Directors, or by a committee of Directors appointed for the purpose under these Articles.

*Shareholder approval*

22.11 Subject to section 239 of the Act, the Company may by ordinary resolution ratify any contract, transaction or arrangement, or other proposal, not properly authorised by reason of a contravention of any provisions of this Article 22.

22.12 For the purposes of this Article 22:

22.12.1 a conflict of interest includes a conflict of interest and duty and a conflict of duties;

22.12.2 the provisions of section 252 of the Act shall determine whether a person is connected with a Director;

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

22.13 Notwithstanding any other provision of these Articles, on any shareholder resolution (whether in general meeting or by written resolution or extra statutory agreement or otherwise)

22.13.1 to confer, revoke or vary any authorisation for any Investor Director but for which an Investor Director would be or may in the future become in breach of his duty to the Company under section 175 Companies Act 2006; or

22.13.2 to amend or delete this Article 22,

only the A4 Ordinary Shares shall confer votes on their holders.

**23 Notices**

23.1 Subject to the requirements set out in the Act, any notice given or document sent or supplied to or by any person under these Articles, or otherwise sent by the Company under the Act, may be given, sent or supplied:

23.1.1 in hard copy form;

23.1.2 in electronic form; or

23.1.3 if given, sent or supplied by the Company, by means of a website (other than notices calling a meeting of Directors),

or partly by one of these means and partly by another of these means.

Notices shall be given and documents supplied in accordance with the procedures set out in the Act, except to the extent that a contrary provision is set out in this Article 23.

*Notices in hard copy form*

23.2 Any notice or other document in hard copy form given or supplied under these Articles may be delivered or sent by first class post (airmail if overseas):

23.2.1 to the Company or any other company at its registered office; or

23.2.2 to the address notified to or by the Company for that purpose; or

23.2.3 in the case of an intended recipient who is a member or his legal personal representative or trustee in bankruptcy, to such member's address as shown in the Company's register of members; or

23.2.4 in the case of an intended recipient who is a Director or alternate, to his address as shown in the register of Directors; or

23.2.5 to any other address to which any provision of the Companies Acts (as defined in the Act) authorises the document or information to be sent or supplied; or

23.2.6 where the Company is the sender, if the Company is unable to obtain an address falling within one of the addresses referred to in 23.2.1 to 23.2.5 above, to the intended recipient's last address known to the Company.

23.3 Any notice or other document in hard copy form given or supplied under these Articles shall be deemed to have been served and be effective:

23.3.1 if delivered, at the time of delivery;

23.3.2 if posted, on receipt or 48 hours after the time it was posted, whichever occurs first.

*Notices in electronic form*

23.4 Subject to the provisions of the Act, any notice or other document in electronic form given or supplied under these Articles may:

23.4.1 if sent by fax or email (provided that a fax number or an address for email has been notified to or by the Company for that purpose), be sent by the relevant form of communication to that address;

23.4.2 if delivered or sent by first class post (airmail if overseas) in an electronic form (such as sending a disk by post), be so delivered or sent as if in hard copy form under Article 23.2; or

23.4.3 be sent by such other electronic means (as defined in section 1168 of the Act) and to such address(es) as the Company may specify:

(a) on its website from time to time; or

(b) by notice (in hard copy or electronic form) to all members of the Company from time to time.

23.5 Any notice or other document in electronic form given or supplied under these Articles shall be deemed to have been served and be effective:

- 23.5.1 if sent by fax or email (where a fax number or an address for email has been notified to or by the Company for that purpose), on receipt or 48 hours after the time it was sent, whichever occurs first;
  - 23.5.2 if posted in an electronic form, on receipt or 48 hours after the time it was posted, whichever occurs first;
  - 23.5.3 if delivered in an electronic form, at the time of delivery; and
  - 23.5.4 if sent by any other electronic means as referred to in Article 23.4.3, at the time such delivery is deemed to occur under the Act.
- 23.6 Where the Company is able to show that any notice or other document given or sent under these Articles by electronic means was properly addressed with the electronic address supplied by the intended recipient, the giving or sending of that notice or other document shall be effective notwithstanding any receipt by the Company at any time of notice either that such method of communication has failed or of the intended recipient's non-receipt.

*Notice by means of a website*

- 23.7 Subject to the provisions of the Act, any notice or other document or information to be given, sent or supplied by the Company to Shareholders under these Articles may be given, sent or supplied by the Company by making it available on the Company's website.

*General*

- 23.8 In the case of joint holders of a share all notices shall be given to the joint holder whose name stands first in the register of members of the Company in respect of the joint holding (the "**Primary Holder**"). Notice so given shall constitute notice to all the joint holders.
- 23.9 Anything agreed or specified by the Primary Holder in relation to the service, sending or supply of notices, documents or other information shall be treated as the agreement or specification of all the joint holders in their capacity as such (whether for the purposes of the Act or otherwise).

## **24 Indemnities and insurance**

- 24.1 Subject to the provisions of and so far as may be permitted by, the Act:

- 24.1.1 every Director or other officer of the Company (excluding the Auditors) shall be entitled to be indemnified by the Company (and the Company shall also be able to indemnify directors of any associated company (as defined in section 256 of the Act)) out of the Company's assets against all liabilities incurred by him in the actual or purported execution or discharge of his duties or the exercise or purported exercise of his powers or otherwise in relation to or in connection with his duties, powers or office, provided that no director of the Company or any associated company is indemnified by the Company against:
  - (a) any liability incurred by the director to the Company or any associated company; or
  - (b) any liability incurred by the director to pay a fine imposed in criminal proceedings or a sum payable to a regulatory

authority by way of a penalty in respect of non-compliance with any requirements of a regulatory nature; or

- (c) any liability incurred by the director:
  - (i) in defending any criminal proceedings in which he is convicted;
  - (ii) in defending civil proceedings brought by the Company or any associated company in which final judgment (within the meaning set out in section 234 of the Act) is given against him; or
  - (iii) in connection with any application under sections 661(3) or 661(4) or 1157 of the Act (as the case may be) for which the court refuses to grant him relief,

save that, in respect of a provision indemnifying a director of a company (whether or not the Company) that is a trustee of an occupational pension scheme (as that term is used in section 235 of the Act) against liability incurred in connection with that company's activities as trustee of the scheme, the Company shall also be able to indemnify any such director without the restrictions in Articles 24.1(a), 24.1(c)(ii) and 24.1(c)(iii) applying;

- 24.1.2 the Directors may exercise all the powers of the Company to purchase and maintain insurance for any such director or other officer against any liability which by virtue of any rule of law would otherwise attach to him in respect of any negligence, default, breach of duty or breach of trust of which he may be guilty in relation to the Company, or any associated company including (if he is a director of a company which is a trustee of an occupational pension scheme) in connection with that company's activities as trustee of an occupational pension scheme.

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

## **25 Secretary**

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

## **26 Lien**

- 26.1 The Company shall have a first and paramount lien (the "**Company's Lien**") over every Share not fully paid for all indebtedness of any holder of it to the Company (whether a sole holder or one of two or more joint holders), whether or not that indebtedness or liability is in respect of the Shares concerned and whether or not it is presently payable.

- 26.2 The Company's Lien over a Share:

- 26.2.1 shall take priority over any third party's interest in that Share; and
- 26.2.2 extends to any dividend or other money payable by the Company in respect of that Share and (if the lien is enforced and the Share is sold by the Company) the proceeds of sale of that Share.

The Directors may at any time decide that a Share which is, or would otherwise be, subject to the Company's Lien shall not be subject to it, either wholly or in part.

26.3 Subject to the provisions of this Article 26, if:

- 26.3.1 a notice complying with Article 26.4 (a "**Lien Enforcement Notice**") has been given by the Company in respect of a Share; and
  - 26.3.2 the person to whom the notice was given has failed to comply with it,
- the Company shall be entitled to sell that Share in such manner as the Directors decide.

26.4 A Lien Enforcement Notice:

- 26.4.1 may only be given by the Company in respect of a Share which is subject to the Company's Lien, in respect of which a sum is payable and the due date for payment of that sum has passed;
- 26.4.2 must specify the Share concerned;
- 26.4.3 must require payment of the sum payable within 14 days of the notice;
- 26.4.4 must be addressed either to the holder of the Share or to a person entitled to it by reason of the holder's death, bankruptcy or otherwise; and
- 26.4.5 must state the Company's intention to sell the Share if the notice is not complied with.

26.5 Where any Share is sold pursuant to this Article 26:

- 26.5.1 the Directors may authorise any person to execute an instrument of transfer of the Share to the purchaser or a person nominated by the purchaser; and
- 26.5.2 the transferee shall not be bound to see to the application of the consideration, and the transferee's title shall not be affected by any irregularity in or invalidity of the process leading to the sale.

26.6 The net proceeds of any such sale (after payment of the costs of sale and any other costs of enforcing the lien) must be applied:

- 26.6.1 first, in payment of so much of the sum for which the lien exists as was payable at the date of the Lien Enforcement Notice;
- 26.6.2 secondly, to the person entitled to the Share at the date of the sale, but only after the certificate for the Share sold has been surrendered to the Company for cancellation or an indemnity in a form reasonably

satisfactory to the Directors has been given for any lost certificate, and subject to a lien equivalent to the Company's Lien for any money payable (whether or not it is presently payable) as existing upon the Share before the sale in respect of all Shares registered in the name of that person (whether as the sole registered holder or as one of several joint holders) after the date of the Lien Enforcement Notice.

26.7 A statutory declaration by a Director or the company secretary that the declarant is a Director or the company secretary and that a Share has been sold to satisfy the Company's Lien on a specified date:

26.7.1 shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share; and

26.7.2 subject to compliance with any other formalities of transfer required by these Articles or by law, shall constitute a good title to the Share.

## **27 Call Notices**

27.1 Subject to these Articles and the terms on which Shares are allotted, the Directors may send a notice (a "**Call Notice**") to a Shareholder requiring the Shareholder to pay the Company a specified sum of money (a "**call**") which is payable to the Company by that Shareholder when the Directors decide to send the Call Notice.

27.2 A Call Notice:

27.2.1 may not require a Shareholder to pay a call which exceeds the total sum unpaid on that Shareholder's Shares (whether as to the nominal value of the Shares or any sum payable to the Company by way of premium);

27.2.2 shall state when and how any call to which it relates it is to be paid; and

27.2.3 may permit or require the call to be paid by instalments.

27.3 A Shareholder shall comply with the requirements of a Call Notice, but no Shareholder shall be obliged to pay any call before 14 days have passed since the notice was sent.

27.4 Before the Company has received any call due under a Call Notice the Directors may:

27.4.1 revoke it wholly or in part; or

27.4.2 specify a later time for payment than is specified in the Call Notice, by a further notice in writing to the Shareholder in respect of whose Shares the call is made.

27.5 Liability to pay a call shall not be extinguished or transferred by transferring the Shares in respect of which it is required to be paid. Joint holders of a Share shall be jointly and severally liable to pay all calls in respect of that Share.

27.6 Subject to the terms on which Shares are allotted, the Directors may, when issuing Shares, provide that Call Notices sent to the holders of those Shares may require them to:

- 27.6.1 pay calls which are not the same; or
  - 27.6.2 pay calls at different times.
- 27.7 A Call Notice need not be issued in respect of sums which are specified, in the terms on which a Share is issued, as being payable to the Company in respect of that Share (whether in respect of nominal value or premium):
- 27.7.1 on allotment;
  - 27.7.2 on the occurrence of a particular event; or
  - 27.7.3 on a date fixed by or in accordance with the terms of issue.
- 27.8 If the due date for payment of such a sum as referred to in Article 27.7 has passed and it has not been paid, the holder of the Share concerned shall be treated in all respects as having failed to comply with a Call Notice in respect of that sum, and shall be liable to the same consequences as regards the payment of interest and forfeiture.
- 27.9 If a person is liable to pay a call and fails to do so by the Call Payment Date (as defined below):
- 27.9.1 the Directors may issue a notice of intended forfeiture to that person; and
  - 27.9.2 until the call is paid, that person shall be required to pay the Company interest on the call from the call payment date at the Relevant Rate (as defined below).
- 27.10 For the purposes of Article 27.9:
- 27.10.1 the "**Call Payment Date**" shall be the time when the call notice states that a call is payable, unless the Directors give a notice specifying a later date, in which case the "**Call Payment Date**" is that later date;
  - 27.10.2 the "**Relevant Rate**" shall be:
    - (a) the rate fixed by the terms on which the Share in respect of which the call is due was allotted;
    - (b) such other rate as was fixed in the Call Notice which required payment of the call, or has otherwise been determined by the Directors; or
    - (c) if no rate is fixed in either of these ways, five per cent. per year,provided that the Relevant Rate shall not exceed by more than five percentage points the base lending rate most recently set by the Monetary Policy Committee of the Bank of England in connection with its responsibilities under Part 2 of the Bank of England Act 1998(a).
- 27.11 The Directors may waive any obligation to pay interest on a call wholly or in part.



- 27.12 The Directors may accept full payment of any unpaid sum in respect of a Share despite payment not being called under a Call Notice.

## **28 Forfeiture of Shares**

### **28.1 A notice of intended forfeiture:**

- 28.1.1 may be sent in respect of any Share in respect of which a call has not been paid as required by a Call Notice;
- 28.1.2 shall be sent to the holder of that Share or to a person entitled to it by reason of the holder's death, bankruptcy or otherwise;
- 28.1.3 shall require payment of the call and any accrued interest and all expenses that may have been incurred by the Company by reason of such non-payment by a date which is not fewer than 14 days after the date of the notice;
- 28.1.4 shall state how the payment is to be made; and
- 28.1.5 shall state that if the notice is not complied with, the Shares in respect of which the call is payable will be liable to be forfeited.

### **28.2 If a notice of intended forfeiture is not complied with before the date by which payment of the call is required in the notice of intended forfeiture, then the Directors may decide that any Share in respect of which it was given is forfeited, and the forfeiture is to include all dividends or other moneys payable in respect of the forfeited Shares and not paid before the forfeiture.**

### **28.3 Subject to these Articles, the forfeiture of a Share extinguishes:**

- 28.3.1 all interests in that Share, and all claims and demands against the Company in respect of it; and
- 28.3.2 all other rights and liabilities incidental to the Share as between the person whose Share it was prior to the forfeiture and the Company.

### **28.4 Any Share which is forfeited in accordance with these Articles:**

- 28.4.1 shall be deemed to have been forfeited when the Directors decide that it is forfeited;
- 28.4.2 shall be deemed to be the property of the Company; and
- 28.4.3 may be sold, re-allotted or otherwise disposed of as the Directors think fit.

### **28.5 If a person's Shares have been forfeited then:**

- 28.5.1 the Company shall send that person notice that forfeiture has occurred and record it in the register of members;
- 28.5.2 that person shall cease to be a Shareholder in respect of those Shares;
- 28.5.3 that person shall surrender the certificate for the Shares forfeited to the Company for cancellation;

- 28.5.4 that person shall remain liable to the Company for all sums payable by that person under these Articles at the date of forfeiture in respect of those Shares, including any interest (whether accrued before or after the date of forfeiture); and
- 28.5.5 the Directors shall be entitled to waive payment of such sums 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.
- 28.6 At any time before the Company disposes of a forfeited Share, the Directors shall be entitled to decide to cancel the forfeiture on payment of all calls and interest and expenses due in respect of it and on such other terms as they think fit.
- 28.7 If a forfeited Share is to be disposed of by being transferred, the Company shall be entitled to receive the consideration for the transfer and the Directors shall be entitled to authorise any person to execute the instrument of transfer.
- 28.8 A statutory declaration by a Director or the company secretary that the declarant is a Director or the company secretary and that a Share has been forfeited on a specified date:
  - 28.8.1 shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share; and
  - 28.8.2 subject to compliance with any other formalities of transfer required by these Articles or by law, constitutes a good title to the Share.
- 28.9 A person to whom a forfeited Share is transferred shall not be bound to see to the application of the consideration (if any) nor shall that person's title to the Share be affected by any irregularity in or invalidity of the process leading to the forfeiture or transfer of the Share.
- 28.10 If the Company sells a forfeited Share, the person who held it prior to its forfeiture shall be entitled to receive the proceeds of such sale from the Company, net of any commission, and excluding any sum which:
  - 28.10.1 was, or would have become, payable; and
  - 28.10.2 had not, when that Share was forfeited, been paid by that person in respect of that Share,but no interest shall be payable to such a person in respect of such proceeds and the Company shall not be required to account for any money earned on such proceeds.

## **29 Surrender of Shares**

- 29.1 A Shareholder shall be entitled to surrender any Share:
  - 29.1.1 in respect of which the Directors issue a notice of intended forfeiture;
  - 29.1.2 which the Directors forfeit; or
  - 29.1.3 which has been forfeited.

The Directors shall be entitled to accept the surrender of any such Share.

• 29.2 The effect of surrender on a Share shall be the same as the effect of forfeiture on that Share.

29.3 The Company shall be entitled to deal with a Share which has been surrendered in the same way as a Share which has been forfeited.