

Company Number: 08716943

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**THE COMPANIES ACTS 1985 - 2006**  
**PRIVATE COMPANY LIMITED BY SHARES**  
**Inkvite Ltd (the "Company")**  
**NOTICE OF RESOLUTION PASSED**

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Date: ~~Click here to enter a date~~ 18/12/13

In accordance with Chapter 2 of Part 13 of the Companies Act 2006, the eligible members of the Company passed the following Resolution as a special resolution

- 1 **THAT**, the document attached to this written resolution (the "**New Articles**") be approved and adopted as the articles of association of the Company in substitution for and to the exclusion of the existing articles of association



Chris Helm  
Director

FRIDAY



A26 17/01/2014 #312  
COMPANIES HOUSE

**THE COMPANIES ACT 2006**

**A PRIVATE COMPANY LIMITED BY SHARES**

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**ARTICLES OF ASSOCIATION**

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(Adopted by special resolution on 13 December 2013)

of

**Inkvite Ltd**

**(Company Number 08716943)**

**RW BLEARS LLP**

**125 Old Broad Street**

**London EC2N 1AR**

**[www.blears.com](http://www.blears.com)**

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**A PRIVATE COMPANY LIMITED BY SHARES**

**ARTICLES OF ASSOCIATION**

**(adopted by special resolution on 13 December 2013)**

**-of-**

**Inkvite Ltd**

**1 APPLICATION OF MODEL ARTICLES AND DEFINITIONS**

**1.1** The model articles of association for private companies limited by shares contained in Schedule 1 of the Companies (Model Articles) Regulation 2008 (SI 2008/3229) as amended at the date of adoption of these articles (the "**Model Articles**") shall apply to the Company save in so far as they are excluded or modified by these Articles

**1.2** In these Articles the following words and expressions shall have the following meanings unless the context otherwise requires

<b>Act</b>	the Companies Act 2006 and every statutory modification or re-enactment thereof for the time being in force,
<b>Adoption Date</b>	the date of the adoption of these Articles by the Company,
<b>Auditors</b>	the auditors of the Company or the duly appointed reporting accountants of the Company from time to time or, if the appointed auditors or reporting accountants are unable or unwilling to act in connection with the reference in question, or are not appointed with Investor Consent, a chartered accountant nominated by the Directors and, in either case, engaged on such terms as the Directors acting as agent for the Company and each relevant Member shall, in their absolute discretion, see fit,
<b>Board</b>	the board of Directors from time to time,
<b>Business Day</b>	a day other than a Saturday or Sunday or public holiday in England,
<b>Connected</b>	as defined by Section 1122 of the Corporation Tax Act 2010, provided however that any determination of facts as to whether two or more persons acting together shall, in the absence of any ruling by HM Revenue and Customs, be made by the tax advisers appointed by the Directors acting as experts and not as arbitrators and whose decision from time to time shall be final and binding on the Company and Members,
<b>DIMA</b>	Discretionary investment management agreement entered into by the Nominee Company, the Investors, Foresight and Jenson by which Foresight is appointed as the Investors' investment manager,
<b>Director</b>	a duly appointed director of the Company from time to time and " <b>Directors</b> " shall be construed accordingly,
<b>Eligible Director</b>	a Director who would be entitled to vote on a matter at a meeting of the Directors (but excluding any Director whose vote is not to be counted in respect of the particular matter) and references to eligible directors in Article 8 of the Model Articles shall be construed accordingly,
<b>EIS Legislation</b>	the Enterprise Investment Scheme as contained in part 5 of the Income Tax Act 2007 (as amended),

<b>Employee Options</b>	options granted over such number of Shares as shall represent not more than 5% of the Company's issued share capital as at the date of grant and such options to be granted to the Company's employees, directors or consultants from time to time under an employee option scheme approved by the Board (with Investor Consent),
<b>Foresight</b>	Foresight Group LLP, a limited liability partnership registered in England and Wales with registered number OC300878 whose registered office is at ECA Court, 24-26 South Park, Sevenoaks, Kent TN13 1DU,
<b>Group</b>	means the Company and its subsidiary undertakings from time to time and any holding company of the Company,
<b>Investor</b>	the investors who wish to make investments in a portfolio of SEIS and EIS qualifying companies who severally appoint Foresight to act as their investment manager and to manage investments on their behalf pursuant to a DIMA,
<b>Investor Consent</b>	the consent in writing of Foresight,
<b>Investment Agreement</b>	the agreement entered into by inter alia Jenson, Foresight, the Company and the directors of the Company pursuant to which an investment has been made or will be made in the Company by (i) the Jenson Seed EIS Fund through the Nominee Company as directed by Foresight and (ii) if applicable, other additional investors and pursuant to which these articles have been adopted,
<b>Jenson</b>	Jenson Funding Partners LLP, a limited liability partnership registered in England and Wales with registered number OC375306 whose registered office is at Communications House, 26 York Street, London W1U 6PZ,
<b>Jenson Director</b>	the Director appointed by Jenson pursuant to Article 16,
<b>Jenson Seed EIS Fund</b>	the aggregated DIMAs under which investors who wish to make investments in a portfolio of SEIS and EIS qualifying companies appoint Foresight to act as their investment manager and to manage the investments made on their behalf in common pursuant to the investment policy and objectives set out in an information memorandum,
<b>Member</b>	a registered holder of an issued Share from time to time, as recorded in the register of members of the Company,
<b>Nominee Company</b>	Reyker Nominees Limited, a private company registered in England and Wales with registered number 02056221 and whose registered address is 17 Moorgate, London, EC2R 6AR for so long as it is acting as the nominee of the Investors in accordance with its appointment under the DIMAs and should it cease to be appointed as their nominee, any new nominee so appointed in accordance with the DIMAs,
<b>Prescribed Price</b>	the price per Sale Share determined pursuant to Articles 7 4 and 7 5,
<b>Proposing Transferor</b>	as defined in Article 7 2,
<b>Purchaser</b>	the Members to whom Sale Shares have been offered in accordance with Articles 7 8 and 7 9 and who have accepted that offer and "Purchaser" shall be construed accordingly,
<b>Relevant Securities</b>	any Shares, or any right to subscribe for or convert any securities into any Shares,

<b>Sale Shares</b>	all Shares comprised in a Transfer Notice,
<b>SEIS Legislation</b>	the Seed Enterprise Investment Scheme as contained in part 5A of the Income Tax Act 2007 (as amended),
<b>Shares</b>	the ordinary shares of £0 0001 each in the share capital of the Company having the rights and being subject to the restrictions set out in these Articles,
<b>Third Party Purchaser</b>	any person (or persons acting in concert) who is not a Member or is not connected with a Member,
<b>Transfer Notice</b>	a written notice served by a Member on the Company in accordance with Article 7

**1 3 In these Articles a reference to**

- 1 3 1** a statutory provision includes a reference to the statutory provision as replaced, modified or re-enacted from time to time before or after the date of these Articles and any subordinate legislation made under the statutory provision before or after the date of these Articles;
- 1 3 2** a person includes a reference to an individual, body corporate, association, government, state, agency of state or any undertaking (whether or not having a legal personality and irrespective of the jurisdiction in or under the law of which it was incorporated or exists), and
- 1 3 3** **"Articles"** is to these articles of association (including the provisions of the Model Articles incorporated herein), and a reference to an **"Article"** is to an article of these Articles, in each case as amended from time to time in accordance with the terms of these Articles and the Act

**1 4 The contents table and headings in these Articles are for convenience only and do not affect their interpretation**

**2 COMPANY CONSTITUTION**

**2 1 The name of the Company is Inkvite Ltd**

**2 2 The registered office of the Company is to be in England and Wales**

**2 3 The liability of members is limited**

**3 SHARE CAPITAL – DISTRIBUTIONS, RETURN OF CAPITAL AND VOTING**

**3 1 Subject to obtaining Investor Consent, the Company shall apply any profits which the Directors resolve to distribute in any financial year to the holders of the Shares pro rata according to the number of Shares held by them**

**3 2 On a return of assets on a liquidation or capital reduction or similar, the assets of the Company remaining after the payment of its liabilities shall be distributed amongst the holders of the Shares pro rata according to the number of Shares held by them respectively**

**3 3 Subject to Article 3 4, in relation to voting at general meetings of the Company**

**3 3 1 on a show of hands every holder of Shares who (being an individual) is present in person or (being a corporation) is present by a representative shall have one vote, and**

**3 3 2 on a poll every holder of Shares who is present in person or by a proxy or (being a corporation) by a representative shall have one vote for every Share of which he is the holder**

3 4 Notwithstanding the foregoing and the provisions of Article 3 3, no body corporate who is a holder of Shares (together with any Connected person) other than the Nominee Company shall be entitled to exercise more than 50% of the voting rights attaching to the equity share capital of the Company

#### 4 ISSUE OF NEW SHARES

4 1 In these Articles, unless the context requires otherwise, references to Shares shall include shares of those respective classes created and/or issued after the date of adoption of these Articles

4 2 If following the allotment of Shares to the Nominee Company pursuant to the provisions of the Investment Agreement, it becomes necessary for the Nominee Company to subscribe for additional Shares, in order to constitute a qualifying holding under the EIS Legislation, at the direction of Jenson and with the approval of Foresight, the Nominee Company shall subscribe for such number of additional Shares as is requested at a subscription price per Share of no lower than that paid by the Nominee Company under the Investment Agreement, provided that the total number of Shares shall not in aggregate represent more than 1% of the issued share capital of the Company, as at the date of issue

4 3 Subject to Investor Consent being obtained, the Directors (acting with the consent of the Board) may for the purposes of section 551 of the Act exercise any power of the Company to allot Relevant Securities The authority granted under this Article 4 3 shall be

4 3 1 limited up to a maximum amount in nominal value of £32 5 (325,000 Shares at £0 0001 each) and is to include the Employee Options and the Shares to be issued pursuant to the Investment Agreement and Article 4 2,

4 3 2 only apply in so far as it is not renewed, waived or revoked by ordinary resolution of the Members, and

4 3 3 expire on the day immediately preceding the fifth anniversary of the Adoption Date, provided that the Directors may allot Relevant Securities after the expiry of such period in pursuance of an offer or agreement to do so made by the Company within such period

4 4 Subject to Article 4 5, any new Shares from time to time created shall before they are issued to any third party be offered to the holders of Shares in proportion to the number of Shares held by them and for the purposes of this Article 4 4 if there is more than one class of Share in issue all Shares shall be treated as if they constituted one class of share

4 5 The provisions of Article 4 4 shall not apply to the issue of additional Shares pursuant to Article 4 2, the exercise of Employee Options, or pursuant to the Investment Agreement and may in any event be disapplied in relation to any class of shares by special resolution

4 6 The offer to Members referred to in Article 4 4 shall be made by notice in writing specifying the number and class (if relevant) of Shares offered and the price per Share (which shall be the same price per Share) and stating a time (not being less than fifteen days or greater than thirty days) within which the offer, if not accepted, will be deemed to be declined After the expiration of such time, or on the receipt of an indication from the person to whom the offer is made that he/she/it declines to accept the Shares offered or any of them, the Directors shall offer the Shares declined in like manner to the Members who have agreed to subscribe for all the Shares offered to them If the Shares comprised in such further offers are declined or deemed to be declined the further offers shall be withdrawn

4.7 Subject to this Article 4, and the provisions of Section 551 of the Companies Act 2006, the Shares shall be at the disposal of the Directors who may allot, grant or otherwise dispose of Relevant Securities to such persons at such times and generally on such terms and conditions as they think fit in their absolute discretion, provided that no Share shall be issued at a discount and no shares shall be issued at a price less than that at which they were offered to the Members in accordance with Article 4 4 and if the Directors are proposing to issue such shares wholly or partly for a non-cash consideration the cash equivalent of such consideration for the purposes of this sub-paragraph shall be as reasonably determined by the Auditors who shall act as experts and not as arbitrators and whose determination shall

be final and binding on the Company and each of its members. For the avoidance of doubt this Article 4.7 shall not apply to the issue of any shares under Article 4.2 or in connection with the exercise of the Employee Options or pursuant to the Investment Agreement.

4.8 In accordance with section 567(1) of the Act, sections 561 and 562 of the Act shall not apply to the Company.

4.9 In accordance with the exception stated in section 550 of the Act the Directors may not exercise any power of the Company to allot shares or to grant rights to subscribe for or to convert any security into shares pursuant to section 550 of the Act.

## 5 LIEN

The Company shall have a first and paramount lien on every Share (whether or not fully paid) for all and any indebtedness of any holder thereof to the Company (whether a sole holder or one of two or more joint holders) in respect of the Shares concerned.

## 6 REGISTRATION OF TRANSFERS

6.1 Notwithstanding any other provision of these Articles, the Directors shall not register a transfer of any interest in a Share if it is to a minor, undischarged bankrupt, trustee in bankruptcy or person who (in the opinion of the Directors) is of unsound mind.

6.2 The Directors may in their absolute discretion refuse to register the transfer of a Share whether or not it is fully paid without assigning any reason for such refusal, and if they do so, the instrument of transfer must be returned to the transferee with the notice of refusal unless they suspect that the proposed transfer may be fraudulent. Article 26(5) of the Model Articles shall be amended accordingly.

6.3 Notwithstanding any other provision of these Articles, an obligation to transfer a Share under these Articles shall be deemed to be an obligation to transfer the entire legal and beneficial interest in such Share free from any lien, charge or other encumbrance.

## 7 PRE-EMPTION RIGHTS

7.1 The right to transfer Shares or any interest therein shall be subject to Investor Consent being granted in respect of the said transfer and to the following additional restrictions, save that such restrictions shall not apply to any transfer of Shares pursuant to Article 8 (Tag Along) or Article 9 (Drag Along).

7.2 Before transferring or disposing of any Shares (or any interest in Shares) any Member wishing to transfer his or her Shares (the "Proposing Transferor") shall serve a Transfer Notice on the Company specifying the number and class of Shares in question and the proposed price for such shares, and the Transfer Notice shall constitute the Company his or her agent for the sale of those Shares at the Prescribed Price to any Member or Members. Except as provided in this Article, a Transfer Notice once given or deemed to be given shall not be revocable except with the consent of the Directors.

7.3 A Transfer Notice may comprise Shares of more than one class and shall, if the Proposing Transferor has received any offer to purchase Shares (whether or not an offer capable of becoming legally binding upon acceptance) within the period of three months prior to service of the Transfer Notice, give the name of the offeror, the number and class of Shares concerned and the price offered in respect of each such Share.

7.4 The Directors will endeavour to agree the Prescribed Price with the Proposing Transferor. If the Directors fail to agree the Prescribed Price with the Proposing Transferor within 14 days of receipt of the Transfer Notice by the Company or, as applicable, a Transfer Notice having been deemed to have been served, the Directors shall request the Auditors (or if they are unable or decline to act, an independent firm of chartered accountants appointed by the Investor Director) and the provisions relating to Auditors in this Article 7 shall apply to such independent firm of chartered accountants (acting as experts and not as arbitrators) to certify the Prescribed Price.



- 7 5 The Auditors shall (acting as experts and not arbitrators) within 14 days of such a request certify to the Company the Prescribed Price, being the value of each Sale Share (or, where appropriate of each Sale Share of each class) calculated on the following basis
- (a) by determining the sum which a willing purchaser would offer to a willing vendor for all the issued Shares, and
  - (b) by dividing the resultant figure between the total number of shares in issue (regardless of class if more than one class of shares is in issue)
- 7 6 The Auditor's certificate as to the Prescribed Price shall be final and binding
- 7 7 Within 21 days following receipt of the Transfer Notice or (where relevant) the date on which the Transfer Notice is deemed to have been given or where the Prescribed Price is certified by the Auditors the date of certification of the Prescribed Price, the Company shall offer the Sale Shares to each Member (other than the Proposing Transferor) in accordance with the provisions of Articles 7 8 and 7 9 for purchase at the Prescribed Price. All offers shall be made by notice in writing and state a time (being between 30 and 42 days inclusive following the date of such notice) within which the offer must be accepted or, in default, will be deemed to have been declined (the "Acceptance Period"). A copy of such offer shall at the same time be sent by the Company to the Proposing Transferor
- 7 8 The Company shall offer the Sale Shares to the Members in proportion to the number of Shares held by them (and for the purposes of this Article 7 8 if there is more than one class of Shares in issue, all Shares shall be treated as if they constituted one class of share)
- 7 9 The Sale Shares shall be offered on the following basis
- 7 9 1 any Member to whom the Sale Shares are offered may accept all or some only of the Sale Shares offered to him/her/it, and shall be invited to indicate whether, if he/she/it accepts all such Sale Shares, he/she/it wishes to purchase any Sale Shares which other Members decline to accept ("Excess Shares") and, if so, the maximum number of Excess Shares which he/she/it wishes to purchase,
  - 7 9 2 any Excess Shares shall be allocated between the Members who have indicated that they wish to purchase Excess Shares pro rata to the proportion of the total number of Shares held by those Members but so that no Member shall be required or entitled to receive more than the maximum number indicated by him/her/it pursuant to Article 7 9 1,
  - 7 9 3 subject to the provisions of this Article, the Purchasers shall be bound to purchase the Sale Shares properly allocated to them under the provisions of this Article 7 9 at the Prescribed Price in accordance with the provisions of Articles 7 4 and 7 5
- 7 10 Not later than 7 days following the expiration of the Acceptance Period the Company shall give written notice to the Proposing Transferor stating
- 7 10 1 if it is the case, that no Member has sought to purchase any of the Sale Shares, or, otherwise
  - 7 10 2 the number of Sale Shares which Members have sought to purchase, giving the name and address of each Purchaser and the number of Sale Shares to be purchased by him/her/it
- If within the Acceptance Period, Purchasers have been found for some only of the Sale Shares or if no Purchaser has been found for any of the Sale Shares, the Proposing Transferor may within 7 days of service on him/her/it of notice under this Article revoke his Transfer Notice by written notice to the Company
- 7 11 If the Proposing Transferor is given notice under Article 7 10 (and subject to his or her not revoking his or her Transfer Notice in accordance with Article 7 10) he/she/it shall be bound on payment of the Prescribed Price to transfer the Sale Shares in question to the respective Purchasers. The sales and purchases shall be completed at the registered office of the Company during normal business hours on

the first business day after the expiry of 14 days following the date of service of notice by the Company under Article 7 10

7 12 If a Proposing Transferor fails to transfer any Sale Shares to a Purchaser after becoming bound to do so, the Directors may authorise any person to execute on behalf of and as attorney for the Proposing Transferor any necessary instruments of transfer and shall register the Purchaser as the holder of the relevant Sale Shares. The Company's receipt of the purchase money shall be a good discharge to the Purchaser and the Company shall thereafter hold the purchase money on trust for the Proposing Transferor. After the name of the Purchaser has been entered in the Register of Members in purported exercise of these powers, the validity of the proceedings shall not be questioned by any person.

7 13 If the Company fails before the end of the Acceptance Period to find a Purchaser or Purchasers for any of the Sale Shares, the Proposing Transferor may (subject to Article 7 15) sell all or any of the Sale Shares to any third party/parties.

7 14 If before the end of the Acceptance Period the Company finds a Purchaser or Purchasers for some (but not all) of the Sale Shares and serves notice accordingly under Article 7 10 the Proposing Transferor may (subject to Article 7 15) sell all or any of the Sale Shares for which no Purchaser has been found to any third party/parties unless he/she/it revokes his or her Transfer Notice pursuant to Article 7 15 in which case he/she/it may sell all (but not some only) of the Sale Shares to any third party/parties.

7 15 The right of the Proposing Transferor to sell Sale Shares pursuant to Article 7 13 or Article 7 14 shall be subject to the following restrictions:

7 15 1 Sale Shares may not be sold after the expiry of three months after the date on which notice is given by the Company under Article 7 10, and

7 15 2 Sale Shares must be sold on a bona fide sale at a price not less than the Prescribed Price and without any deduction, rebate or allowance whatsoever to the Purchaser.

7 16 The costs of the Auditors shall be borne as the Auditors may direct.

7 17 The restrictions imposed by this Article 7 may be waived in relation to any proposed transfer of Shares with the consent of all Members who, but for such waiver, would or might have been entitled to have such shares offered to them in accordance with Article 7 7.

7 18 For the purposes of Article 7 15 2 and calculating whether or not a price to be paid for the Sale Shares is more or less than the Prescribed Price, then the cash value of any non-cash consideration shall be that agreed between the Proposing Transferor and the Company, or if the Proposing Transferor and the Company fail to agree such cash value within 15 business days following the earlier of any request by the Proposing Transferor to so value any non-cash consideration and the submission to the Company of the relevant stock transfer form(s) relating to a transfer of the Sale Shares for non-cash consideration, the cash value shall be the amount certified as such as at the date of the earlier of the request for valuation and the purported transfer of the Sale Shares at the request of the Directors, by the Auditors (acting as experts and not arbitrators). Their certificate shall be final and binding.

## 8 TAG ALONG

8 1 No sale or transfer of the legal or beneficial interest in any Shares (the "Relevant Transaction") (other than one made pursuant to Article 9) may be made or validly registered if as a result of such sale or transfer a Relevant Interest is obtained by a Third Party Purchaser, unless the Proposing Transferor shall have procured a written offer complying with the provisions of Article 8 3 to have been made by the proposed Third Party Purchaser to the holders of all the other issued Shares to acquire their entire holding of Shares.

8 2 For the purpose of this Article 8

8 2 1 the expression "a Relevant Interest" shall mean an interest in more than 50% of the Shares in issue for the time being,

- 8 2 2 the expressions "**transfer**" and "**transferee**" shall include respectively the renunciation of a renounceable letter of allotment and the renouncee under any such letter of allotment, and
- 8 2 3 the expression "**acting in concert**" shall bear the meaning ascribed to it in the City Code on Take-overs and Mergers (as amended from time to time)
- 8 3 The offer referred to in Article 8 1 above shall be on terms that
- 8 3 1 it will be open for acceptance in England and Wales for a period of at least 28 days following the making of the offer,
- 8 3 2 each Member to whom it is made shall be entitled to receive for each of the Shares held by him/her/it a sum per share equal to the Tag Along Consideration,
- 8 3 3 the purchase of any shares in respect of which such offer is accepted shall be completed at the same time as the Relevant Transaction,
- 8 3 4 otherwise on the same terms for all members (and for this purpose any offer which provides for any warranties or indemnities (other than warranties as to title and capacity) or restrictive covenants from some, but not all, Members shall be deemed to comply with this Article 8 3), and
- 8 3 5 Investor Consent has been obtained in respect of the offer
- 8 4 The Tag Along Consideration shall be the same consideration per Share (in the same form and due at the same time(s)) as that offered, given, paid or payable by, or due from the proposed Third Party Purchaser in respect of the Shares held by the person transferring the Relevant Interest Any dispute in relation to the amount of any consideration payable in accordance with this Article 8 4 which has not been resolved within 10 Business Days of the date of the offer referred to in Article 8 1 shall be referred to the Auditors for determination in accordance with Article 20
- 8 5 The provisions of this Article 8 shall prevail over any contrary provisions of these Articles and, for the avoidance of doubt, any restrictions on transfer of Shares contained in these Articles shall not apply to the transfer of any Shares pursuant to this Article 8
- 9 **DRAG ALONG**
- 9 1 Unless Investor Consent has been obtained, this Article 9 shall only take effect after three years from the Adoption Date
- 9 2 If the holders of not less than 75% of the Shares (together the "**Selling Members**") wish to transfer all their Shares to a Third Party Purchaser they shall have the option (a "**Drag Along Option**") to require all or any of the other Members (the "**Remaining Members**") to transfer all their Shares with full title guarantee to the Third Party Purchaser (or as the Third Party Purchaser shall direct) in accordance with this Article 9
- 9 3 The Selling Members shall exercise the Drag Along Option by requiring the Company to give notice to that effect (a "**Drag Along Notice**") to each of the Remaining Members at any time before the registration of the transfer of the Selling Members' Shares A Drag Along Notice shall specify
- 9 3 1 that the Remaining Members are required to transfer all their Shares (the "**Remaining Shares**") pursuant to this Article 9;
- 9 3 2 the identity of the Third Party Purchaser,
- 9 3 3 the consideration for which, or the price at which, the Remaining Shares are to be transferred, determined in accordance with Article 9 5 (the "**Drag Along Consideration**"), and
- 9 3 4 the proposed date of transfer (if known)
- 9 4 A Drag Along Notice once given shall be irrevocable but shall lapse (and the obligations thereunder shall lapse) if the Selling Members decide for any reason not to transfer their entire holdings to a Third Party Purchaser

- 9 5 Subject to Article 9 6, the Drag Along Consideration shall be the same consideration per Remaining Share (in the same form and due at the same time(s)) as that offered, given, paid or payable by, or due from, the Third Party Purchaser in respect of each Share held by the Selling Members
- 9 6 If the Drag Along Consideration cannot be agreed between the Third Party Purchaser and the holders of not less than 75% of the Remaining Shares within 10 Business Days of the date of the Drag Along Notice, such matter shall be referred for determination to the Auditors (in accordance with Article 20) and, pending their determination, the sale or transfer of the Selling Members' Shares shall have no effect and shall not be registered
- 9 7 Prior to completion of the sale and purchase of the Remaining Shares, the Selling Members may resolve that the Remaining Members are paid the cash equivalent of any non-cash consideration due to the Selling Members from the Third Party Purchaser in lieu of such non-cash consideration. Such cash consideration in lieu may be paid to the Remaining Members either on completion or at the same time as the relevant non-cash consideration is received by the Selling Members. Any dispute in relation to the amount of any cash consideration in lieu of any non-cash consideration which has not been resolved within 10 Business Days of the date of the Drag Along Notice shall be referred to the Auditors for determination in accordance with Article 20
- 9 8 Completion of the sale and purchase of the Remaining Shares shall take place on the same date as completion of the sale and purchase of the Selling Members' Shares (unless the Directors and all of the Remaining Members shall agree otherwise)
- 9 9 Upon the service of a Drag Along Notice each Remaining Member shall be deemed to have irrevocably appointed each of the Selling Members (severally) as the agent of the Remaining Member to execute, in the name of and on behalf of that Remaining Member, any stock transfer form and covenant for full title guarantee in respect of the Remaining Shares registered in the name of that Remaining Member and to do such other acts and things as the agent may consider necessary or desirable to transfer and complete the sale of the Remaining Shares pursuant to this Article 9
- 9 10 Subject to Article 9 1, the provisions of this Article 9 shall prevail over any contrary provisions of these Articles and, for the avoidance of doubt, any restrictions on transfer of Shares contained in these Articles shall not apply to the transfer of any Shares to a Third Party Purchaser named in a Drag Along Notice (or as that Third Party Purchaser may direct)
- 10 **APPOINTMENT OF CORPORATE FINANCIER**
- If after the fifth year anniversary of the date the Investment Agreement was entered into, the Nominee Company and where applicable, any other person to whom the Company allotted Shares pursuant to the Investment Agreement ("Investor Shares"), still hold legal title to any such Investor Shares, then the Company shall on the instruction of Jenson appoint a corporate financier to help effect the sale of any Investor Shares at a market rate and the Company shall act in good faith in working with such corporate financier and Jenson, and take all reasonable steps, to help effect such sale
- 11 **PROCEEDINGS AT GENERAL MEETINGS**
- 11 1 No business shall be transacted at any general meeting unless the requisite quorum is present at the commencement of the business and also when such business is voted upon. One Member present either in person, by proxy or by a duly appointed corporate representative shall be a quorum
- 11 2 Article 41 of the Model Articles shall be amended by the addition of the following as a new paragraph 41(7) in that Article. If within half an hour of the time appointed for the holding of an adjourned meeting a quorum is not present, the meeting shall be dissolved
- 11 3 A poll may be demanded at any general meeting by
- 11 3 1 the chairman, or

- 11 3 2 by any Member present (in person, by proxy or by a duly appointed corporate representative) and entitled to vote on the relevant resolution
- 11 4 Article 44(2) of the Model Articles shall not apply to the Company
- 11 5 Article 44(3) of the Model Articles shall be amended by the insertion of the following as a new paragraph at the end of that Article A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made
- 11 6 Article 45(1) of the Model Articles shall be amended as follows
- 11 6 1 by the deletion of the words in Article 45(1)(d) and the substitution therefor of the following is delivered to the Company in accordance with the Articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is exercised and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate, and
- 11 6 2 by the insertion of the following as a new paragraph at the end of Article 45(1) and a proxy notice which is not delivered in such manner shall be invalid unless the Directors, in their discretion accept the proxy notice at any time before the meeting to which they relate
- 11 7 The Company shall not be required to give notice of a general meeting to a Member
- 11 7 1 whose registered address is outside the United Kingdom unless he/she/it has provided an address for service within the United Kingdom, or
- 11 7 2 for whom the Company no longer has a valid United Kingdom address
- 12 **APPOINTMENT AND REMOVAL OF DIRECTORS**
- 12 1 Unless and until determined otherwise by ordinary resolution of the Company, the number of Directors (other than alternate directors) shall not be less than one nor more than six
- 12 2 Model Article 17(1) shall not apply to the Company Any person who is willing to act as a Director of the Company, and is permitted to do so, may
- 12 2 1 be appointed to be a Director by ordinary resolution, or
- 12 2 2 be appointed to be a Director by a decision of the Directors, either to fill a vacancy as an additional Director, provided that the appointment does not cause the number of Directors to exceed any number fixed by or in accordance with these Articles as the maximum number of Directors
- 12 3 The office of a Director shall automatically be vacated, and the Director in question shall be deemed to have resigned, upon a Member, or Members together, holding not less than 50% of the Shares from time to time requesting his or her resignation by notice in writing Such notice (which may consist of several documents in similar form each signed by or on behalf of one or more Members) must be left at or sent by post to the registered office of the Company (or another address nominated by the Directors for this purpose) and the resignation shall take effect when the notice is received by the Company or, if later, on such date (if any) as may be specified in the notice, and Article 18 of the Model Articles shall be extended accordingly
- 12 4 In any case where, as a result of death or bankruptcy, the Company has no Members and no Directors, the transmittee(s) of the last Member to have died or to have a bankruptcy order made against him or her (as the case may be) has the right, by notice in writing, to appoint a natural person who is willing to act and is permitted to do so, to be a Director Article 27(3) of the Model Articles shall be modified accordingly

**13 PROCEEDINGS OF DIRECTORS**

**13 1** Two Directors, present either in person shall be a quorum for any meeting of the board of Directors, provided that

**13 1 1** if at any time there shall be only one Director in office, the quorum at that time shall be one Director,

**13 1 2** for the purpose of any meeting held to authorise a Director's conflict of interest under Article 15/section 175 of the Act if there is only one Eligible Director in office other than the conflicted Director(s), the quorum for such meeting shall be one Eligible Director Article 11(2) of the Model Articles shall not apply to the Company

**13 2** If the number of votes for and against a proposal at a Directors' meeting is equal the chairman shall have a casting vote, provided that the chairman shall not have a casting vote if he/she/it is not an Eligible Director for the purposes of the relevant directors' decision Article 13 of the Model Articles shall not apply to the Company

**14 TRANSACTIONS OR OTHER ARRANGEMENTS WITH THE COMPANY**

**14 1** Subject to sections 177 and 182 of the Act, and provided he or she has declared the nature and extent of his or her interest in accordance with the requirements of the Act, a Director who is in any way (whether directly or indirectly) interested in an existing or proposed transaction or arrangement with the Company

**14 1 1** may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested,

**14 1 2** shall be an Eligible Director for the purposes of any proposed decision of the Directors (or a committee of Directors) in respect of such contract or proposed contract in which he or she is interested,

**14 1 3** shall be entitled to vote at a meeting of Directors (or of a committee of the Directors) or participate in any unanimous decision of the Directors, in respect of such contract or proposed contract in which he or she is interested,

**14 1 4** may act by himself or herself or his or her firm in a professional capacity for the Company (otherwise than as auditor) and he or she or his or her firm shall be entitled to remuneration for professional services as if he or she were not a Director,

**14 1 5** may be a Director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is otherwise (directly or indirectly) interested, and

**14 1 6** shall not, save as he or her may otherwise agree, be accountable to the Company for any benefit which he or she (or a person or body corporate connected with him or her (as defined in sections 252 and 254 of the Act)) derives from any such contract, transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such contract, transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his or her duty under section 176 of the Act

**14 2** Articles 14(1) to 14(4) of the Model Articles shall not apply to the Company

**15 DIRECTORS' CONFLICTS OF INTEREST**

**15 1** The Directors may, in accordance with the requirements set out in this Article 15, authorise any matter or situation proposed to them by any Director which would, if not authorised, involve a Director breaching his or her duty under section 175 of the Act to avoid conflicts of interest (a "Conflict")

**15 2** Any authorisation under this Article will be effective only if

- 15 2 1 the matter in question shall have been proposed by any Director for consideration at a meeting of Directors in the same way that any other matter may be proposed to the Directors under the provisions of these Articles or in such other manner as the Directors may determine,
- 15 2 2 any requirement as to the quorum at the meeting of the Directors at which the matter is considered is met without counting the Director in question, and
- 15 2 3 the matter was agreed to without the Director in question voting or would have been agreed to if his or her vote had not been counted
- 15 3 Any authorisation of a Conflict under this Article 15 may (whether at the time of giving the authorisation or subsequently)
  - 15 3 1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter so authorised,
  - 15 3 2 be subject to such terms and for such duration, or impose such limits or conditions as the Directors may determine, and
  - 15 3 3 be terminated or varied by the Directors at any time

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

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

  - 15 3 4 disclose such information to the Directors or to any Director or other officer or employee of the Company, or
  - 15 3 5 use or apply any such information in performing his or her duties as a Director,

where to do so would amount to a breach of that confidence
- 15 4 Where the Directors authorise a Conflict they may (whether at the time of giving the authorisation or subsequently) provide, without limitation, that the Director
  - 15 4 1 is excluded from discussions (whether at meetings of Directors or otherwise) related to the Conflict,
  - 15 4 2 is not given any documents or other information relating to the Conflict, and
  - 15 4 3 may or may not vote (or may or may not be counted in the quorum) at any future meeting of Directors in relation to any resolution relating to the Conflict
- 15 5 Where the Directors authorise a Conflict
  - 15 5 1 the relevant Director will be obliged to conduct himself or herself in accordance with any terms imposed by the Directors in relation to the Conflict, and
  - 15 5 2 the Director will not infringe any duty he or she owes to the Company by virtue of sections 171 to 177 of the Act provided he or she acts in accordance with such terms, limits and conditions (if any) as the Directors impose in respect of its authorisation
- 15 6 A Director is not required, by reason of being a Director (or because of the fiduciary relationship established by reason of being a Director), to account to the Company for any remuneration, profit or other benefit which he or she derives from or in connection with a relationship involving a Conflict which has been authorised by the Directors or by the Company in general meeting (subject in each case to any

terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds

**16 THE JENSON DIRECTOR**

16 1 Notwithstanding any other provisions of these Articles, so long as the Nominee Company is holder of any Shares in the Company, Jenson has the right to appoint one person as a Director of the Company and to remove from office any person so appointed and (subject to such removal) to appoint another person in his or her place

16 2 The Jenson Director shall not be required to hold any Shares

16 3 Any appointment or removal of the Jenson Director shall be by notice in writing to the Company which will take effect on delivery at the registered office of the Company or at any meeting of the board of Directors

**17 NOTICES**

17 1 Any notice, document or other information given in accordance with these Articles shall be deemed served on or delivered to the intended recipient

17 1 1 if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted,

17 1 2 if properly addressed and sent by reputable international overnight courier to an address outside the United Kingdom or from outside the United Kingdom to an address within the United Kingdom, 5 Business Days after posting provided that delivery in at least 5 Business Days was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the courier service provider,

17 1 3 if properly addressed and delivered by hand, when it was given or left at the appropriate address,

17 1 4 if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied, and

17 1 5 if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website

For the purposes of this Article 17, no account shall be taken of any part of a day that is not a working day

17 2 In proving that any notice, document or other information was properly addressed, it shall be sufficient to show that the notice, document or other information was delivered to an address permitted for the purpose by the Act

**18 INDEMNITY**

18 1 Subject to Article 18 2 but without prejudice to any indemnity to which a relevant officer is otherwise entitled

18 1 1 each relevant officer shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him or her as a relevant officer in the actual or purported execution and/or discharge of his or her duties, or in relation to them, including any liability incurred by him or her in defending any civil or criminal proceedings, in which judgment is given in his or her favour or in which he or she is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his or her part or in connection with any application in which the court grants him or her, in his or her capacity as a relevant officer, relief from liability for



- negligence, default, breach of duty or breach of trust in relation to the affairs of the Company (or any associated company)), and
- 18 1 2 the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him or her in connection with any proceedings or application referred to in Article 18 1 and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure
- 18 2 This Article 18 does not authorise any indemnity which would be prohibited or rendered void by any provision of the Act or by any other provision of law
- 18 3 In this Article 18 and in Article 19
- 18 3 1 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate, and
- 18 3 2 a **relevant officer** means any director or other officer or former director or other officer of the Company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act), but excluding in each case any person engaged by the Company (or any associated company) as auditor (whether or not he or she is also a director or other officer), to the extent he or she acts in his or her capacity as auditor
- 18 4 Article 52 of the Model Articles shall not apply to the Company
- 19 **INSURANCE**
- 19 1 The Directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant officer in respect of any loss or liability which has been or may be incurred by that relevant officer in connection with his or her duties or powers in relation to the Company, any associated company or any pension fund or employees' share scheme of the Company or associated company
- 19 2 Article 53 of the Model Articles shall not apply to the Company
- 20 **DISPUTES**
- Where these Articles provide for any dispute in relation to a particular matter to be determined pursuant to this Article 20 such dispute shall be referred, at the request of any Member or Director, to the Auditors. The decision of the Auditors (who shall be deemed to act as an expert and not as an arbitrator) shall, save in the event of fraud or manifest error, be final and binding on the Company and the Members. The cost of such reference shall be borne as directed in the relevant Article or, where no such direction is given, by the party or parties named by the Auditors (taking into account the conduct of the parties and the merits of their respective arguments in relation to any matters in dispute) or, where no such party is named by the Auditors, equally by the parties concerned