

THE COMPANIES ACT 2006

PUBLIC COMPANY LIMITED BY SHARES

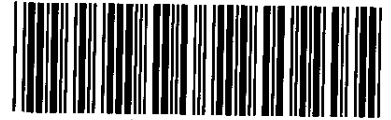
ORDINARY AND SPECIAL RESOLUTIONS

of

GENOMICS PLC

(the "Company")

FRIDAY



A30 \*A7KR7L2I\* 14/12/2018 #182  
COMPANIES HOUSE

At the General Meeting of the Company held at 12 p.m. on Thursday 6 December 2018 the following resolutions were passed, in the case of resolution 1 as an ordinary resolution, and in the case of resolutions 2 and 3 as special resolutions (together, the "**Resolutions**"):-

ORDINARY RESOLUTION

1. **THAT**, in substitution for any prior authority, the directors be generally and unconditionally authorised, in accordance with section 551 of the Companies Act 2006 (the "**Act**"), to allot shares in the Company and to grant rights to subscribe for or convert any security into shares in the Company:
  - a. up to a maximum aggregate nominal amount of £8,888.88, provided that this authority will expire on 25 February 2019; and
  - b. up to a maximum aggregate nominal amount of £14,000 in connection with the grant of rights to subscribe for or convert any security into shares in the Company pursuant to the Company's share option schemes, provided that this authority will expire on the date being five years from the date on which this resolution is passed, but the Company may before this authority expires make an offer or agreement which would or might require shares to be allotted or rights granted after this authority expires and the directors may allot pursuant to such offer or agreement as if this authority had not expired.

For the avoidance of doubt, this authority revokes and replaces all unexercised authorities previously granted to the Directors.

SPECIAL RESOLUTIONS

2. **THAT**, in substitution for any prior authority and subject to the passing of resolution 1 above, the directors be hereby given power in accordance with section 570 of the Act to allot equity securities (within the meaning of section 560 of the Act) pursuant to the authority conferred by resolution 1 as if section 561(1) of the Act and articles 7.2 and 7.3 of the articles of association of the Company did not apply to the allotment provided that such power shall expire on:
  - a. 25 February 2019 in respect of the allotment of shares in the Company up to a maximum aggregate nominal amount of £8,888.88, and
  - b. the date being five years from the date on which this resolution is passed in respect of the allotment of shares in the Company up to a maximum aggregate nominal amount of £14,000, but the Company may before such expiry make an offer or agreement which would or might require such equity securities to be allotted after such expiry and the directors may allot such equity securities in pursuance of that offer or agreement as if this power had not expired.

For the avoidance of doubt, this authority revokes and replaces all unexercised authorities previously granted to the Directors.

3. **THAT**, the draft articles of association annexed to the Resolutions be adopted as the Company's articles of association in substitution for and to the exclusion of the Company's current articles of association.

  
Chairman

**Company number: 08839972**

# Articles of Association Genomics plc

**Incorporated on 10 January 2014**

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Adopted on 06 December 2018

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**Companies Act 2006**  
**Public company limited by shares**  
**ARTICLES OF ASSOCIATION**  
**of**  
**GENOMICS PLC**

Registered company number: 08839972

*Adopted by Special Resolution on: 06 December 2018*

**1. DEFINITIONS**

- 1.1 In these articles the following words and phrases have the meanings set out opposite them below:

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| <b>"Act"</b>            | the Companies Act 2006 (as amended or replaced from time to time)  |
| <b>"Adoption Date"</b>  | 06 December 2018   |
| <b>"Affiliate"</b>      | means, with respect to any person, any other person who, directly or indirectly, controls, is controlled by, or is under common control with such person, including without limitation any general partner, limited partner, member, managing member, officer, employee or director or manager of such person or any venture capital fund now or hereafter existing that is controlled by one or more general partners or managing members of, or shares the same management company with, such person. For purposes of this definition, the terms "control", "controlling", "controlled by" and "under common control with," as used with respect to any person, shall mean the possession, directly or indirectly, of the power to direct the management or policies of such person, directly or indirectly, whether through the ownership of voting securities, by agreement, as trustee or executor or otherwise |
| <b>"appointor"</b>      | has the meaning set out in article 27.1  |
| <b>"these articles"</b> | means these articles of association, whether as originally adopted or from time to time altered by Special Resolution  |

- “Available Profits”** means profits available for distribution within the meaning of part 23 of the Act
- “Bad Leaver”** means any Leaver:
- (a) whose cessation of employment, engagement or appointment as an employee, consultant or secondee of or provision of consultancy services to the Company occurs for reason of fraud or gross misconduct or by reason of circumstances which entitle the Company lawfully to terminate such employment, engagement or appointment by reason of summary dismissal (and such dismissal is not found by a tribunal or court of competent jurisdiction to have been wrongful or (other than for procedural reasons) unfair); or
  - (b) who (other than: (i) as a result of Serious Ill Health, death, redundancy, retirement, or by reason of circumstances which give rise to a successful claim for constructive dismissal or, (ii) in the case of any Manager, the Company terminating the Manager Agreement either without cause or for a cause unrelated to the relevant Manager), voluntarily ceases such employment, engagement or appointment as an employee, consultant or secondee of, or provision of consultancy services to the Company; or, in the case of any Manager, who voluntarily ceases to provide his services to the Company under the Manager Agreement (or any replacement agreement) at any time prior to the second anniversary of the Adoption Date; or
  - (c) who breaches any restrictive covenants in a Manager Agreement or any agreement to which both the Manager and the Company are party in the 12 month period following the relevant Termination Date

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| <b>"Bad Leaver Shares"</b>           | means those Ordinary Shares held by the relevant Bad Leaver and any Privileged Relation who or Family Trust which has acquired Ordinary Shares from such Bad Leaver (directly or by a means of a series of two or more transfers)  |
| <b>"Bad Leaver Transfer Notice"</b>  | has the meaning set out in article 11.6  |
| <b>"Board"</b>                       | the board of directors of the Company from time to time present at a duly convened meeting of the Directors at which a quorum is present   |
| <b>"Business Day"</b>                | means any day (other than a Saturday, Sunday or public holiday in the United Kingdom) on which clearing banks are open for business in the City of London  |
| <b>"Call"</b>                        | has the meaning set out in article 18.3  |
| <b>"Call Notice"</b>                 | has the meaning set out in article 18.3  |
| <b>"Company"</b>                     | Genomics plc (a public limited company incorporated in England and Wales with number 08839972)   |
| <b>"Company's Lien"</b>              | shall have the meaning set out in article 18.1 and "Lien" shall be construed accordingly   |
| <b>"Controlling Interest"</b>        | means either (i) Voting Control or (ii) Nominal Value Control  |
| <b>"Data Protection Legislation"</b> | means the Data Protection Act 2018, the General Data Protection Regulations 2016/679, the Privacy and Electronic Communications (EC Directive) Regulations 2003 (as amended or replaced from time to time) and all applicable data protection, data privacy and data security laws and regulations relating to the processing of personal data, including where applicable the guidance and codes issued by the Information Commissioner or any other appropriate supervisory authority with competent authority |
| <b>"Deemed Transfer Notice"</b>      | has the meaning set out in article 11.2  |
| <b>"Director"</b>                    | each director of the Company from time to time   |

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| <b>“Disposal”</b>          | means the sale or other disposal whether by one transaction or a series of transactions of the whole or a substantial part of the undertaking of the Company or any other Group Company (other than to a Group Company which is the Company or a wholly owned subsidiary of the Company) where the disposal by any Group Company or Group Companies itself comprises the whole or a substantial part of the undertaking of the Group   |
| <b>“Disposal Shares”</b>   | has the meaning set out in article 12.14   |
| <b>“EBT”</b>               | any employment benefit trust established to hold shares in the Company   |
| <b>“electronic form”</b>   | has the meaning given in section 1168 of the Act   |
| <b>“Eligible Director”</b> | means a Director who would be entitled to vote on the matter at a meeting of Directors (but excluding any Director whose vote is not to be counted in respect of the particular matter)  |
| <b>“Excess Securities”</b> | has the meaning set out in article 7.2(b)  |
| <b>“Fair Value”</b>        | has the meaning set out in article 10.2  |
| <b>“Family Trusts”</b>     | in relation to any Shareholder, a trust which does not permit any of the settled property or the income from it to be applied otherwise than for the benefit of that Shareholder or any of his Privileged Relations (and any charity or charities as default beneficiaries meaning that the charity or charities have no immediate beneficial interest in any of the settled property or the income from it when the trust is created but may become so interested if there are no other beneficiaries from time to time except other charities) and under which no power of control over the voting powers conferred by any shares the subject of the trust is capable of being exercised by, or being subject to the consent of, any person other than the trustees or such Shareholder or any of his Privileged Relations |
| <b>“Financial Year”</b>    | means an accounting reference period (as defined by the Act) of the Company and “Financial Period” shall be construed accordingly  |

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| <b>"Foresite"</b>                       | means Foresite Capital Fund IV, L.P. (a limited partnership registered in Delaware) acting by its general partner Foresite Capital Management IV, LLC   |
| <b>"Foresite Director"</b>              | means any director appointed by Foresite in accordance with article 14.5 and references to the Foresite Director shall include any alternate appointed in his place from time to time   |
| <b>"F-Prime"</b>                        | means F-Prime Capital Partners Life Sciences Fund VI LP (a limited partnership registered in Delaware), acting by its general partner F-Prime Capital Partners Life Sciences Advisors Fund VI LP, acting by its general partner Impresa Holdings LLC, acting by its management member Impresa Management LLC                                |
| <b>"F-Prime Director"</b>               | means any director appointed by F-Prime in accordance with article 14.6 and references to the F-Prime Director shall include any alternate appointed in his place from time to time   |
| <b>"Good Leaver"</b>                    | means a Leaver who (i) is not a Bad Leaver or (ii) is a Bad Leaver but whom the Board, acting reasonably and with Investor Consent, determines is a Good Leaver   |
| <b>"Group"</b>                          | the Company, its subsidiaries, any holding company of the Company and any subsidiary of any such holding company from time to time and <b>"Group Company"</b> shall be construed accordingly  |
| <b>"hard copy form"</b>                 | has the meaning given in section 1168 of the Act  |
| <b>"holding company"</b>                | has the meaning given in section 1159 of the Act  |
| <b>"Holding Company Reorganisation"</b> | means a Reorganisation relating to a New Holding Company  |
| <b>"Independent Expert"</b>             | an umpire (acting as an expert and not as an arbitrator) nominated by the parties concerned or, in the event of disagreement as to nomination, appointed by the President for the time being of the Institute of Chartered Accountants in England and Wales, whose decision shall, save in the case of manifest error, be final and binding |



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| <b>"Interest"</b>            | has the meaning set out in article 18.5(b)   |
| <b>"Interested Director"</b> | has the meaning set out in article 16.5  |
| <b>"Invesco"</b>             | means Invesco Asset Management Limited a private limited company incorporated in England and Wales with company number 0949417 whose registered office is at Perpetual Park, Perpetual Park Drive, Henley-on-Thames, Oxfordshire RG9 1HH, acting as agent for and on behalf of the Invesco Funds   |
| <b>"Invesco Director"</b>    | means any director appointed by Invesco in accordance with article 14.4 and references to the Invesco Director shall include any alternate appointed <i>in his place from time to time</i>   |
| <b>"Invesco Funds"</b>       | <b>means the Invesco High Income Fund and/or any other fund(s) managed by Invesco that Invesco allocates Shares to</b>   |
| <b>"Invesco Group"</b>       | <b>means the Invesco Funds and any Investment Fund managed by Invesco</b>  |
| <b>"Investment Fund"</b>     | a fund, partnership, company, investment trust, syndicate or other entity whose principal business is to make investments and whose business is managed by an Investment Manager   |
| <b>"Investment Manager"</b>  | a person whose principal business is to make, manage or advise upon investments  |
| <b>"Investors"</b>           | means each of: <ul style="list-style-type: none"> <li>(a) IP2IPO and its Permitted Transferees;</li> <li>(b) IPVFII and its Permitted Transferees;</li> <li>(c) IP2IPO Nominees and its Permitted Transferees;</li> <li>(d) Vertex and its Permitted Transferees,</li> <li>(e) OSI and its Permitted Transferees</li> <li>(f) the WIM Funds, acting by WIM, and their Permitted Transferees</li> </ul> |

- (g) Invesco and its Permitted Transferees
- (h) Lansdowne and its Permitted Transferees
- (i) Tamorer and its Permitted Transferees
- (j) Foresite and its Permitted Transferees
- (k) F-Prime and its Permitted Transferees,

provided that no Investor shall cease to be an Investor by virtue only of a transfer of Shares in accordance with article 9 for so long as such Shares are held by a transferee

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| <b>"Investor Consent"</b>   | means the written approval of Investors holding two-thirds (2/3) or more of the number of Ordinary Shares held by all the Investors  |
| <b>"Investor Directors"</b> | means the IP2IPO Director, the Vertex Director, the WJM Director, the Invesco Director, the Foresite Director and the F-Prime Director, and <b>"Investor Director"</b> shall mean any one of them  |
| <b>"IP2IPO"</b>             | IP2IPO Portfolio L.P. (a limited partnership registered in England and Wales under limited partnership number LP017872) acting by its general partner IP2IPO Portfolio (GP) Limited  |
| <b>"IP2IPO Director"</b>    | means any director appointed by IP2IPO and IPVFII (acting jointly) in accordance with article 14.1 and references to the IP2IPO Director shall include any alternate appointed in his place from time to time  |
| <b>"IP2IPO Group"</b>       | means, together, IP Group plc (registered number 04204490) IP2IPO, IPVFII and IP2IPO Nominees and every other company which is, from time to time, a Member of the same Group as such entities or a Member of the Same Fund and <b>"IP Group Company"</b> shall be construed accordingly |
| <b>"IP2IPO Nominees"</b>    | means IP2IPO Nominees Limited, a limited company incorporated in England and Wales under company number 05602177   |
| <b>IPVFII</b>               | means IP Venture Fund II L.P. (limited partnership   |

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|                          | number LP15513) acting by its general partner IP Venture Fund II (GP) LLP  |
| <b>"ITA"</b>             | the Income Tax Act 2007  |
| <b>"ITEPA"</b>           | the Income Tax (Earnings and Pensions) Act 2003  |
| <b>"Lansdowne"</b>       | means together LDM and LDMSIF  |
| <b>"Lansdowne Fund"</b>  | means LDM and LDMSIF   |
| <b>"Lansdowne Group"</b> | means Lansdowne Partners (UK) LLP, its affiliates and the Investment Funds managed by Lansdowne Partners (UK) LLP and/or its affiliates from time to time  |
| <b>"LDM"</b>             | means Lansdowne Developed Markets Master Fund Limited a company incorporated with limited liability on 17 November 2011 as an exempted company under the Companies Law (2013 Revision) of the Cayman Islands and registered as a regulated <b>mutual</b> fund under section 4(3) of the Mutual Funds Law (2013 Revision) of the Cayman Islands   |
| <b>"LDMSIF"</b>          | means the Lansdowne Developed Markets Strategic Investment Master Fund Limited, a company incorporated with limited liability on 27 April 2007 as an exempted company under the Companies Law (2013 Revision) of the Cayman Islands, and registered as a regulated mutual fund under section 4(3) of the Mutual Funds Law (2013 Revision) of the Cayman Islands  |
| <b>"Leaver"</b>          | means any Director, employee, consultant or Manager who. <ul style="list-style-type: none"> <li>(a) ceases to be a Director (and does not continue as an employee or a consultant to the Company); or</li> <li>(b) ceases to be employed or engaged by, or to provide consultancy services, to the Company; or</li> <li>(c) in the case of any Manager, ceases to provide his services to the Company pursuant to a <i>Manager Agreement</i> or any renewal, extension or replacement of such Manager Agreement or any consultancy agreement or</li> </ul> |

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|                                  | other agreement entered into directly between the relevant Manager and the Company  |
| <b>“Leaver’s Shares”</b>         | means all the shares held by a Shareholder who is (a) a Leaver or (b) a Privileged Relation or a Family Trust of a Leaver and (in either case) has acquired shares from such Leaver (directly or by means of a series of two or more transfers)   |
| <b>“Lien Enforcement Notice”</b> | a notice in writing which complies with the requirements of article 18.2(b)   |
| <b>“Listing”</b>                 | means the successful application and admission of all or any of the shares or securities representing such shares (including, without limitation, American Depositary Receipts, American Depositary Shares and/or other instruments) to the Official List of the UK Financial Conduct Authority or on the AIM market operated by London Stock Exchange plc, or the Nasdaq National Stock Market of the Nasdaq Stock Market Inc, or to any Recognised Investment Exchange (as such term is defined in section 285 of the Financial Services and Markets Act 2000 (as amended)) |
| <b>“Managers”</b>                | means each of Peter Donnelly and John Colenutt and each a <b>“Manager”</b>  |
| <b>“Manager Agreement”</b>       | means any employment, service, consultancy or secondment agreement which relates to the provision of services by the relevant Manager to the Company  |
| <b>“Member of the Same Fund”</b> | <p>(a) any participant or partner in or member or beneficiary of the Investment Fund which is or whose nominee is the transferor (but only in connection with the dissolution of such Investment Fund or any distribution of assets of the Investment Fund pursuant to the operation of the Investment Fund in the ordinary course);</p> <p>(b) any trustee, nominee or custodian of such Investment Fund;</p> <p>(c) any other Investment Fund whose business is managed by the same Investment Manager as</p>   |

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|                                    | manages the Investment Fund which is or whose nominee is the transferor; or  |
|                                    | (d) any direct or indirect holding company or subsidiary of that Investment Manager  |
| <b>“Member of the Same Group”</b>  | has the meaning set out in article 9.2   |
| <b>“Model Articles”</b>            | the model articles for public companies limited by shares contained in Schedule 1 to The Companies (Model Articles) Regulations 2008 ( <i>SI 2008/3229</i> ), as amended prior to the Adoption Date  |
| <b>“New Member”</b>                | has the meaning set out in article 12.14   |
| <b>“New Shareholder”</b>           | has the meaning set out in article 12.13   |
| <b>“Nominal Value Control”</b>     | means an Shareholder owning in aggregate 50% or more of the nominal value of the entire issued ordinary share capital of the Company from time to time in issue such that the requirements of section 185(2)(a)(i) ITA and paragraphs 10, 11, 11A and 11B of Schedule 5 of ITEPA would be breached |
| <b>“Non-Compliant Shareholder”</b> | has the meaning set out in article 18.5(a)   |
| <b>“Observer”</b>                  | means any observer appointed by any of IP2IPO and IPVFI (acting jointly), Vertex, WIM, Invesco, the University and/or OSI pursuant to articles 14.8 to 14.10   |
| <b>“OIG”</b>                       | means Omnis Income & Growth Fund   |
| <b>“Ordinary Resolution”</b>       | has the meaning given in section 282 of the Act  |
| <b>“Ordinary Shareholders”</b>     | means the holders of Ordinary Shares, from time to time  |
| <b>“Ordinary Shares”</b>           | the ordinary shares of £0.01 each in the capital of the Company  |
| <b>“OSI”</b>                       | means Oxford Sciences Innovation plc (a company incorporated in England and Wales with registered number 09093331) whose registered office is at King  |

Charles House, Park End Street, Oxford, OX1 1JD

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| <b>"Permitted Transferee"</b>      | means any person who has acquired shares pursuant to article 9  |
| <b>"Personal Data"</b>             | has the meaning set out in article 26   |
| <b>"Privileged Relation"</b>       | the spouse, civil partner (under the Civil Partnership Act 2004) or common law partner of a Shareholder and every child, stepchild, grandchild, adopted child or other lineal descendent and the respective spouse, civil partner, common law partner, widow or widower of a person who is a Shareholder immediately following the Adoption Date  |
| <b>"Proceeds"</b>                  | means an amount equal to the total amount for payment to holders of equity securities as a result of the Disposal by way of dividend, dividend on liquidation or consideration payable in respect of equity securities purchased by the Company inclusive of any associated tax credit  |
| <b>"Recipient"</b>                 | has the meaning set out in article 26   |
| <b>"Recipient Group Companies"</b> | has the meaning set out in article 26   |
| <b>"Relevant Interest"</b>         | has the meaning set out in article 16.5   |
| <b>"Relevant Securities"</b>       | <p>all shares, rights to subscribe for shares or to receive them for no consideration and all securities convertible into shares after the Adoption Date, but excluding:</p> <ul style="list-style-type: none"><li>(a) the grant of options to subscribe for shares under a Share Option Scheme (and the issue of the shares upon exercise of such options);</li><li>(b) any shares which the Company is required to issue by reason of a right specifically attached to shares under these articles; and</li><li>(c) any shares or other securities issued in consideration of the acquisition by the Company of any company or business which</li></ul> |

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|                             | has been approved by Investor Consent  |
| <b>“Reorganisation”</b>     | means any return of capital, bonus issue of shares or other securities of the Company by way of a capitalisation of profits or reserves or any consolidation or sub-division or any repurchase or redemption of shares or any variation in the subscription price or conversion rate application to any other outstanding shares of the Company in each case other than shares issued under the exclusions listed in the definition of “Relevant Securities” |
| <b>“Restriction Notice”</b> | has the meaning set out in article 18.5(a)   |
| <b>“Sale Price”</b>         | has the meaning set out in article 10.2  |
| <b>“Sale Shares”</b>        | the shares specified or deemed to be specified for sale in a <i>Transfer Notice</i> or <i>Deemed Transfer Notice</i>   |
| <b>“SBEEA”</b>              | the Small Business, Enterprise and Employment Act 2015 (as the same may be amended or varied from time to time)  |
| <b>“Seller”</b>             | the transferor of shares pursuant to a <i>Transfer Notice</i>  |
| <b>“Serious Ill Health”</b> | means an illness or disability certified by a general medical practitioner (nominated by the Directors) as rendering the relevant Shareholder incapable of carrying out his employment, engagement or appointment as a director, employee or consultant of or from providing consultancy services to the Company   |
| <b>“Shareholder”</b>        | means any holder for the time being of shares in the capital of the Company of whatever class, but excluding <i>Treasury Shares</i>  |
| <b>“Share Sale”</b>         | means the sale of (or the grant of a right to acquire or to dispose of) any shares (in one transaction or as a series of transactions) which would, if completed, result in the buyer of those shares (or grantee of that right) and persons acting in concert with him together acquiring a Controlling Interest, except where the Shareholders and the proportion of shares held by  |

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|                                   | each of them following completion of the sale are the same as the Shareholders and their shareholdings in the Company immediately before the sale  |
| <b>"shares" or "Shares"</b>       | means any share forming part of the share capital of the Company from time to time   |
| <b>"Share Option Scheme"</b>      | any share option scheme established by the Company, eligible beneficiaries of which shall be bona fide employees, non-executive directors and/or consultants to the Company and is approved by Investor Consent in relation to the same                                    |
| <b>"Special Resolution"</b>       | has the meaning given in section 238 of the Act  |
| <b>"Specified Shares"</b>         | has the meaning set out in article 12.1  |
| <b>"Subscription Price"</b>       | means the price per share at which the relevant shares are issued being the aggregate of the amount paid up or credited as paid up in respect of the nominal value thereof and any share premium thereon   |
| <b>"subsidiary"</b>               | has the meaning given in section 1159 of the Act   |
| <b>"Tamorer"</b>                  | means Tamorer Pty Limited, a small proprietary company limited by shares registered in New South Wales Australia with ACN 073129156 in its capacity as trustee for the Wylie Family Trust  |
| <b>"Termination Date"</b>         | shall mean the date on which the relevant Leaver ceases to be employed, engaged or appointed by or to provide services to the Company and, in case of a Manager, the date on which he ceases to provide his services to the Company under the applicable Manager Agreement |
| <b>"Total Transfer Condition"</b> | has the meaning set out in article 10.4  |
| <b>"Transferee"</b>               | has the meaning set out in article 10.14   |
| <b>"Transfer Event"</b>           | has the meaning set out in article 11.1  |
| <b>"Transfer Notice"</b>          | a notice in writing given by any Shareholder to the Company where such Shareholder desires or is required by these articles to transfer any shares and where such notice is deemed to have been served it  |



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|                          | shall be referred to as a <b>"Deemed Transfer Notice"</b>   |
| <b>"Treasury Shares"</b> | means shares in the capital of the Company held by the Company as treasury shares from time to time within the meaning set out in section 724(5) of the Act   |
| <b>"Trigger Date"</b>    | has the meaning set out in article 11.6   |
| <b>"University"</b>      | means the Chancellor, Masters and Scholars of the University of Oxford  |
| <b>"Vertex"</b>          | means Vertex Pharmaceuticals Incorporated   |
| <b>"Vertex Director"</b> | means any director appointed by Vertex in accordance with article 14.2 and references to the Vertex Director shall include any alternate appointed in his place from time to time   |
| <b>"Voting Control"</b>  | means a Shareholder gaining control (" <b>control</b> " having the meanings given to it under either section 719 ITEPA and section 995 ITA, as the case may be) of the Company  |
| <b>"WEIF"</b>            | means LF Woodford Equity Income Fund  |
| <b>"WIM"</b>             | means Woodford Investment Management Limited, as investment manager of the WIM Funds  |
| <b>"WIM Director"</b>    | means any Director appointed by WIM (as investment manager of each of WEIF, WPCT and OIG) in accordance with article 14.3 and references to the WIM Director shall include any alternate appointed in his place from time to time |
| <b>"WIM Funds"</b>       | means WEIF, WPCT and OIG  |
| <b>"WIM Group"</b>       | means the WIM Funds and their associated companies from time to time  |
| <b>"WPCT"</b>            | means Woodford Patient Capital Trust plc  |
| 1.2                      | Whether or not persons are ' <b>acting in concert</b> ' will be determined by the then most recent edition of the City Code on Takeovers and Mergers  |
| 1.3                      | A person shall be deemed to be connected with another if that person is connected with another within the meaning of Sections 1122 and 1123 of the Corporation Tax Act 2010.  |
| 1.4                      | Save as otherwise specifically provided in these articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these   |

articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Act shall have the same meanings in these articles (but excluding any statutory modification of them not in force on the date of adoption of these articles).

## **2. APPLICATION OF MODEL ARTICLES**

- 2.1 The Model Articles shall apply to the Company, except in so far as they are modified or excluded by these articles or are inconsistent with these articles, and, subject to any such modifications, exclusions or inconsistencies, shall together with these articles constitute the articles of association of the Company to the exclusion of any other articles or regulations set out in any statute or in any statutory instrument or other subordinate legislation.
- 2.2 Model Articles 10(2), 11(2), 21, 63(6), 85 and 86 shall not apply to the Company.
- 2.3 Model Article 68 shall be amended by the insertion of the words ", or the name of any person(s) named as the transferee(s) in an instrument of transfer executed under article 67(2) or (3)," after the words "the transmittee's name".

## **3. SHARE RIGHTS – INCOME, CAPITAL AND DIVIDENDS**

### **Income**

- 3.1 Any profits which the Company determines to distribute in respect of any financial year (as defined in the Act) shall be distributed amongst the Ordinary Shareholders *pro rata* according to number of Ordinary Shares held by each of them.

### **Capital**

- 3.2 The Shareholders shall do or procure the doing of all necessary acts to ensure that (i) in the event of a Disposal, the Proceeds; and (ii) upon a return of assets on a liquidation, reduction of capital or otherwise, the surplus assets of the Company remaining after payment of its liabilities ("**Surplus Assets**"), shall be distributed amongst the Shareholders *pro rata* according to the number of Ordinary Shares held by each of them.
- 3.3 In the event of a Share Sale, the proceeds shall be distributed as between the Shareholders on the same basis as if they were Surplus Assets in accordance with the provisions of article 3.2. The Board shall not register the transfer of any of the Ordinary Shares if the proceeds of a Share Sale are not distributed in such manner.

### **Dividend**

- 3.4 In respect of any Financial Year, the Company's Available Profits will be applied as set out in this article 3.
- 3.5 No dividend shall be declared and paid on any share which is not fully paid.

- 3.6 Article 72 of the Model Articles shall be amended by:
- (a) the replacement of the words “either in writing or as the directors may otherwise decide” at the end of paragraphs (a), (b) and (c) of that Model Article with the words “in writing”; and
  - (b) the replacement of the words “either in writing or by such other means as the directors decide” from the end of paragraph (d) of that Model Article with the words “in writing”.
- 3.7 The Company will not distribute any Available Profits in respect of any Financial Year except with Investor Consent. Any Available Profits which the Company may determine to distribute in respect of any Financial Year will be distributed among the holders of the participating shares (*pari passu* as if such shares constituted one class of share) *pro rata to their respective holdings of shares*
- 3.8 Subject to the Act and these articles, the Board may, providing Investor Consent is given, pay interim dividends if justified by the Available Profits in respect of the relevant Financial Period.
- 3.9 If:
- (a) a share is subject to the Company’s Lien; and
  - (b) the Directors are entitled to issue a Lien Enforcement Notice in respect of it,
- they 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 in respect of that share. The Company shall notify the distribution recipient in writing of:
- (i) the fact and sum of any such deduction;
  - (ii) any non-payment of a dividend or other sum payable in respect of a share resulting from any such deduction; and
  - (iii) how the money deducted has been applied.

#### 4. VOTING

- 4.1 Subject to any other provisions in these articles concerning voting rights, every Ordinary Shareholder shall have the right to receive notice of and attend and vote at any general meeting of the Company
- 4.2 Votes on shares may be exercised:
- (a) on a show of hands by every Shareholder entitled to vote at the general meeting and who (being an individual) is present in person or (being a corporation) is present by a representative (in which case each Shareholder holding shares with votes shall have one vote); and
  - (b) on a poll by every Shareholder entitled to vote at the general meeting and who (being an individual) is present in person or by proxy or (being a corporation) is present by a representative or by a proxy (in which case each Shareholder holding shares with votes shall have one vote for each such share held).
- 4.3 A poll may be demanded at any general meeting by any qualifying person (as defined in section 318 of the Act) present and entitled to vote at the meeting. Model Article 36(3) shall be amended by the insertion of the words "A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made" as a new paragraph at the end of that Model Article.
- 4.4 For the avoidance of doubt, the Company shall not exercise any right in respect of any Treasury Shares, including without limitation any right to:
- (a) receive notice of or to attend or vote at any general meeting of the Company;
  - (b) receive a dividend or other distribution; and
  - (c) save as otherwise permitted by section 726(4) of the Act.
- 4.5 If at any time WEIF holds an amount of Ordinary Shares which constitute more than 19.5% of the total voting share capital of the Company, such shares shall be deemed to carry such amount of votes as would constitute 19.5% of the total voting share capital (such votes to be split equally on a fractional basis between such shares).
- 4.6 If at any time OIG holds an amount of Ordinary Shares which constitute more than 19.5% of the total voting share capital of the Company, such shares shall be deemed to carry such amount of votes as would constitute 19.5% of the total voting share capital (such votes to be split equally on a fractional basis between such shares).
- 4.7 If at any time WPCT holds an amount of Ordinary Shares which constitute more than 49% of the total voting share capital of the Company, or any provision of these Articles operates to allow it to exercise more than 49% of the votes capable of being exercised at a general meeting of the Company, such shares shall be deemed to carry such

amount of votes as would constitute only 49% of the total voting share capital (such votes to be split equally on a fractional basis between such shares).

## **5. PROXIES**

- 5.1 The instrument appointing a proxy and any authority under which it is executed or a copy of such authority certified notarially or in some other way approved by the Directors may 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.
- 5.2 Model Article 39 shall be amended by the insertion of a new paragraph (9) as follows:  
"(9) A proxy notice which is not delivered in accordance with this Model Article 39 shall be invalid, unless the Directors, in their discretion, accept the notice at any time before the meeting."

## **6. CLASS RIGHTS**

- 6.1 Whenever the capital of the Company is divided into different classes of shares the special rights attached to any class may be varied or abrogated either whilst the Company is a going concern or during or in contemplation of a winding up, with and only with, both of the following:
- (a) the consent in writing of the holders of 75% of the issued shares of that class; and
  - (b) Investor Consent.

## **7. FURTHER ISSUES OF SHARES**

- 7.1 Subject to the remaining provisions of this article 7, the Board is generally and unconditionally authorised for the purposes of section 551 of the Act to exercise any power of the Company to offer or allot, grant rights to subscribe for or to convert any security into and otherwise deal in, or dispose of, any shares in the Company to any person, at any time, subject to any terms and conditions as the Board thinks proper, provided that:
- (a) this authority shall be limited to a maximum nominal amount of £49,936.66,
  - (b) this authority shall only apply insofar as the Company has not by resolution waived or revoked it; and

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

This authority is in substitution for all subsisting authorities

- 7.2 Unless this article is otherwise disapplied by Special Resolution, if the Company proposes to allot any Relevant Securities, those Relevant Securities shall not be allotted to any person unless the Company has first offered them to all Shareholders on the date of the offer on the same terms, and at the same price, as those Relevant 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 possible without involving fractions). The offer:
- (a) shall be in writing, shall be open for acceptance for a period of 21 days from the date of the offer and shall give details of the number and subscription price of the Relevant Securities; and
  - (b) may stipulate that any Shareholder who wishes to subscribe for a number of Relevant Securities in excess of the proportion to which he is entitled shall, in his acceptance, state the number of excess Relevant Securities ("**Excess Securities**") for which he wishes to subscribe.
- 7.3 Any Relevant Securities not accepted by Shareholders pursuant to the offer made to them in accordance with article 7.2 shall be used for satisfying any requests for Excess Securities made pursuant to article 7.2. If there are insufficient Excess Securities to satisfy such requests, the Excess Securities shall be allotted to the applicants *pro rata* to the number of shares held by the applicants immediately before the offer was made to Shareholders in accordance with article 7.2 (as nearly as possible without involving fractions or increasing the number of Excess Securities allotted to any Shareholder beyond that applied for by him). After that allotment, any Excess Securities remaining shall be offered to any other person as the Board may determine, at the same price and on the same terms as the offer to the Shareholders.
- 7.4 Subject to articles 7.3 and 7.4 and to section 551 of the Act, any Relevant 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.

- 7.5 Without the prior written consent of the Board, no shares shall be allotted (nor any Treasury Shares be transferred) to any employee, director, prospective employee or director of any member of the Group unless such person has entered into a joint election with the Company under section 431 of ITEPA.
- 7.6 An offer of Relevant Securities made pursuant to article 7.2 shall entitle any Permitted Transferees of an Investor at the time the offer is made under article 7.2 to subscribe for such Relevant Securities offered to that Investor.

## **8. TRANSFER OF SHARES**

- 8.1 The Directors shall refuse to register any transfer of shares made in contravention of the provisions of these articles but shall not otherwise be entitled to refuse to register any transfer of shares unless (i) they suspect that the proposed transfer may be fraudulent, (ii) the registration thereof would permit the registration of a transfer of shares on which the Company has a Lien, or (iii) the transfer is to a minor. For the purpose of ensuring that a particular transfer of shares is permitted under the provisions of these articles, the Directors may request the transferor, or the person named as transferee in any transfer lodged for registration, to furnish the Company with such information and evidence as the Directors may reasonably think necessary or relevant. Failing such information or evidence being furnished to the satisfaction of the Directors within a period of 28 days after such request the Directors shall be entitled to refuse to register the transfer in question
- 8.2 If, in relation to a transfer of a share, the transferor thereof is a party to any agreement between the Company and some or all of its Shareholders (being an agreement additional to these articles) or in the event of an allotment of a new share to a person who is not a Shareholder, then the Directors may:
- (a) require the transferee or allottee of such share (as the case may be) to enter into a written undertaking (in such form as the Directors shall prescribe) to be bound (to the same extent as the transferor or to such other extent as the Directors shall reasonably stipulate) by the provisions of such agreement; and
  - (b) decline to register the transfer or allotment of such share unless and until the transferee has entered into such written undertaking.
- 8.3 The Company shall only be permitted to sell or transfer any Shares held as Treasury Shares to any person with Investor Consent.

## **9. PERMITTED TRANSFERS**

### **Transfers with shareholder approval**

- 9.1 Notwithstanding any other provision of these articles, a transfer of any shares approved with Investor Consent may be made without restriction as to price or otherwise and any

such transfer shall be registered by the Directors, free from the pre-emption provisions set out in article 10.

**Permitted transfers by corporate Shareholders**

9.2 Notwithstanding any other provisions of these articles, a transfer of any shares in the Company held by any Shareholder which is a body corporate may be made to:

- (a) an Affiliate; or
- (b) any subsidiary of that body corporate; or
- (c) that body corporate's holding company; or
- (d) any subsidiary of that body corporate's holding company; or
- (e) in respect of a limited partnership or limited liability partnership, any member of that limited partnership or limited liability partnership; or
- (f) in respect of (d), any subsidiary or holding company and any subsidiary of that holding company of any member; or
- (g) any Investment Fund that is a subsidiary or holding company of that body corporate and any Member of the Same Fund as that Investment Fund; or
- (h) with Board approval, a charitable organisation,

(a **"Member of the Same Group"**) without restriction as to price or otherwise, and any such transfer shall be registered by the Directors, free from the pre-emption provisions set out in article 10. If any such transferee ceases to be a Member of the Same Group as the original transferor it shall forthwith transfer the relevant shares back to the original transferor, or another Member of the Same Group as the original transferor.

9.3 Notwithstanding any other provision of these articles, a transfer of the legal title to any shares held in the Company by IP2IPO Nominees may be made by IP2IPO Nominees to any underlying beneficial owner of the shares without any restriction as to price or otherwise and free from pre-emption rights pursuant to article 10 and any such transfer shall be registered by the Directors.

9.4 Notwithstanding any other provisions of these articles, a transfer of any shares in the Company held by any WIM Fund may be made to:

- (a) any member for the time being of the WIM Group;
- (b) any body corporate or other entity controlled by that WIM Fund or another member of the WIM Group or any investment manager or adviser to that WIM Fund and/or member of which immediately following the transfer of Ordinary Shares concerned will be such a body corporate;



- (c) any investment fund, trust, partnership or mandate controlled, managed, advised (in an investment adviser capacity) or promoted by: (i) that WIM Fund; (ii) another member of the WIM Group, or (iii) any investment manager or advisor of that WIM Fund and/or another member of the WIM Group;
- (d) any trustee, manager, beneficiary, shareholder, partner, investor, unitholder or other participant in or of that WIM Fund or any investment fund, trust, partnership or mandate referred to in paragraph (c) above;
- (e) a nominee or custodian for any of the above, or
- (f) any bank or other lending institution or other third party by way of fixed, floating or other charge as security for the payment and discharge of the WIM Fund's obligations to the relevant bank, lending institution or other third party.

9.5 Notwithstanding any other provisions of these articles, a transfer of any shares in the Company held by any Invesco Fund may be made to:

- (a) any member for the time being of the Invesco Group;
- (b) any body corporate or other entity controlled by that Invesco Fund or another member of the Invesco Group or any investment manager or adviser to that *Invesco Fund* and/or member or which immediately following the transfer of Ordinary Shares concerned will be such a body corporate;
- (c) any investment fund, trust, partnership or mandate controlled, managed, advised (in an investment adviser capacity) or promoted by: (i) that Invesco Fund; (ii) another member of the Invesco Group; or (iii) any investment manager or advisor of that Invesco Fund and/or another member of the Invesco Group;
- (d) any trustee, manager, beneficiary, shareholder, partner, investor, unitholder or other participant in or of that Invesco Fund or any investment fund, trust, partnership or mandate referred to in paragraph (c) above,
- (e) a nominee or custodian for any of the above; or
- (f) any bank or other lending institution or other third party by way of fixed, floating or other charge as security for the payment and discharge of the Invesco Fund's obligations to the relevant bank, lending institution or other third party.

9.6 Notwithstanding any other provisions of these articles, a transfer of any shares in the Company held by any Lansdowne Fund may be made to

- (a) any member for the time being of the Lansdowne Group;
- (b) any body corporate or other entity controlled by the Lansdowne Fund or another member of the Lansdowne Group or any investment manager or adviser to the Lansdowne Fund and/or member or which immediately following the transfer of Ordinary Shares concerned will be such a body corporate;

- (c) any investment fund, trust, partnership or mandate controlled, managed, advised (in an investment adviser capacity) or promoted by: (i) Lansdowne Partners (UK) LLP; (ii) another member of the Lansdowne Group; or (iii) any investment manager or advisor of the Lansdowne Fund and/or another member of the Lansdowne Group;
- (d) any trustee, manager, beneficiary, shareholder, partner, investor, unitholder or other participant in or of the Lansdowne Fund or any investment fund, trust, partnership or mandate referred to in paragraph (c) above;
- (e) a nominee or custodian for any of the above; or
- (f) any bank or other lending institution or other third party by way of fixed, floating or other charge as security for the payment and discharge of the Lansdowne Fund's obligations to the relevant bank, lending institution or other third party.

**Permitted transfers to Privileged Relations and Family Trusts**

- 9.7 Subject to the provisions of articles 9.8 and 9.9, any Shareholder may at any time during his lifetime transfer all or any shares held by him to a Privileged Relation or to trustees to be held upon a Family Trust of which he is the settlor, free from restriction as to price or otherwise and any such transfer shall be registered by the Directors, free from the pre-emption provisions set out in article 10, provided that any such transfer of shares to trustees to be held upon a Family Trust may only be made with Board approval. Where under the provision of a deceased Shareholder's will or laws as to intestacy, the persons legally or beneficially entitled (whether immediately or contingently) to any shares in the Company, are Permitted Transferees of the deceased Shareholder, the legal representative(s) of the deceased Shareholder may transfer any share to those Permitted Transferees without restriction as to price or otherwise. Shares previously transferred as permitted by this article 9.7 may be transferred by the transferee to any other Permitted Transferee of the original Shareholder without restriction as to price or otherwise.
- 9.8 If and whenever any shares in the Company held by trustees upon a Family Trust ceases to be so held upon a Family Trust (otherwise than in consequence of a transfer to the relevant beneficiary or to any Privileged Relation of the beneficiary) or there cease to be any beneficiaries of the Family Trust other than a charity or charities a Transfer Notice (as hereinafter defined) shall be deemed to have been given in respect of all shares in the Company by the holders thereof and such shares may not otherwise be transferred.
- 9.9 If and whenever any shares in the Company are held by a Privileged Relation who ceases so to be a Privileged Relation, then within 15 Business Days of so ceasing he/she must either:

- (a) execute and deliver to the Company a transfer of the shares held by him/her to the original Shareholder (the "**Original Shareholder**") who held such shares or a Permitted Transferee of such Original Shareholder, or
- (b) give a Transfer Notice (as hereinafter defined)

failing which a Transfer Notice shall be deemed to have been given in respect of all shares in the Company held by such person and such shares may not otherwise be transferred.

#### **Criteria for consents to Family Trusts**

9.10 Where Board approval is requested to a transfer to a Family Trust such consent must be given if the Board is satisfied:

- (a) with the terms of the trust instrument and in particular with the powers of the trustees;
- (b) with the identity of the proposed trustees;
- (c) that the proposed transfer will not result in 50% or more in the aggregate of the Company's equity share capital being held by trustees of that and any other trusts; and
- (d) 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.

#### **Permitted transfers by trustees**

9.11 Notwithstanding any other provisions of these articles, trustees who hold shares on behalf of beneficiaries may transfer (i) the legal interest to that beneficial interest and (ii) the legal and/or beneficial interest to other beneficiaries, including terminating declarations of trust made in favour of certain beneficiaries and declaring new trusts in favour of other beneficiaries free from restriction as to price or otherwise and any such transfer shall be registered by the Directors, free from the pre-emption provisions set out in article 10.

9.12 Notwithstanding any other provisions of these articles, a transfer of shares held by a Shareholder may be made by:

- (a) trustees of a Family Trust to new trustees of such Family Trusts or to persons who are beneficiaries under such trusts; or
- (b) a transfer from a Shareholder holding shares as a share trustee to persons who are beneficiaries under such share trusts,

free from restriction as to price or otherwise and any such transfer shall be registered by the Directors, free from the pre-emption provisions set out in article 10

9.13 Notwithstanding any other provisions of these articles, a transfer of any shares in the Company may be made by the University to:

- (a) any limited partnership or any similar investment vehicle in which the University, or any colleges of the University, are the majority participants from time to time (or to a nominee appointed by such person); or
- (b) any subsidiary (whether direct or indirect) of the University.

9.14 Any EBT shall be entitled to transfer or distribute any share or shares according to its rules to any employee of the Company.

## **10. PRE-EMPTION RIGHTS**

### **Transfer Notices and Sale Price**

- 10.1 Except where otherwise provided in these articles (including under articles 9 and 12), every Shareholder who desires to transfer any interest in shares ("**Seller**") must serve a Transfer Notice and any Shareholder who is required by these articles to transfer any interest in shares will be deemed to have served a Deemed Transfer Notice.
- 10.2 Transfer Notices and Deemed Transfer Notices shall constitute the Company as the Seller's agent for the sale of the Sale Shares at the price at which the Seller wishes to offer the Shares for sale unless stated otherwise in these articles or, if none at a price agreed by the Seller and the Directors (the "**Sale Price**"). If the Seller and the Directors are unable to agree a price within 21 days of the Transfer Notice being given or being deemed to have been given, the Sale Price will instead be the price which the Independent Expert shall certify to be in his opinion a fair value of the Sale Shares ("**Fair Value**"). In arriving at his opinion the Independent Expert will value the Sale Shares as at the date the Transfer Notice is given, or is deemed to have been given, on a going concern basis as between a willing seller and a willing buyer, ignoring any reduction in value which may be ascribed to the Sale Shares by virtue of the fact that they represent a minority interest and on the assumption that the Sale Shares are capable of transfer without restriction. The decision of the Independent Expert as to the Sale Price shall, save in the case of manifest error, be final and binding.
- 10.3 Each member hereby irrevocably appoints the chairman (or failing him, any other Director or some other person nominated by a resolution of the Board) as agent on its behalf, so that if it shall fail or refuse to transfer its shares as required by these Articles, the chairman (or such other Director or person) may execute and deliver the necessary transfers and any other documents necessary for that holder to comply with the terms of these Articles and to receive the purchase money in trust for it and cause the transferee to be registered in accordance with these Articles as the holder of such shares (subject to the transfer being duly stamped). The receipt of the Chairman (or such other Director or person) for the purchase money shall be a good discharge to the purchaser (who shall not be bound to see to the application of it). On registration of a

transfer in exercise of these powers the validity of the proceedings shall not be questioned by any person.

#### **Right of Seller to reject partial sales**

10.4 A Transfer Notice (but not a Deemed Transfer Notice) may contain a condition (a **"Total Transfer Condition"**) that unless all the Sale Shares are sold by the Company pursuant to this article none shall be sold. Any such provision shall be binding on the Company.

#### **Certification of the Sale Price and right of Seller to cancel**

10.5 If the Independent Expert is asked to certify the fair value his certificate shall be delivered to the Company. As soon as the Company receives the certificate it shall deliver a copy of it to the Seller. The Seller shall be entitled by notice in writing given to the Company within 14 days of the service upon him of the copy certificate to cancel the Company's authority to sell the Sale Shares unless the shares are to be sold pursuant to a Deemed Transfer Notice. The cost of obtaining the certificate shall be paid by the Company unless the Seller cancels the Company's authority to sell the Sale Shares in which case the Seller shall bear the cost.

#### **Pre-emptive offers-general**

10.6 Once the Sale Price has been agreed or determined (as the case may be) then, unless the Seller has given a valid notice of cancellation pursuant to article 10.5, the Sale Shares shall be offered for sale in accordance with the following provisions of this article.

10.7 The Sale Shares shall be allocated by the Directors in satisfaction of the applications received in accordance with the procedure set out in this article.

10.8 As soon as the Sale Shares become available they shall forthwith be offered for sale by the Company giving notice in writing to that effect to all holders of Shares (other than the Seller). The notice shall specify:

- (a) the number of Sale Shares on offer and the Sale Price;
- (b) whether the Sale Shares are subject to a Total Transfer Condition; and
- (c) the date by which the application to purchase the Sale Shares has to be received by the Company (being a date no less than 14 days and no more than 21 days after the date of the notice).

10.9 The notice shall set out an offer to each holder of Shares (other than the Seller) such proportion of the Sale Shares that is as nearly as practicable equal to the proportion in nominal value of the Shares (other than the Sale Shares) held by him, and shall invite each Shareholder to apply in writing to the Company for as many of the Sale Shares (if any) as that Shareholder would like to purchase.

10.10 An offer of Sale Shares made to any Investor pursuant to article 10 shall, as directed by the relevant party, entitle any Permitted Transferee at the time at which the offer is made under article 10 to purchase all or some of such Sale Shares offered to that Investor.

10.11 If the total number of Sale Shares applied for by the Shareholders is equal to or less than the number of Sale Shares available, the Sale Shares shall be allocated in satisfaction of the applications received and where the total number of Sale Shares applied for by the Shareholders is less than the number of Sale Shares available (and following such allocation), the provisions of article 10.12 shall apply

10.12 If the total number of Sale Shares applied for is more than the number of Sale Shares available, the Directors shall allocate Sale Shares in satisfaction of each Shareholder's application for Sale Shares in accordance with the following formula. This formula shall be applied repeatedly until such time as there are no Sale Shares remaining to be allocated. Each application of the formula is herein referred to as an "iteration"

$$A = \frac{B}{C} \times D$$

**A** is the whole number of Sale Shares to be allocated to the relevant Shareholder in the iteration with fractional entitlements being rounded down.

**B** is the number of shares in the Company held by the Shareholder prior to the contemplated transfer.

**C** is the number of shares in the Company held by all Shareholders to whom the iteration is being applied.

**D** is the number of Sale Shares or, after the first iteration, the number of Sale Shares remaining unallocated by previous iterations.

10.13 If, in any iteration, a Shareholder would be allocated all or more than all of the Sale Shares for which he applied (including allocations from previous iterations) then any excess will not be allocated to that Shareholder. That Shareholder will cease to take part in any further iterations and the excess Sale Shares will be available for allocation in the next iteration.

10.14 The Company shall notify the Seller and each Shareholder who applied for Sale Shares ("Transferee") of the number of Sale Shares that have been allocated and the persons to whom they have been allocated. The notification shall include the place and time (being not later than 14 days after the date by which applications had to be received) at which the sale of the Sale Shares shall be completed.

#### **Transfer procedure for pre-emptive offers**

10.15 If the Company finds a purchaser or purchasers for all or (save where a Total Transfer Condition is contained in the relevant Transfer Notice and has not been waived) any of the Sale Shares under the terms of this article the Seller shall be bound, upon receipt of the Sale Price, to transfer the Sale Shares (or such of the same for which the Company shall have found a purchaser or purchasers) to such persons. If the Seller defaults in transferring Sale Shares the Company shall, if so required by the person or persons willing to purchase such Sale Shares, receive and give a good discharge for the purchase money on behalf of the Seller and shall authorise some person to execute transfers of the Sale Shares in favour of the purchasers and shall enter the names of the purchasers in the Register of Shareholders as the holder of such of the Sale Shares as have been transferred to them.

10.16 Where a Transfer Notice lapses and the Company fails to find a purchaser or purchasers for all or any of the Sale Shares (including where the Transfer Notice contains a Total Transfer Condition and that condition has not been satisfied or waived), the Seller may, at any time during 40 Business Days following the date of the lapse of the Transfer Notice transfer all or all remaining Sale Shares to any person at a price not less than the Sale Price.

#### **Effect of non-compliance**

10.17 Any purported transfer of shares otherwise than in accordance with the provisions of these articles shall be void and have no effect.

### **11. COMPULSORY TRANSFERS**

11.1 In this article 11, a "**Transfer Event**" means in relation to any Shareholder:

- (a) a Shareholder who is an individual becoming bankrupt;
- (b) a Shareholder making any arrangement or composition with his creditors generally;
- (c) a Shareholder who is a body corporate or public sector entity:
  - (i) having a receiver, manager or administrative receiver appointed over all or any part of its undertaking or assets; or
  - (ii) having an administrator appointed in relation to it; or
  - (iii) entering into liquidation (other than a voluntary liquidation for the purpose of a bona fide scheme of solvent amalgamation or reconstruction); or
  - (iv) having any equivalent action taken in any jurisdiction,

- (d) a Shareholder who becomes a Good Leaver, save where the Board determines otherwise or where the relevant Shareholder is a Manager when the provisions of article 11.7 shall apply in the event such Manager becomes a Good Leaver;
- (e) a Shareholder or any Privileged Relation of a Shareholder or the trustees of any Family Trust of a Shareholder attempting to deal with or dispose of any share or any interest in it otherwise than in accordance with these articles; or
- (f) a Shareholder not giving a Transfer Notice in respect of any shares or transfer any shares (as the case may be) as is otherwise required by these articles.

11.2 Any Shareholder who becomes aware of the occurrence of a Transfer Event shall immediately notify the Company and all the other Shareholders in writing of that Transfer Event. Upon the happening of any Transfer Event, the Shareholder in respect of whom it is a Transfer Event and any Privileged Relation who or Family Trust which has acquired shares from him (directly or by a means of a series of two or more transfers) shall be deemed to have immediately given a Transfer Notice in respect of all the shares then held by such Shareholder(s) ("**Deemed Transfer Notice**"). A Deemed Transfer Notice shall supersede and cancel any then current Transfer Notice insofar as it relates to the same shares except for shares which have been validly transferred pursuant to that Transfer Notice. Notwithstanding any other provisions of these articles, any Shareholder holding shares in respect of which a Deemed Transfer Notice is deemed given shall not be entitled to exercise any voting rights at general meetings of the Company in respect of those shares on and from the date of the relevant Deemed Transfer Notice until the entry in the register of members of the Company of another person as the holder of those shares.

11.3 The shares the subject of any Deemed Transfer Notice shall be offered for sale in accordance with article 10 as if they were Sale Shares in respect of which a Transfer Notice had been given and treating as the Seller the person who is deemed to have given the Deemed Transfer Notice save that:

- (a) the Sale Price shall be a price per Sale Share agreed between the Seller and the Board and in default of agreement within twenty business days after a Transfer Notice has been deemed to have been given under article 11.2, the Fair Value;
- (b) the Seller may retain any Sale Shares for which Transferees are not found; and
- (c) the Sale Shares shall be sold together with all rights attaching thereto as at the date of the Transfer Event, including the right to any dividend declared or payable on those shares after that date.

11.4 Between the date of the Deemed Transfer Notice and the transfer of the Relevant Member's shares, all voting rights attaching to such shares shall be suspended.



- 11.5 In the event a Leaver is a Good Leaver (and only for so long as such Good Leaver has not been reclassified as a Bad Leaver), he (and any of his Permitted Transferees under article 9 whom have acquired Ordinary Shares from him (whether directly or by a means of a series of two or more transfers)) may retain his and their Ordinary Shares subject to the terms of these articles provided that for so long as those Ordinary Shares continue to be held by such Manager and/or any of his Permitted Transferees under article 9, they shall no longer confer any right to attend, speak or vote at any general meeting of the Company or any class meeting nor count towards any Investor Consent.

*Bad Leavers*

- 11.6 If a Leaver is a Bad Leaver (or if a Good Leaver is reclassified as a Bad Leaver), then, unless the Board determine otherwise, the Leaver and any Privileged Relation who or Family Trust which has acquired Ordinary Shares from him (directly or by a means of a series of two or more transfers) shall be deemed to have immediately given a Transfer Notice ("**Bad Leaver Transfer Notice**") in respect of the following number of Bad Leaver Shares.
- (a) in the event the Termination Date occurs any time prior to the date which is 12 months from the Adoption Date (the "**Trigger Date**"), all of the Bad Leaver Shares; and
  - (b) in the event that the Termination Date occurs at any time after the Trigger Date but prior to the date which is 24 months from the Adoption Date, 50% of all of the Bad Leaver Shares (rounded down to the nearest whole number).

A Bad Leaver Transfer Notice shall supersede and cancel any then current Transfer Notice insofar as it relates to the same Bad Leaver Shares except for Bad Leaver Shares which have been validly transferred pursuant to that Transfer Notice. Notwithstanding any other provisions of these articles, any Shareholder holding Bad Leaver Shares in respect of which a Bad Leaver Transfer Notice is deemed given shall not be entitled to exercise any voting rights at general meetings of the Company in respect of those Bad Leaver Shares on and from the date of the relevant Bad Leaver Transfer Notice until the entry in the register of Shareholder of the Company of another person as the holder of those Bad Leaver Shares.

- 11.7 The Bad Leaver Shares the subject of any Bad Leaver Transfer Notice shall be offered for sale in accordance with article 10 as if they were Sale Shares in respect of which a Transfer Notice had been given and treating as the Seller the person who is deemed to have given the Deemed Transfer Notice save that:
- (a) the Sale Price shall be the lower of the Subscription Price paid by the relevant Leaver and Fair Value;
  - (b) the Seller may retain any Sale Shares for which Transferees are not found subject to the terms of these articles provided that for so long as those Sale Shares retained by the Seller are held by that Seller or any of his or her Permitted Transferees they shall carry no right to vote and no right for the holder to receive notice of or attend or speak

at any general meeting of the Company or any class meeting nor count towards any Investor Consent; and

- (c) the Sale Shares sold shall be sold together with all rights attaching thereto as at the date of the Transfer Event, including the right to any dividend declared or payable on those Shares after that date.

## 12. TAG ALONG AND DRAG ALONG RIGHTS

### Tag along

- 12.1 Notwithstanding any other provision in these articles, no sale or transfer or other disposition of any interest in any shares ("**Specified Shares**") shall have any effect if it would result in a Controlling Interest being obtained in the Company by any person or group of persons acting in concert unless, before the sale, transfer or other disposition takes effect, the proposed transferee has made a bona fide offer in accordance with this article 12 to purchase at the specified price (defined in article 12.3) all the shares held by all the other Shareholders (except any Shareholder which has expressly waived its right to receive such offer for the purpose of this article).
- 12.2 An offer made under article 12.1 shall be in writing, open for acceptance for at least 30 days and shall be deemed to be rejected by any Shareholder who has not accepted it in accordance with its terms within the time period for acceptance.
- 12.3 For the purpose of article 12.1:
  - (a) the expression "**transfer**" shall include the renunciation of a renounceable letter, and
  - (b) the expression "**specified price**" means a price per share equal to the highest price paid or payable by the transferee or persons acting in concert with him or connected with him for any shares within the last 6 months plus an amount equal to the relevant proportion of any other consideration (in cash or otherwise) received or receivable by the holders of the specified shares which, having regard to the substance of the transaction as a whole, can reasonably be regarded as part of the overall consideration paid or payable for the specified shares.
- 12.4 If the specified price or its cash equivalent for any shares cannot be agreed within 15 business days of the proposed sale, transfer or other disposition referred to in article 12.1 between the proposed transferee and Shareholders holding 75% of that particular class of shares concerned (excluding the transferee and persons who have waived their right to receive an offer), it may be referred to the Independent Expert by any Shareholder and, pending its determination, the sale, transfer or other disposition referred to in article 12.1 shall have no effect. The costs of the Independent Expert shall be borne as the Independent Expert shall determine.

- 12.5 The rights of pre-emption set out in these articles shall not arise on any transfer of shares made in accordance with articles 12.1 to 12.4 inclusive. Further, the provisions of articles 12.1 to 12.4 shall not apply where a Drag Along Notice has been served.

**Drag along**

- 12.6 If the holders of 80% of the shares in issue for the time being (excluding any Treasury Shares), which must include each of the Investors and their (respective) Permitted Transferees (the **"Selling Shareholders"**) wish to transfer all their interest in shares (the **"Sellers' Shares"**) to a bona fide arm's length purchaser (the **"Third Party Purchaser"**) on arm's length terms, the Selling Shareholders shall have the option (the **"Drag Along Option"**) to require all the other Shareholders (the **"Called Shareholders"**) to sell and transfer all their shares to the Third Party Purchaser or as the Third Party Purchaser shall direct in accordance with the provisions of this article.
- 12.7 The Selling Shareholders may exercise the Drag Along Option by giving a written notice to that effect (a **"Drag Along Notice"**) at any time before the transfer of the Sellers' Shares to the Third Party Purchaser. A Drag Along Notice shall specify that the Called Shareholders are required to transfer all their shares (the **"Called Shares"**) pursuant to this article, the person to whom they are to be transferred, the consideration for which the Called Shares are to be transferred (calculated in accordance with this article) and the proposed date of transfer. The consideration for which each Called Share is to be transferred shall be the price per **share** at which the relevant transfer of **Sellers' Shares** referred to in article 12.6 takes place.
- 12.8 Drag Along Notices shall be irrevocable but will lapse if for any reason there is not a sale of the Sellers' Shares by the Selling Shareholders to the Third Party Purchaser within 60 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.
- 12.9 No Drag Along Notice may require a Called Shareholder to agree to any terms save those specifically provided for in this article.
- 12.10 Completion of the sale of the Called Shares shall take place on the same date as the date proposed for completion of the sale of the Sellers' Shares unless:
- (a) all of the Called Shareholders and the Selling Shareholders agree otherwise, or
  - (b) that date is less than 3 days after the Drag Along Notice where it shall be deferred until the third day after the Drag Along Notice.
- 12.11 The rights of pre-emption set out in these articles shall not arise on any transfer of shares to a Third Party Purchaser (or as they may direct) pursuant to a sale in respect of which a Drag Along Notice has been duly served.

12.12 If any Shareholder does not on completion of the sale of Called Shares execute transfer(s) in respect of all the Called Shares held by them the defaulting holder shall be deemed to have irrevocably appointed a Director of the Company to be their agent and attorney to execute all necessary transfer(s) on his behalf against receipt by the Company (on trust for such holder) of the purchase monies or any other consideration payable for the Called Shares deliver such transfer(s) to the Third Party Purchaser (or as they may direct) and the Directors shall forthwith register the Third Party Purchaser (or as they may direct) as the holder thereof. After the Third Party Purchaser (or their nominee) has been registered as the holder, the validity of such proceedings shall not be questioned by any such person. It shall be no impediment to registration of shares under this sub-article that no share certificate has been produced.

12.13 Upon any person, following the issue of a Drag Along Notice, becoming a Shareholder of the Company pursuant to the exercise of a pre-existing option to acquire shares in the Company (a "**New Shareholder**"), a Drag Along Notice shall be deemed to have been served upon the New Shareholder on the same terms as the previous Drag Along Notice who shall thereupon be bound to sell and transfer all such shares acquired by them to the Third Party Purchaser or as the Third Party Purchaser may direct and the provisions of this article shall apply mutatis mutandis to the New Shareholder save that completion of the sale of such shares shall take place forthwith upon the Drag Along Notice being deemed served on the New Shareholder.

#### **New Holding Company**

12.14 In anticipation of, and to facilitate, a Listing, or where otherwise resolved by the Board to be in the best interests of the Company and such resolution is approved by Investor Consent, the entire issued share capital of the Company is acquired by a newly incorporated company with no previous trading history (a "**New Holding Company**"), such that immediately subsequent to such acquisition:

- (a) the number and class of shares comprised in the issued share capital of the New Holding Company and the identity of the shareholders of the New Holding Company and the number and class of shares held by each such person is the same (save for the fact that such shares are issued by a different company) as the issued share capital of the Company and the identity of the shareholders of the Company and the number and class of shares held by each such person immediately prior to such acquisition;
- (b) the rights attaching to each class of share comprised in the New Holding Company are the same (save for the fact that such shares are issued by a different company) as those rights attaching to the like class of share comprised in the share capital of the Company immediately prior to such acquisition; and

- (c) the articles of association of the New Holding Company are materially the same (save for the fact that they apply in respect of a different company) as these articles immediately prior to such acquisition,

THEN:

- (i) such acquisition shall be deemed not to constitute a Share Sale for the purposes of these articles;
- (ii) notwithstanding any other provision in these articles and for so long as the New Holding Company is a shareholder in the Company, if any shares in the Company are allotted and issued to any person (a "**New Member**") other than the New Holding Company (or any nominee of the New Holding Company) on or after the date of the initial acquisition of the shares of the Company by the New Holding Company it will be a condition of such allotment and issue that such New Member (or any subsequent transferee of the shares held by the New Member) and the New Holding Company shall do such acts and things necessary to ensure that, such shares in the Company (the "**Disposal Shares**") are immediately transferred to the New Holding Company (or, at the direction of the New Holding Company, to a nominee of the New Holding Company) in consideration of the issue to the New Member (or such subsequent transferee, as the case may be) of:
  - (1) an equal number of shares in the New Holding Company being shares of the same class and having the same rights (save for the fact that such shares are issued by a different company) as the Disposal Shares. The shares so issued by the New Holding Company shall be issued credited as fully paid up as to an amount equal to the amount credited as paid up on the Disposal Shares; or
  - (2) in the event of a Reorganisation and/or Holding Company Reorganisation which the Directors (with Investor Consent) determine to be relevant to the application of this article 12.14 to any particular Disposal Shares such that the application of sub-paragraph (1) above is inappropriate to such Disposal Shares, then such number and class of shares in the New Holding Company as the Directors may, having regard to the terms of the Reorganisation and/or Holding Company Reorganisation (as applicable) determine to be equivalent to (or otherwise representative of) such number and class of share in the New Holding Company as the New Member would have acquired pursuant to this article 12.14 but for the Reorganisation and/or the Holding Company Reorganisation (as

applicable). The shares so issued by the New Holding Company shall be issued credited as fully paid up as to such an amount per share as the Directors may determine represents the amount credited as fully paid up on the Disposal Shares. A determination of the Directors under this article 12.14 shall be final and binding on all persons subject only to the auditors of the Company confirming that, in their opinion, such determination is fair and reasonable having regard to such matters, facts and circumstances as the auditors of the Company consider relevant.

- 12.15 The New Holding Company shall ensure that the shares issued by it to the New Member (or a subsequent holder, as the case may be) will be credited as fully paid as to the amount determined in accordance with article 12.14 and which new shares shall be subject to the articles of association of the New Holding Company and otherwise (subject to the express provisions of such articles and memorandum of association) have the same right as all other New Holding Company shares of the same class in issue at the time. The Company shall not be obliged to give a certificate to a New Member (or subsequent holder (other than the New Holding Company or its nominee) for the Disposal Shares.
- 12.16 To give effect to any such transfer required by article 12.14 to 12.15 either the Company or New Holding Company may appoint any person to execute and deliver as transferor a form of transfer or instructions to transfer on behalf of the New Member (or subsequent holder) in favour of the New Holding Company (or its nominee) and to agree for and on behalf of the New Member to become a member of the New Holding Company.

### **13. APPOINTMENT AND REMOVAL OF DIRECTORS**

- 13.1 The Directors may appoint a person who is willing to act to be a director, either to fill a vacancy or as an additional director. In addition, Shareholders representing more than half of the shares which carry the right to attend and vote at general meetings of the Company may by notice to the Company together appoint a person who is willing to act to be a director either to fill a vacancy or as an additional director.
- 13.2 The Board shall appoint and maintain in office:
- (a) the individuals serving as chief executive officer, chief operating officer and chief scientific officer as directors of the Company. In the event that any individual is appointed as a director and ceases to serve as chief executive officer, chief operating officer and/or chief scientific officer, the Board shall remove him from his office as a director of the Company and appoint his replacement as a director;

- (b) such natural person as an independent chairman and such person shall serve as a director of the Company. In the event that any individual is appointed as a director and ceases to serve as the independent chairman, the Board shall remove him from his office as a director of the Company and appoint his replacement as a director; and
  - (c) such natural person as a non-executive director of the Company and to remove any non-executive director so appointed and, upon his removal whether by the Board or otherwise, appoint another director in his place.
- 13.3 Model Article 22 shall be modified by the addition of the following events upon the occurrence of which a person shall cease to be a Director:
- (a) he is convicted of a criminal offence (other than a minor motoring offence) and a majority of the other Directors resolve that he cease to be a Director;
  - (b) save in the case of the each Investor Director, a majority of the other Directors resolve that he cease to be a Director;
  - (c) in the case of the Chairman, he ceases to hold the position of the Chairman,
  - (d) in the case of an executive Director only, he shall cease to be employed by the Company or other Group Company (as appropriate) or, if applicable, ceases to provide consultancy services to the Company or other Group Company and does not either continue as an employee of or consultant to any other Group Company or otherwise provide consultancy services to any other Group Company

#### 14. BOARD APPOINTEES

- 14.1 Notwithstanding any other provisions of these articles, for so long as IP2IPO and IPVFI (acting jointly and together with any of their respective Permitted Transferees) hold at least 5% of the issued share capital of the Company, they shall be entitled to appoint as a Director of the Company any person and to remove from office any person so appointed and to appoint another person in his place (the “**IP2IPO Director**”).
- 14.2 Notwithstanding any other provisions of these articles, Vertex shall, for so long as it (together with any of its Permitted Transferees) holds at least 5% of the issued share capital of the Company, be entitled to appoint as a Director of the Company any person and to remove from office any person so appointed and to appoint another person in his place (the “**Vertex Director**”).
- 14.3 Notwithstanding any other provisions of these articles, WIM shall, for so long as the WIM Funds (together with any of their Permitted Transferees) hold at least 5% of the issued share capital of the Company, be entitled to appoint as a Director of the Company any person and to remove from office any person so appointed and to appoint another person in his place (the “**WIM Director**”).

- 14.4 Notwithstanding any other provisions of these articles, Invesco shall, for so long as it (together with any of its Permitted Transferees) holds at least 5% of the issued share capital of the Company, be entitled to appoint as a Director of the Company any person and to remove from office any person so appointed and to appoint another person in his place (the "**Invesco Director**").
- 14.5 Notwithstanding any other provisions of these articles, Foresite shall, for so long as it (together with any of its Permitted Transferees) holds at least 3% of the issued share capital of the Company, be entitled to appoint as a Director of the Company any person and to remove from office any person so appointed and to appoint another person in his place (the "**Foresite Director**").
- 14.6 Notwithstanding any other provisions of these articles, F-Prime shall, for so long as it (together with any of its Permitted Transferees) holds at least 3% of the issued share capital of the Company, be entitled to appoint as a Director of the Company any person and to remove from office any person so appointed and to appoint another person in his place (the "**F-Prime Director**").
- 14.7 Any appointment or removal of an Investor Director under articles 14.1 to 14.6 (inclusive) will take effect at and from the time when the notice is received at the registered office of the Company or produced to a meeting of the Directors.
- 14.8 In the event that IP2IPO and IPVFI (acting jointly), Vertex, WIM, Invesco, Foresite and F-Prime decide not to appoint a director pursuant to articles 14.1, 14.2, 14.3, 14.4, 14.5 and/or 14.6 (as applicable) and each, together with their Permitted Transferees, respectively hold at least 3% of the Shares in issue, IP2IPO and IPVFI (acting jointly), Vertex, WIM and/or Invesco shall each be entitled to appoint a representative to attend as an observer at each and any meeting of the Board and of each and any committee of the Board who will be entitled to speak at any such meetings but will not vote.
- 14.9 For the longer of (i) a period of two (2) years from the Adoption Date or (ii) for so long as it holds at least 3% of the Shares in issue, OSI together with its Permitted Transferees shall have the right to appoint a representative to attend as an observer at each and any meeting of the Board and of each and any committee of the Board who will be entitled to speak at any such meeting but will not vote
- 14.10 For the longer of (i) a period of two (2) years from the Adoption Date or (ii) for so long as it holds at least 3% of the Shares in issue, the University together with its Permitted Transferees shall have the right to appoint a representative to attend as an observer at each and any meeting of the Board and of each and any committee of the Board who will be entitled to speak at any such meeting but will not vote.
- 14.11 The Investor Directors shall be entitled at their request to be appointed to any committee of the Board established from time to time and to the board of directors of any subsidiary.



14.12 All documents and information handed or sent to Directors (including any proposed written resolutions) must be handed or sent to the Observer(s) as nearly as possible at the same time.

## **15. PROCEEDINGS OF DIRECTORS**

15.1 Any decision of the Directors must be taken at a meeting of Directors in accordance with these articles or must be a decision taken in accordance with article 15.2 (subject to article 15.3 and article 15.4). All decisions made at any meeting of the Directors (or any committee of the Directors) shall be made only by resolution and resolutions at any meeting of the Directors (or committee of the Directors) shall be decided by a majority of votes.

15.2 A unanimous decision of the Directors is taken when all Eligible Directors indicate to each other by any means that they share a common view on a matter.

15.3 A decision taken in accordance with article 15.2 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.

15.4 A decision may not be taken in accordance with article 15.2 if the Eligible Directors would not have formed a quorum at a Directors' meeting to vote on the matter in accordance with article 15.7 and article 15.8.

15.5 Meetings of the Directors shall take place at least every two months, on no less than six separate occasions per annum, unless the Board shall agree otherwise. Any Director may call a meeting of the Directors, or authorise the company secretary (if any) to give such notice. At least five Business Days' advance notice in writing of each such meeting shall be given to each Director and each Observer save where they agree to shorter notice. Notice of every meeting of the Directors shall be given to each Director and Observer at any address supplied by him to the Company for that purpose whether or not he be present in the United Kingdom provided that any Director or Observer may waive notice of any meeting either prospectively or retrospectively and if he shall do so it shall be no objection to the validity of such meeting that notice was not given to him. Meetings of the Directors may, be held by conference telephone or similar equipment, so long as all the participants can hear and be able to speak to each other. Such meetings shall be as effective as if the Directors had met in person. Where decisions of the Directors are taken by electronic means, such decisions shall be recorded by the Directors in permanent form, so that they may be read with the naked eye.

15.6 Notice of any Directors' meeting must indicate:

- (a) its proposed date and time;
- (b) where it is to take place; and

- (c) if it is anticipated that Directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.

- 15.7 The quorum for any meeting (or, where specified below, part of a meeting) of the Directors shall be at least five (5) Directors, which must, to the extent the same are appointed, include at least three (3) Investor Directors, unless less than three (3) Investor Directors are appointed, in which case only those Investor Directors must be present. If no Investor Directors are appointed, the quorum for any meeting of the Directors shall be at least three Directors. If any Director by notice in writing to the company agrees to a meeting which would otherwise be inquorate taking place without his or her attendance, that Director shall be counted as part of the quorum for the purposes of this article 15.7.
- 15.8 If the necessary quorum pursuant to article 15.7 for any meeting is not present within 30 minutes 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 date which is one week from the original meeting or to such other time and place as the Directors determine. If a quorum is not present at any such adjourned meeting within 30 minutes from the time appointed, then those present shall constitute a quorum and the meeting shall proceed. No business shall be raised at a meeting adjourned pursuant to this article 15.8 unless it was included in the agenda and associated notices of the original meeting.
- 15.9 For the purposes of any meeting (or part of a meeting) held pursuant to article 15.5 to authorise a conflict of interest, if there is only one Eligible Director in office other than the conflicted Director(s), the quorum for such meeting (or part of a meeting) shall be one Eligible Director.
- 15.10 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 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.
- 15.11 Questions arising at any meeting of the Directors shall be decided by a majority of votes. If there is an equality of votes, the chairman (or other chairman of the meeting) shall not have a second or casting vote.

## 16. DIRECTORS' CONFLICTS OF INTEREST

### *Specific interests of a Director*

16.1 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:

- (a) 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;
- (b) 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,
- (c) 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;
- (d) 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;
- (e) 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;
- (f) 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;
- (g) an interest which cannot reasonably be regarded as likely to give rise to a conflict of interest; or
- (h) any other interest authorised by Ordinary Resolution.

*Interests of the Investor Directors*

16.2 In addition to the provisions of article 16 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:

- (a) an Investment Manager;
- (b) any of the Investment Funds advised or managed by an Investment Manager from time to time; or
- (c) another body corporate or firm in which Investment Manager or any Investment Fund advised by such Investment Manager has directly or indirectly invested, including without limitation any portfolio companies

*Interests of which a Director is not aware*

16.3 For the purposes of this article 16, 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*

16.4 In any situation permitted by this article 16 (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*

16.5 Subject to article 16.6, any authority given in accordance with section 175(5)(a) of the Act in respect of a Director ("**Interested Director**") who has proposed that the Directors authorise his interest ("**Relevant Interest**") pursuant to that section may, for the avoidance of doubt:

- (a) 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:
  - (i) 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;

- (ii) 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
  - (iii) restricting the application of the provisions in articles 16.7 and 16.8, so far as is permitted by law, in respect of such Interested Director;
- (b) be withdrawn, or varied at any time by the Directors entitled to authorise the Relevant Situation as they see fit from time to time,

and, subject to article 16.6, 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 16.

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

16.6 Notwithstanding the other provisions of this article 16, it shall not be made a condition of any authorisation of a matter in relation to an 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 16.7.

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

16.7 Subject to article 16.8 (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 16), 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.

- (a) to disclose such information to the Company or to any Director, or to any officer or employee of the Company; or
- (b) otherwise to use or apply such confidential information for the purpose of or in connection with the performance of his duties as a Director.

16.8 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 16.7 shall apply only if the conflict arises out of a matter which falls within article 16.1 or article 16.2 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*

16.9 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:

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

*Requirement of a Director is to declare an interest*

16.10 Subject to section 182 of the Act, a Director shall declare the nature and extent of any interest permitted by article 16.1 or article 16.2 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:

- (a) falling under article 16.1(g);
- (b) 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
- (c) 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*

16.11 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 16.

16.12 For the purposes of this article 16:

- (a) a conflict of interest includes a conflict of interest and duty and a conflict of duties;
- (b) the provisions of section 252 of the Act shall determine whether a person is connected with a Director; and
- (c) 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.

## **17. NOTICES OF GENERAL MEETINGS AND QUORUM**

- 17.1 Every notice convening a general meeting may be given in accordance with section 308 of the Act, that is, in hard copy form or electronic form by email and shall comply with the provisions of section 325(1) of the 2006 Act as to giving information to members in regard to their right to appoint proxies. Notices of, and other communications relating to, any general meeting which any member is entitled to receive shall be sent to the Directors and to the auditors of the Company.
- 17.2 The quorum for a general meeting shall be at least two qualifying persons (as defined in section 318 of the Act) present at the general meeting, and must also (for so long as each shall remain, or any of its **Permitted Transferees shall remain, a Shareholder**), include a duly appointed representative of each of the Investors except when the Company has only one Shareholder, when the quorum shall be one such qualifying person
- 17.3 Where a general meeting is adjourned under Model Article 41 because a quorum is not present or if during a meeting a quorum ceases to be present, and at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the Shareholders present shall form a quorum, and Model Article 41 shall be modified accordingly.

## **18. LIEN, CALLS ON SHARES, FORFEITURE AND RESTRICTIONS**

- 18.1 The Company has a lien (the "**Company's Lien**") over every Ordinary Share which is not fully paid for all and any 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. 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.
- 18.2 **Enforcement of the Company's Lien**
- (a) Subject to the provisions of this article 18.2, if:
- (i) a Lien Enforcement Notice has been given in respect of a share; and
  - (ii) the person to whom the notice was given has failed to comply with it,
- the Company may sell that share in such manner as the Directors decide.
- (b) A Lien Enforcement Notice:

- (i) may only be given 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;
  - (ii) must specify the share concerned;
  - (iii) must require payment of the sum within 14 clear days of the notice (that is, excluding the date on which the notice is given and the date on which that 14 day period expires);
  - (iv) must be addressed either to the Shareholder or to a transmittee of that holder; and
  - (v) must state the Company's intention to sell the share if the notice is not complied with.
- (c) Where shares are sold under this article 18.2:
- (i) the Directors may authorise any person to execute an instrument of transfer of the shares to the purchaser or to a person nominated by the purchaser; and
  - (ii) the transferee is not bound to see to the application of the consideration, and the transferee's title is not affected by any irregularity in or invalidity of the process leading to the sale.
- (d) 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:
- (i) 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; and
  - (ii) second, to the person entitled to the shares at the date of the sale, but only after the certificate for the shares 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 certificates, and subject to a Lien equivalent to the Company's Lien over the shares before the sale for any money payable by that person (or his estate or any joint holder of the shares) after the date of the Lien Enforcement Notice.
- (e) A statutory declaration by a Director that the declarant is a Director and that a share has been sold to satisfy the Company's Lien on a specified date:
- (i) is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share; and
  - (ii) subject to compliance with any other formalities of transfer required by these articles or by law, constitutes a good title to the share.



### 18.3 Call notices

- (a) 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 due in respect of a Share (a “**Call**”) which is payable to the Company at the date when the Directors decide to send the Call Notice.
- (b) A Call Notice:
  - (i) may not require a Shareholder to pay a Call which exceeds the total amount of his indebtedness or liability to the Company,
  - (ii) must state when and how any Call to which it relates is to be paid; and
  - (iii) may permit or require the Call to be made in instalments
- (c) A Shareholder must comply with the requirements of a Call Notice, but no Shareholder is obliged to pay any Call before 14 clear days (that is, excluding the date on which the notice is given and the date on which that 14 day period expires) have passed since the notice was sent.
- (d) Before the Company has received any Call due under a Call Notice the Directors may:
  - (i) revoke it wholly or in part; or
  - (ii) specify a later time for payment than is specified in the notice,by a further notice in writing to the Shareholder in respect of whose shares the Call is made.
- (e) 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:
  - (i) on allotment;
  - (ii) on the occurrence of a particular event; or
  - (iii) on a date fixed by or in accordance with the terms of issue

### 18.4 Forfeiture

- (a) If a person is liable to pay a Call and fails to do so by the Call payment date:
  - (i) the Directors may issue a notice of intended forfeiture to that person; and
  - (ii) until the Call is paid, that person must pay the company interest on the Call from the Call payment date at the relevant rate.
- (b) A notice of intended forfeiture

- (i) may be sent in respect of any share in respect of which a Call has not been paid as required by a Call Notice;
  - (ii) must be sent to the holder of that share (or all the joint holders of that share) or to a transmittee of that holder;
  - (iii) must 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 less than 14 clear days after the date of the notice (that is, excluding the date on which the notice is given and the date on which that 14 day period expires);
  - (iv) must state how the payment is to be made; and
  - (v) must 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.
- (c) At any time before the Company disposes of a forfeited share, the Directors may decide to cancel the forfeiture on payment of all Calls, interest and expenses due in respect of it and on such other terms as they think fit.

#### 18.5 Restrictions

- (a) The Company has the power pursuant to Schedule 1B of Schedule 3 of the SBEEA to issue a restriction notice (a "**Restriction Notice**") to any Shareholder (a "**Non-Compliant Shareholder**") who fails to respond in full, setting out the full particulars requested pursuant to any notice served on it by the Company under section 790 of the SBEEA.
- (b) Upon service of a Restriction Notice, the Company shall have available to it the full powers conferred on it by Schedule 1B of Schedule 3 of the SBEEA to impose restrictions on the Shares or rights (the "**Interest**") of a Non-Compliant Shareholder. A Restriction Notice may have the following non-exhaustive effect on the Interest of a Non-Compliant Shareholder:
  - (i) any transfer of the Interest is void;
  - (ii) no rights are exercisable in respect of the Interest;
  - (iii) no shares may be issued in right of the Interest or in pursuance of an offer made to the Shareholders; or
  - (iv) except in a liquidation, no payment may be made of sums due from the Company in respect of the Interest, whether in respect of capital or otherwise.
- (c) A Restriction Notice shall remain in full force and effect until it is so removed by the Company following compliance by the Non-Complying Shareholder (to the satisfaction of the Company) with its obligations under Schedule 3 of the SBEEA.

The Company shall notify the Non-Compliant Shareholder upon release of the Restriction Notice.

- (d) Any failure by a Non-Compliant Shareholder to comply with the terms of a Restriction Notice shall entitle the Company to take any and all actions that it is permitted to take pursuant to Schedule 1B of Schedule 3 of the SBEEA and the Non-Compliant Shareholder shall be subject to the penalties that may be imposed on it pursuant to Schedule 1B of Schedule 3 of the SBEEA.

## **19. PARTLY PAID SHARES**

19.1 Shares may be issued other than fully paid.

19.2 If the subscription price of any share (including any premium) is partly paid, the rights to dividend of any such share shall be abated in the same proportion as the unpaid amount bears to the total subscription price.

## **20. MEANS OF COMMUNICATION TO BE USED**

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

- (a) if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 24 hours after it was posted (or five Business Days after posting either to an address outside the United Kingdom or from outside the United Kingdom to an address within the United Kingdom, if (in each case) sent by reputable international overnight courier addressed to the intended recipient, provided that delivery in at least five Business Days was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the courier service provider);
- (b) if properly addressed and delivered by hand, when it was given or left at the appropriate address; and
- (c) if properly addressed and sent or supplied by electronic means, six hours after the document or information was sent or supplied.

For the purposes of this article 20, no account shall be taken of any part of a day that is not a Business Day, save for the purposes of determining whether sufficient notice of a general meeting has been given.

20.2 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.

## **21. DIRECTORS' EXPENSES**

Model Article 24 shall be amended by the insertion of the words "(including alternate directors) and the secretary" before the words "properly incur".

## 22. INDEMNITY

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

(a) every Director or other officer of the Company (excluding the Company's auditors) shall be entitled to be indemnified by the Company (and the Company shall also be able to indemnify directors of any associated company (as defined in section 256 of the Act)) out of the Company's assets against all liabilities incurred by him in the actual or purported execution or discharge of his duties or the exercise or purported exercise of his powers or otherwise in relation to or in connection with his duties, powers or office, provided that no Director of the Company or any associated company is indemnified by the Company against:

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

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 22.1(a) and 22.1 (a)(iii)(B) applying;

(b) 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.

22.2 To the extent permitted by law, 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 the Board 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.

## **23. OBJECTS**

The Company's objects are unrestricted.

## **24. LIABILITY OF SHAREHOLDERS**

The liability of the Shareholders is limited to the amount, if any, unpaid on the shares held by them.

## **25. BORROWING POWERS**

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

## **26. DATA PROTECTION**

The Company may process the following categories of personal data in respect of the Shareholders and Directors: (i) identifying information, such as names, addresses and contact details, (ii) details of participation in the Company's affairs, such as attendance at and contribution to Company meetings, voting records etc., (iii) in the case of Shareholders, *details of their respective shareholdings in the Company*, (iv) *any other information which is required to be recorded by law or may have a bearing on the prudence or commercial merits of investing, or disposing of any shares (or other investment or security), in the Company (together, "Personal Data")*. The Company will only use the Personal Data in accordance with Data Protection Legislation. The Company has a legitimate interest in processing Personal Data where it is necessary for the purposes of the proper administration of the Company and its affairs, the undertaking of due diligence exercises and compliance with applicable laws, regulations and procedures. The Company will use all appropriate technical and organisational measures necessary to ensure that Personal Data are protected against loss, destruction and damage, unauthorised access, use modification, disclosure or other misuse. The Company will retain Personal Data for no longer than is reasonably required and will keep records of any processing activities. The Company may disclose Personal Data to (i) other Shareholders and Directors (each a "**Recipient**"), (ii) a Member of the Same Group as a Recipient ("**Recipient Group Companies**"), (iii) employees, directors and professional

advisers of that Recipient or the Recipient Group Companies, (iv) funds managed by any of the Recipient Group Companies, and (v) current or potential investors in the Company or purchasers of the Company's shares, provided always that the Company takes reasonable steps to ensure that Personal Data is treated in accordance with relevant Data Protection Legislation and the Company ensures the reliability of the persons who will have access to Personal Data and who otherwise process Personal Data. The Personal Data will only be processed and stored within the European Economic Area unless the Company has procured the execution of standard contractual clauses in the form approved by the European Commission from time to time or such equivalent data transfer agreements or arrangements (including binding corporate rules) in compliance with the applicable Data Protection Legislation. The Company shall notify the Shareholder and Directors immediately (within 24 hours) on becoming aware of a breach of its obligations as a data processor or as a data controller under the Data Protection Legislation.

## **27. ALTERNATE DIRECTORS**

### **27.1 Appointment and removal of alternate directors**

- (a) Any Director ("**appointor**") may appoint as an alternate any other Director, or any other person approved by resolution of the Directors, to:
  - (i) exercise that Director's powers; and
  - (ii) carry out that director's responsibilities,in relation to the taking of decisions by the directors, in the absence of the alternate's appointor.
- (b) 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.
- (c) The notice must:
  - (i) identify the proposed alternate; and
  - (ii) in the case of a notice of appointment, contain a statement signed by the proposed alternate that he is willing to act as the alternate of the Director giving the notice.

### **27.2 Rights and responsibilities of alternate directors**

- (a) An alternate director may act as alternate director to more than one Director and has the same rights in relation to any decision of the Directors as the alternate's appointor(s).
- (b) Except as the articles specify otherwise, alternate directors:
  - (i) are deemed for all purposes to be Directors;
  - (ii) are liable for their own acts and omissions;

- (iii) are subject to the same restrictions as their appointors; and
- (iv) are not deemed to be agents of or for their appointors,

and, in particular, each alternate director shall be entitled to receive notice of all meetings of Directors (but not meetings of committees of Directors) of which his appointor is a member (subject to his giving to the Company an address within the United Kingdom at which notices may be served on him).

- (c) A person who is an alternate director but not, in the absence of such appointment, a Director:
  - (i) may be counted as participating for the purposes of determining whether a quorum is present (but only if that person's appointor is not participating);
  - (ii) may participate in a unanimous decision of the Directors (but only if his appointor is an Eligible Director in relation to that decision, but does not participate); and
  - (iii) shall not be counted as more than one director for the purposes of articles 27.2(c)(i) and 27.2(c)(ii).
- (d) A Director who is also an alternate director is entitled, in the absence of his appointor, to a separate vote on behalf of his appointor, in addition to his own vote on any decision of the Directors (provided that his appointor is an Eligible Director in relation to that decision), but shall not count as more than one Director for the purposes of determining whether a quorum is present
- (e) An alternate director shall not be entitled as such to receive any remuneration from the Company, save that he may be paid by the Company such part (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct.

### 27.3 Termination of alternate directorship

- (a) An alternate director's appointment as an alternate terminates:
  - (i) when the alternate's appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;
  - (ii) 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;
  - (iii) on the death of the alternate's appointor; or
  - (iv) when the alternate's appointor's appointment as a Director terminates.

- 27.4 A Director may not appoint any person to be an alternate director in respect of any committee of the Directors