

**The Companies Act 2006  
Company Limited by Shares  
WRITTEN RESOLUTIONS**

**OF**

**PROLIFIC ACADEMIC LIMITED (the Company)**

**Company Number: 08991598**

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20/02/2015

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COMPANIES HOUSE

Circulated on 12 February 2015 (the **Circulation Date**)

Pursuant to Chapter 2 Part 13 of the Companies Act 2006, the directors of the Company propose that the following resolutions are passed as special resolutions -

**WRITTEN SPECIAL RESOLUTIONS**

**1 ADOPT NEW ARTICLES**

- 1 1 That the Articles of Association contained in the document attached to these resolutions and for the purposes of identification marked 'A' be and the same are approved and adopted as the Articles of Association of the Company in substitution for and to the exclusion of the existing Articles of Association of the Company

**2 WAIVER OF EXISTING PRE-EMPTION RIGHTS**

- 2 1 That the right of pre-emption contained in aforementioned Articles of Association be waived for the purpose of allotting up to a further 10,000 ordinary shares of £1 00 each in the Company

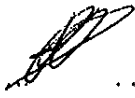
**3 ALLOTMENT**

- 3 1 That the directors be empowered pursuant to section 570 of the Companies Act 2006 to allot equity securities wholly for cash up to a maximum aggregate nominal amount of £1000 00 as if section 561 of the Companies Act 2006 and any rights of pre-emption (however expressed) contained in the articles of association of the Company or otherwise did not apply to any such allotment (the expression "equity securities" and references to the allotment of "equity securities" bearing the same respective meanings in this resolution as in section 560 of the Companies Act 2006)

**AGREEMENT**

Please read the attached notes before signifying your agreement to the Resolutions

The undersigned, the persons entitled to vote on the Resolutions on the Circulation Date stated above, hereby irrevocably agree to the Resolutions



Phelim Bradley



Ekaterina Damer

Signed for and on behalf of Isis Innovation Limited

Name.

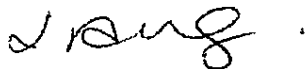
Position

Phelim Bradley

Ekaterina Damer

Signed for and on behalf of Isis Innovation Limited

Name



Position

Linda Naylor  
Executive Director  
Isis Innovation Ltd

Date 12 February 2015

(1) Prolific Academic Limited ("the Company")

## **New Articles of Association**

**Blake Morgan LLP**  
Seacourt Tower  
West Way  
Oxford  
OX2 0FB

Reference 589957/1/NJM

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## **1 DEFINITIONS AND INTERPRETATION**

The definitions and interpretation provisions set out in Article 18 apply in these Articles.

## **2 MODEL ARTICLES**

The Model Articles apply to the Company, except to the extent they are modified or excluded by or are inconsistent with these Articles

## **3 SHARE CAPITAL**

### **3.1 Class of shares**

The Company has one class of shares, namely ordinary shares of £1.00 each. The Ordinary Shares have the rights and are subject to the restrictions set out in Article 3 8

### **3.2 Directors' authority to issue new shares**

The directors are generally and unconditionally authorised, for the purposes of section 551 of the Act, to allot shares in the Company, and to grant rights to subscribe for or convert any security into shares in the Company, on such terms and in such manner as they think fit up to an aggregate nominal amount of shares of £100 This authority will expire five years from the date of adoption of these Articles The Company may make any offer or agreement before the expiry of this authority which would or might require shares to be allotted or the rights to be granted after this authority has expired and the directors may allot shares or grant the rights in pursuance of any such offer or agreement This authority may at any time, subject to section 551 of the Act, be renewed, revoked or varied by an ordinary resolution of the Company

### **3 3 Subscription rights**

In relation to rights to subscribe for shares in the Company, the reference in Article 3 2 to the maximum amount of shares that may be allotted under the authority contained in Article 3 2 is to the maximum amount of shares that may be allotted pursuant to the rights

### **3.4 No maximum number of shares**

Subject to the necessary directors' authority to allot, there will be no maximum number of shares which may be allotted by the Company, or over which rights may be granted

### **3.5 Pre-emption rights**

The directors' authority under Article 3.2 is subject to the pre-emption rights in favour of shareholders contained in Article 4.

### **3.6 Disapplication of statutory pre-emption rights**

The statutory pre-emption rights contained in sections 561 and 562 of the Act will not apply to an issue of equity securities (as defined in section 560(1) of the Act) made by the directors. The pre-emption rights set out in Article 4 will apply instead.

### **3.7 Lien**

The Company shall have a first and paramount lien on every share, whether or not a fully paid share, for all moneys, whether presently payable or not, payable or otherwise owing by the holder of such share, or any Associate of such holder, to the Company or any other member of the Group. The directors may at any time declare any share to be wholly or in part exempt from the provisions of this Article 3.6. The Company's lien on a share shall extend generally as described above as well as to any amount payable in respect of it.

### **3.8 Share rights**

The Ordinary Shares have the following rights and are subject to the following restrictions:

### **3.9 Income**

The profits of the Company which the Company may determine to distribute in respect of a financial period will be distributed among the holders of the Ordinary Shares pro-rata according to the nominal amounts paid up or credited as paid up on such Ordinary Shares (excluding any premium at which such Ordinary Shares were issued) held by them respectively.

### **3.10 Capital**

On a return of assets on a liquidation or otherwise (except on a redemption in accordance with the terms of issue of any share, or purchase by the Company of any share or on a capitalisation issue) the surplus assets of the Company remaining after payment of its debts and liabilities (exclusive of any debts which have become due in accordance with this Article 3.8) will be applied such that the balance (if any) of such surplus assets shall belong to and be distributed amongst the holders of the Ordinary Shares in proportion to the nominal amounts paid up or credited as paid up on such

shares (excluding any premium at which such shares were issued) held by them respectively

### **3 11 Voting**

The Ordinary Shares will entitle the holders of such shares to receive notice of and to attend (either in person or by proxy) at any general meeting of the Company and every such holder who is present at a meeting in person or by proxy will, upon a show of hands, have one vote and, upon a poll, every shareholder who is present in person or by proxy will have one vote for every Ordinary Share held by him

### **3 12 Other matters**

3 12 1 Except as specified in these Articles, the Ordinary Shares will rank equally.

3 12 2 The Company will procure that each of its subsidiaries, if any, which has profits available for distribution shall from time to time will declare and pay to the Company such dividends to the extent possible

## **4 PRE-EMPTION RIGHTS IN RESPECT OF NEW ISSUES OF ORDINARY SHARES**

### **4.1 Pre-emption rights**

If the directors wish to issue any new Ordinary Shares in the Company after the date of adoption of these Articles they must first offer them to the Ordinary Shareholders in accordance with this Article 4 However, the offer shall not be made to any shareholder who has served, or is deemed to have served, a Transfer Notice which is then in its Active Period and any Associate of that shareholder or to any shareholder who is a Compulsory Seller under Article 7

### **4.2 Terms of the offer**

The new Ordinary Shares must be offered to the Ordinary Shareholders in proportion (as nearly as possible) to the numbers of Ordinary Shares already held by them The offer must be at the same price and on the same terms for each Ordinary Shareholder An Ordinary Shareholder may accept all or part of his proportionate entitlement

### **4.3 Notice of the offer**

The offer must be made to each Ordinary Shareholder by notice specifying the price per Ordinary Share, the number of Ordinary Shares offered and the proportionate entitlement of the Ordinary Shareholder The notice shall stipulate that any Ordinary Shareholder who wishes to subscribe for a number of Ordinary Shares in excess of his proportionate entitlement shall, in his acceptance, state the number of excess

Ordinary Shares for which he wishes to subscribe. The notice must also set a period of 30 days within which the offer must be accepted ("Acceptance Period").

#### **4.4 Issue of the shares**

After the end of the Acceptance Period the directors shall promptly issue the new Ordinary Shares to those Ordinary Shareholders who have accepted them, subject to payment of the price.

#### **4.5 Shares not taken up**

Any new Ordinary Shares not accepted pursuant to the offer shall be used for satisfying any requests for excess Ordinary Shares made pursuant to Article 4.3. If there are insufficient excess Ordinary Shares to satisfy such requests, excess Ordinary Shares shall be allotted to the applicants pro rata to the number of Ordinary Shares held by the applicant immediately before the offer was made to Ordinary Shareholders under Article 4.2. After that allotment, any unissued Ordinary Shares still remaining may be issued to any person at the discretion of the directors. However, such new Ordinary Shares shall not be issued to any person on terms more favourable than the terms on which they were offered to the Ordinary Shareholders.

#### **4.6 No assignment or renunciation**

4.6.1 No new Ordinary Shares shall be issued on terms that the right to take up the Ordinary Shares can be assigned to or renounced in favour of another person except that:

- (a) Isis may assign or renounce its rights to take up Ordinary Shares in favour of a Fund, and
- (b) a Founder assign or renounce its rights to take up Ordinary Shares in favour of a Family Member or a Family Trust.

4.6.2 No person entitled to the issue of any Ordinary Shares may direct that such shares be issued to any other person except that Isis may direct that its shares be issued to a Fund.

#### **4.7 New subscription and conversion rights are also covered by this Article**

A reference to the issue of Ordinary Shares in the above provisions of this Article 4 includes the grant by the directors of a right to subscribe for, or convert any securities into, Ordinary Shares in the Company. However, such a reference does not include the subsequent issue of any Ordinary Shares pursuant to such a right. This Article 4 will apply accordingly.

#### **4.8 Rights of holders of existing subscription and conversion rights**

If under the terms of any right to subscribe for, or convert securities into, Ordinary Shares in the Company, a person is entitled to receive any offer made pursuant to this Article 4 as if that person had exercised his right in full prior to the making of the offer then the offer shall be extended to that person accordingly. This will only apply to a right which was granted lawfully and not made in contravention of any agreement binding on the Company

#### **4.9 Forfeited and surrendered shares**

The provisions of this Article 4 will apply to any Ordinary Share which the directors decide to forfeit (or accept a surrender of) and re-allot under any of the powers contained in the Model Articles

#### **4.10 Waiver**

The provisions of this Article 4 may be waived, disapplied, modified, suspended or relaxed in whole or in part in any particular case by a Shareholders' Special Consent

### **5 RESTRICTIONS ON DISPOSING OF SHARES OR INTERESTS IN THEM**

#### **5.1 General restriction**

A shareholder must not sell, transfer or dispose of any of his shares, or any interest in them, or create or permit to exist any charge, lien or encumbrance over any of his shares or any interest in them, or agree to do any of the above whether conditionally or unconditionally This is subject to the exceptions set out in Article 5 2.

#### **5.2 Exceptions**

The exceptions are

- 5 2 1 a transfer of shares which is required or permitted by Article 6 (pre-emption rights on transfers of shares),
- 5 2 2 a transfer of shares which is required by Article 7 (Compulsory Sale of Shares),
- 5 2 3 a transfer of shares which is required or permitted by Article 9 (drag along right) or Article 10 (tag along right), or
- 5 2 4 a transfer which is permitted by Article 11 (permitted transfers of shares), or

5 2 5 a sale of shares to the Company itself pursuant to and in accordance with sections 690 to 723 (inclusive) of the Act

### **5.3 Obligation to transfer whole legal and beneficial interest.**

An obligation to transfer any share pursuant to any provision of these Articles is an obligation to transfer the whole of the legal and beneficial title to such share free from all charges, liens and encumbrances and other third party rights and together with all rights, title and interest in such share in existence at the date of transfer and which may arise afterwards. A shareholder must not do anything which would be inconsistent with or which would prevent the shareholder from complying with this obligation.

### **5.4 Entitlement of directors to refuse to register transfers**

The directors may refuse to register the transfer of any share:

- 5 4 1 in accordance with the discretions vested in them pursuant to article 26 of the Model Articles,
- 5 4 2 to a person who is, or whom the directors reasonably believe to be, under 18 years of age or who does not have, or whom the directors reasonably believe does not have, the legal capacity freely to dispose of any share without restriction or court approval;
- 5 4 3 if they have reasonable grounds for believing that such share will or may be transferred to or become beneficially owned by a person, or an Associate of a person, carrying on business in competition with any business at the relevant time being carried on by a member of the Group,
- 5 4 4 if the transferee fails to execute a deed of adherence in connection with that transfer as required by Article 12;
- 5 4 5 if the transferor fails to comply with any information request under Article 5.6 in connection with the transfer,

and any right to transfer a share under these Articles shall be subject to this Article 5 5

### **5.5 Information**

For the purpose of ensuring compliance with any provision of these Articles in connection with a transfer or proposed transfer of a share or an interest in a share, the directors may from time to time require any shareholder to provide to the Company

such information and evidence as the directors may reasonably think fit regarding any matter which they may deem relevant for such purposes

#### **5.6 Directors to register transfers**

Except as provided in Article 5.4 or as required by law, the directors must register the transfer of a share which is required or permitted by any provision of these Articles.

### **6 PRE-EMPTION RIGHTS ON TRANSFERS OF SHARES**

#### **6.1 Pre-emption rights**

A shareholder may only transfer all (and not some only) of their shareholding. A shareholder who proposes to transfer all of the shares in the Company held by him ("Proposing Transferor") must first offer such shares ("Transfer Shares") for sale to the other shareholders in accordance with this Article 6. To the extent that the Transfer Shares are not taken up by the other shareholders, they may be dealt with in accordance with the remaining provisions of this Article 6.

#### **6.2 Exempt transfers**

An offer under Article 6.1 is not required in respect of a proposed transfer or sale of shares of a type described in Article 5.2.3, Article 5.2.4, Article 5.2.5 or in Article 7.2.

#### **6.3 Transfer Notice and share certificates**

The Proposing Transferor must give notice in writing ("Transfer Notice") to the Company that he wishes to transfer the Transfer Shares. The Company (acting by the directors) will be the Proposing Transferor's agent for the sale of the Transfer Shares in accordance with this Article 6. Once given, a Transfer Notice cannot be revoked. The Proposing Transferor must deliver to the Company the share certificate(s) in respect of the Transfer Shares (or a customary indemnity in respect of any lost certificate(s)) at the same time as giving a Transfer Notice.

#### **6.4 Notice to shareholders**

Within 7 days after the receipt of a Transfer Notice, the directors must serve notice on all the shareholders, except the Proposing Transferor, notifying them that the Transfer Notice has been given. In the case of a Transfer Notice deemed to be given under Article 7, or deemed to be given under any Shareholders' Agreement that is binding on the Proposing Transferor, the directors must within 7 days after the deemed giving of the Transfer Notice serve notice on all the shareholders, including the Proposing Transferor, notifying them that the Transfer Notice has been deemed to

have been given For the purposes of this Article 6, a Proposing Transferor includes a shareholder who is deemed to have given a Transfer Notice as described above.

#### **6.5 Offer Price**

The Transfer Shares will be offered at the "Offer Price" This means such sum per Transfer Share as may be agreed between the Proposing Transferor and the directors as representing the fair market value of the Transfer Shares However, if the Proposing Transferor and the directors cannot reach agreement for any reason within 14 days after the service of the notice under Article 6 4, the Offer Price will be determined by experts appointed under Article 6 6 Either the Proposing Transferor or the directors may request an appointment under Article 6.6 The Proposing Transferor may withdraw from the sale of the Transfer Shares by giving written notice to the Company within fourteen days of the date of the determination, failing which the Proposing Transferor shall be deemed to have irrevocably agreed to the Offer Price as determined by the experts

#### **6 6 Experts**

"Experts" means an independent firm or other entity capable of acting as the Company's auditors, but not being the Company's auditors The Experts will be appointed by agreement between the Proposing Transferor and the directors However, if they fail to agree on an appointment within 14 days after a particular appointment is proposed by either the Proposing Transferor or the directors, the Experts will be selected by the President (or, if he is unavailable for any reason, the next most senior available officer) from time to time of the Institute of Chartered Accountants in England and Wales If he shall be unable or unwilling to make a selection, then the selection will be made by the High Court of Justice in England Either the Proposing Transferor or the directors may apply for such a selection to be made.

#### **6.7 Referral to Experts**

The Company must refer the valuation of the Transfer Shares to the Experts promptly after the selection of the Experts The Company will use all reasonable endeavours to ensure that the Experts reach their decision as soon as possible after such referral. The Experts will act as experts and not as arbitrators and their decision will, in the absence of manifest error, be final and binding

#### **6.8 Costs of the Experts**

The costs and expenses of the Experts, and of their appointment, will be borne by the Company unless the Offer Price decided by the Experts is the same as, or within



three per cent of, that (if any) which the directors had notified to the Proposing Transferor in writing as being in their opinion the appropriate Offer Price, in which event such costs and expenses will be borne by the Proposing Transferor

#### **6.9 Basis of valuation by the Experts**

The Experts will decide and certify the fair market value of the Transfer Shares as at the date of the Transfer Notice as between a willing buyer and a willing seller and, in the case of Transfer Shares which are Ordinary Shares, having regard to the fair value of the business of the Company and its subsidiaries (if any) as a going concern. The value of such Ordinary Shares will not be enhanced or discounted because they carry or do not carry any degree of control over the Company. However, a different basis of valuation of the Transfer Shares may be used if the Proposing Transferor and the directors agree in writing to this.

#### **6.10 Offer to shareholders**

Within 7 days after the Offer Price has been agreed or decided, the Company will offer the Transfer Shares at the Offer Price to the Ordinary Shareholders in proportion (as nearly as possible) to the numbers of Ordinary Shares held by them. However, the offer must not be made to the Proposing Transferor, any Associate of the Proposing Transferor, any Ordinary Shareholder who has served or is deemed to have served a Transfer Notice which is then in its Active Period or any Associate of that Ordinary Shareholder. The offer must be made in writing specifying the number of shares offered ("Proportionate Entitlement"). It must be accompanied by a form of application for use by the Ordinary Shareholder in applying for his Proportionate Entitlement and for any Transfer Shares in excess of his Proportionate Entitlement which he is willing to purchase. The offer must be open for acceptance for 21 days from the date of its despatch ("Offer Period").

#### **6.11 Allocation and excess entitlements**

At the end of the Offer Period, the directors will allocate the Transfer Shares as follows:

- 6.11.1 to each Ordinary Shareholder who has agreed to purchase Transfer Shares ("Purchasing Shareholder"), there shall be allocated his Proportionate Entitlement or such lesser number of Transfer Shares for which he may have applied,
- 6.11.2 to the extent that any Ordinary Shareholder has applied for less than his Proportionate Entitlement, the excess will be allocated (as nearly as possible) in proportion to the numbers of shares held by the Ordinary

Shareholders who have applied for any part of such excess, but the allocation must not result in any Ordinary Shareholder being allocated more Transfer Shares than he has applied for (any remaining excess being apportioned by applying this Article 6.11 2 without taking account of such Ordinary Shareholder)

**6.12 Right for the directors to nominate a preferred purchaser (including the Company) for shares not taken up by Ordinary Shareholders**

If all the Transfer Shares are not accepted by a Purchasing Shareholder or Purchasing Shareholders, the directors may, within 14 days after the expiry of the Offer Period ("Nomination Period"), nominate any person or persons, which may include the Company, to purchase some or all of the Transfer Shares which have not been allocated to a Purchasing Shareholder. However, no such person will be entitled to be nominated unless

6 12 1 he shall be obliged to purchase the Transfer Shares in respect of which he is so nominated no later than if he had been a Purchasing Shareholder and at the Offer Price, or

6 12 2 in the case of the Company being nominated, the conditions set out in Article 6 13 have been satisfied

**6.13 Conditions for the Company to be nominated**

The conditions referred to in Article 6 12 2 are that

6 13 1 a special resolution must have been passed, or a shareholders' written resolution must have been signed pursuant to Chapter 2 of Part 13 of the Act, in either case approving in accordance with the Act the terms of a proposed share purchase agreement for the purchase by the Company of the Transfer Shares in respect of which it is so nominated from the Proposing Transferor;

6 13 2 under the terms of the proposed share purchase agreement, the Company would be obliged to purchase the Transfer Shares in respect of which it is so nominated no later than if it had been a Purchasing Shareholder and at the Offer Price;

6 13 3 the proposed share purchase agreement when executed would impose no obligations on the Proposing Transferor other than to sell the relevant Transfer Shares to the Company and to the effect that they will be so sold with full title guarantee and free from any encumbrances and third party

rights and with all rights attaching to them at the time the agreement is executed,

6 13 4 the proposed share purchase agreement complies with and its terms are consistent with the requirements of sections 690 to 723 (inclusive) of the Act, and

6 13 5 the directors must have resolved that the share purchase agreement be executed by the Company

Subject to, and immediately following, the Company being nominated and satisfaction of all the conditions set out in this Article 6 13, the Company and the Proposing Transferor must execute the proposed share purchase agreement ("Buy Back Agreement").

#### **6 14 Notice of allocation of shares**

Within 7 days after the expiry of the Offer Period or, if all the Transfer Shares are not accepted by a Purchasing Shareholder or Purchasing Shareholders, the expiry of the Nomination Period, the directors will notify the Proposing Transferor and all Purchasing Shareholders of the details of the applications which have been made, of the allocations made as between Purchasing Shareholders and of the person or persons nominated under Article 6.12 (each a "Nominated Person") and those Transfer Shares which each such person is obliged to purchase

#### **6.15 Sale at Offer Price**

Any sale of shares made pursuant to this Article 6 to a Purchasing Shareholder or a Nominated Person shall be at the Offer Price. If, in determining the Offer Price, there was taken into account any entitlement to any dividend which has been paid prior to the date on which the transfer is registered then the Proposing Transferor shall be liable to account to the transferee for the amount of the dividend and the transferee, when making payment for such shares, may set-off such amount against the Offer Price payable.

#### **6.16 Completion of the sale**

The Proposing Transferor must, upon payment of the Offer Price, transfer to each Purchasing Shareholder and to each Nominated Person those Transfer Shares which such person is obliged to purchase and to deliver, if he has not already done so, the relative share certificates (or a customary indemnity in respect of any lost certificates). Such payment shall be deemed to be made validly if it is made to the Company to be held in trust for the Proposing Transferor against delivery of such

transfers and share certificates (or indemnity) In the case where some or all of the Transfer Shares are not accepted by a Purchasing Shareholder or Purchasing Shareholders, completion will be solely conditional upon the Proposing Transferor finding one or more persons to acquire the Transfer Shares in accordance with Article 6 17 below such that completion of the sale of the Transfer Shares occurs immediately upon transfer of shares in accordance with Article 6 17 below In the case of Transfer Shares the subject of a Buy Back Agreement, completion of the sale and purchase of such Transfer Shares will take place in accordance with the terms of the Buy Back Agreement which will also contain a condition that the sale and purchase of such Transfer Shares will not occur until completion of the transfer of shares in accordance with Article 6 17 below Should completion of the sale and purchase of such Transfer Shares in accordance with Article 6 17 below not occur then the sale of Transfer Shares in accordance with this Article 6 16 shall not occur

**6.17 Right for Proposing Transferor to sell to a third party any shares not taken up.**

6 17 1 If all the Transfer Shares are not accepted by a Purchasing Shareholder or Purchasing Shareholders or by a Nominated Person or Nominated Persons, the Proposing Transferor may, within 60 days after the date on which he received notice under Article 6.14, transfer all, but not some only, of the Transfer Shares which have not been accepted to one or more persons, other than a shareholder or any Associate of a shareholder, on a bona fide sale at a price per Transfer Share not less than the Offer Price (after deduction, where appropriate, of any dividend or other distribution to be retained by the Proposing Transferor) This is subject to Article 6 17 2, Article 5 4 (directors' right to refuse to register transfers) and Article 10 (tag along right)

6 17 2 The provisions of Article 6 17 1 shall not apply to Transfer Shares the subject of a Transfer Notice deemed to be served under Article 7 In such event, the holder of such Transfer Shares shall not be permitted to transfer all or any of such Transfer Shares as provided in Article 6 17 1 and the same restriction shall apply if such holder subsequently proposes to transfer all or any of such Transfer Shares

**6.18 Failure of the Proposing Transferor to complete the sale.**

The following will apply if the Proposing Transferor fails to comply with his obligation to complete the transfer of any Transfer Shares

- 6 18 1 the directors may authorise some person to execute the necessary instrument of transfer of such Transfer Shares, who may deliver such instrument of transfer on the Proposing Transferor's behalf,
- 6 18 2 the person so authorised is, as security for the performance of the Proposing Transferor's obligations, irrevocably and unconditionally appointed as the attorney of the Proposing Transferor for that purpose,
- 6 18 3 the Company will receive the purchase money and will hold it in trust for the Proposing Transferor,
- 6 18 4 upon receipt of the purchase money the Company will ensure that the transferee is registered as the holder of such Transfer Shares, subject to such instrument of transfer being stamped with any required stamp duty,
- 6 18 5 the Company will not be obliged to earn or pay interest on the purchase money and will not pay the purchase money to the Proposing Transferor until the Proposing Transferor has delivered his share certificates (or a customary indemnity in respect of any lost certificates) to the Company, and
- 6 18 6 the receipt of the Company for the purchase money will be a good discharge to the transferee who will not be obliged to see to the application of the purchase money and, after the name of the transferee has been entered in the register of members in exercise of the above power, the validity of the procedure will not be capable of challenge

**6 19 Failure of the Proposing Transferor to comply with a Buy Back Agreement**

The following shall apply if the Proposing Transferor, having become obliged to execute or complete a Buy Back Agreement, fails to do so

- 6 19 1 the directors may authorise some person ("attorney") to execute or complete the Buy Back Agreement and receive the purchase money due in respect of it on the Proposing Transferor's behalf;
- 6 19 2 the attorney is, as security for the performance of the Proposing Transferor's obligations, irrevocably and unconditionally appointed as the attorney of the Proposing Transferor for the purpose,
- 6 19 3 the receipt of the attorney for the purchase money shall be a good discharge to the Company and the Company shall be entitled to treat the Buy Back Agreement as completed against such receipt,

6 19 4 the attorney will hold the purchase money in trust for the Proposing Transferor, and

6 19 5 the attorney will not be bound to earn or pay interest on the purchase money and shall not pay the purchase money to the Proposing Transferor until the Proposing Transferor delivers to the Company his share certificates (or a customary indemnity in respect of any lost certificates) relating to the Transfer Shares the subject of the Buy Back Agreement.

#### **6.20 Lien, forfeiture and surrender**

The provisions of this Article 6 will apply to any share which the directors decide to sell or otherwise dispose of under any of the powers contained in articles 26 of the Model Articles

#### **6.21 Waiver**

The provisions of this Article 6 may be waived, disappplied, modified, suspended or relaxed in whole or in part in any particular case by a Shareholders' Special Consent.

### **7 COMPULSORY SALE OF SHARES**

#### **7 1 Bankruptcy or insolvency or death of a shareholder**

A person entitled to a share in consequence of the bankruptcy or insolvency or death of a shareholder shall be deemed to have given a Transfer Notice in respect of such share at a time determined by the directors and the Offer Price for such share shall be determined under Article 6 5 This is subject to Article 7 2.

#### **7.2 Cessation of Employment**

When any shareholder who is an employee, director or consultant of a Group Company (and/or whose Permitted Transferee under Articles 11.1.1 or 11 2 is a holder of shares) ("Leaver") leaves a Group Company such that he is not continuing in any capacity with any Group Company whether as an employee, director or consultant of any Group Company, at any time within six months after the latest of the date of cessation of the shareholder's employment, directorship or consultancy with any Group Company the directors shall be entitled to serve notice ("Compulsory Sale Notice") requiring the Leaver (or his personal representatives in the case of his death or his Permitted Transferee under Articles 11 1 1 or 11.2) ("Compulsory Sellers") to offer all shares held by the Leaver or his Permitted Transferee under Articles 11 1 1 or 11 2 or his personal representatives in the case of his death ("Leaver's Shares") to all other shareholders pro rata to their current shareholding

unless otherwise determined by the directors. At the discretion of the directors, the Leaver or his Permitted Transferee under Articles 11.1.1 or 11.2 may offer those shares to any one or more of the following:

- 7.2.1 a person or persons intended to take the Leaver's place within the Group, and/or
- 7.2.2 any of the existing employees of a Group Company, and/or
- 7.2.3 other participants or potential participants in, or trustees of an employees' share scheme of a Group Company, and/or
- 7.2.4 any other person or persons approved by the directors (other than the Leaver), and/or
- 7.2.5 the Company (subject always to the provisions of the Act)

(the person or persons so named in such Compulsory Sale Notice being the "Offerees")

### **7.3 Service of a Compulsory Sale Notice**

The Compulsory Sale Notice shall state.

- 7.3.1 the names and addresses of the Offerees and the number of Leaver's Shares to be offered to each of them,
- 7.3.2 the price per share, and
- 7.3.3 a date between seven and fifteen business days following service of the Compulsory Sale Notice, on which the sale and purchase of the Leaver's Shares is to be completed provided always that where the Offeree is the Company such time period shall be extended to such reasonable period as is necessary to permit the Company to comply with the relevant provisions of the Act ("Leaver Completion Date")

### **7.4 Price of Leaver's Shares**

The price per share of the Leaver's Shares shall, where the Leaver is a Good Leaver, be determined in the same way as the Offer Price under Article 6.5. Where the Leaver is a Bad Leaver, the price per share of the Leaver's Shares shall be the lower of the fair market value (determined in accordance with Article 6.5) and the nominal value of each share

## **7.5 Completion of the sale of a Leaver's Shares**

By the Leaver Completion Date the Compulsory Sellers shall deliver the stock transfer forms for the Leaver's Shares, with the relevant share certificates, to the Company. On the Leaver Completion Date the Company shall pay the Compulsory Sellers, on behalf of each of the Offerees, the price for the Leaver's Shares to the extent the Offerees have put the Company in the requisite funds. The Company's receipt for the price shall be a good discharge to the Offerees. The Company shall hold the price in trust for the Compulsory Sellers without any obligation to pay interest.

## **7.6 Failure to deliver stock transfer forms**

If a Compulsory Seller fails to deliver stock transfer forms for the Leaver's Shares to the Company by the Leaver Completion Date (or any Postponed Completion Date), the directors may authorise any director to transfer the Leaver's Shares on the Compulsory Seller's behalf to each Offeree to the extent the Offeree has, by the Leaver Completion Date, put the Company in funds to pay the price for the Leaver's Shares offered to him. The directors shall then authorise registration of the transfer once appropriate stamp duty has been paid. The defaulting Compulsory Seller shall surrender his share certificate for the Leaver's Shares to the Company. On surrender, he shall be entitled to the price for the Leaver's Shares.

## **7.7 Postponed completion date**

In the event that the Offeree fails to put the Company in the requisite funds by the Leaver Completion Date, the directors shall be entitled to postpone completion of transfer of the relevant Leaver's Shares to such date, being no later than seven days following the Leaver Completion Date as the directors shall notify to the Compulsory Sellers ("Postponed Leaver Completion Date"). In the event that the Offeree fails to put the Company into the requisite funds by the Postponed Completion Date, the directors may, within 30 days of the Postponed Completion Date, serve a further Compulsory Sale Notice on the Compulsory Sellers requiring them to offer for sale the relevant Leaver's Shares to any one or more of the persons listed in Article 7.2.1 to 7.2.5 and the provisions of Articles 7.3 to 7.6 shall apply in respect of any such notice (save that in the event that an Offeree fails to put the Company in the requisite funds by the Leaver Completion Date, the Compulsory Sellers shall not be under any further obligation to offer the relevant Leaver's Shares for sale and the Company shall return the relevant stock transfer forms to the Compulsory Sellers promptly upon request).



## **7.8 Exemption from pre-emption**

The provisions of Article 6 (Pre-emption rights on transfers of shares) shall not apply to any transfer made pursuant to Article 7 2

## **7 9 Waiver**

The provisions of this Article 7 may be waived, disapplied, modified, suspended or relaxed in whole or in part, in any particular case, by a Shareholders' Special Consent

## **8 DISENFRANCHISEMENT**

### **8.1 Breach of Article 5**

If a shareholder commits any breach of Article 5, the shares registered in his name will not carry any rights whatever (whether as to voting, dividend or otherwise) until the breach is remedied or the shares are transferred without a breach of Article 5 While a share is disenfranchised under this Article 8, it will not be treated as an issued share

### **8.2 Deemed Transfer Notices**

If any share is the subject of a Transfer Notice deemed to be served or of a Compulsory Sale Notice, both as mentioned in Article 7, that share shall carry no voting rights whatever (whether as to voting, dividend or otherwise) while that Transfer Notice or Compulsory Sale Notice is in its Active Period

## **9 DRAG ALONG RIGHT**

### **9.1 Right to require minority shareholders to sell their shares to a third party**

The following rights to require minority shareholders to join in a sale of the entire issue share capital of the Company to a third party will apply

### **9.2 Calling Shareholders**

Where any Ordinary Shareholder or Ordinary Shareholders alone or together wish to transfer or have transferred any Ordinary Shares to any person and such transfer would result or has resulted upon its completion in the transferee (the "Purchaser") holding more than 75 per cent or more in nominal value of the issued Ordinary Shares of the Company, such Ordinary Shareholders ("Calling Shareholders") will have the right set out in Article 9 3.

### **9.3 Call Notice**

The Calling Shareholders will be entitled within 28 days of the Calling Shareholders agreeing to transfer their Ordinary Shares to the Purchaser to require all the other holders of shares in the Company ("Recipient Shareholders") by notice in writing to them ("Call Notice") to sell all of the shares held by the Recipient Shareholders to the Purchaser. This is subject to the conditions set out in Article 9.4 being met. The proposed sale will be deemed to be permitted for the purposes of Article 5. At the request of the Calling Shareholders, the Company will send a Call Notice to the Recipient Shareholders on behalf of the Calling Shareholders.

### **9.4 Conditions**

The conditions referred to in Article 9.3 are that

- 9.4.1 the terms and conditions applying to the sale of the shares of the Calling Shareholders and the Recipient Shareholders are set out in reasonable detail in, or in one or more attachments to, the Call Notice,
- 9.4.2 except as provided in Article 9.4.3 below, the terms and conditions applying to the sale of the shares held by each of the Recipient Shareholders shall be no less favourable to the Recipient Shareholders than the terms and conditions which will apply or applied to the sale of the shares held by the Calling Shareholders to the Purchaser (and shareholders shall be deemed to be treated as favourably as each other in respect of a liability or obligation which they assume if they assume it in proportion to their shareholdings in the Company),
- 9.4.3 the purchase consideration will be apportioned between the holders of the Ordinary Shares in the same manner and order of priority as if it were a return of assets under Article 3.8.2, and
- 9.4.4 the Purchaser is a bona fide arm's length purchaser who is not a Calling Shareholder or an Associate of a Calling Shareholder.

### **9.5 Obligation to sell**

If a Call Notice is served and the conditions in Article 9.4 are met, all the shareholders must proceed with the sale of all their shares on the terms and conditions notified in the Call Notice.

## **9 6 Simultaneous purchase**

A shareholder must not complete any sale of shares to the Purchaser unless the Purchaser completes the purchase of all the shares required to be sold at the same time including, where such purchase has not already completed, the purchase by the Purchaser of the Ordinary Shares held by the Calling Shareholders

## **9.7 Failure to complete**

The following will apply if any shareholder ("Defaulter") fails to agree to sell, or to complete the sale of, or to make any required election in respect of any sale of, any shares as he is obliged to do in accordance with this Article 9

- 
- 9 7 1 the Calling Shareholders or the directors may authorise some person ("attorney") to execute all necessary agreements, deeds and other documents necessary to give effect to the sale on the terms and conditions notified in the Call Notice,
  - 9 7 2 the attorney is, as security for the performance of the Defaulter's obligations, irrevocably and unconditionally appointed as the attorney of the Defaulter for that purpose,
  - 9 7 3 the attorney may make any such election on the Defaulter's behalf (in such manner as the attorney in his absolute discretion shall think fit) and execute the necessary instrument of transfer of the Defaulter's shares and may deliver such transfer on the Defaulter's behalf,
  - 9 7 4 the Company will receive the purchase consideration and will hold it in trust for the Defaulter,
  - 9 7 5 upon receipt of the purchase consideration the Company will ensure that the Purchaser is registered as the holder of the Defaulter's shares, subject to the instrument of transfer of the shares being stamped with any required stamp duty,
  - 9 7 6 the Company will not be obliged to earn or pay interest on the purchase consideration and will not deliver the purchase consideration to the Defaulter until the Defaulter has delivered his share certificates (or a customary indemnity in respect of any lost certificates) to the Company, and
  - 9 7 7 the receipt of the Company for the purchase consideration will be a good discharge to the Purchaser who will not be bound to see to the application of the purchase consideration and, after the name of the transferee has been
-

entered in the register of members in exercise of the above power, the validity of the procedure will not be capable of challenge.

#### **9.8 Existing subscription and conversion rights**

At the same time as any Calling Shareholders give a Call Notice to Recipient Shareholders they will also be entitled to give the Call Notice to any person who has the right to subscribe for, or convert securities or indebtedness into, shares in the Company which is capable of being exercised on or prior to or within 24 months after completion of the sale of shares pursuant to this Article 9. The effect of serving a Call Notice on such person will be that if he exercises such right and becomes a registered holder of shares in the capital of the Company on or prior to or within 24 months after such completion then that person will, for all the purposes of this Article 9, be treated as a Recipient Shareholder in respect of all such shares and shall be obliged to sell such shares in accordance with this Article 9. If the registration of such shares occurs after such completion then the sale of such after-acquired shares must be completed within 7 days of such registration

#### **9.9 Lapse of Call Notice**

A Call Notice shall lapse and be of no further effect if the sale of the Ordinary Shares by the Ordinary Shareholders to the Purchaser resulting in the Purchaser acquiring a holding of more than 75 per cent or more in nominal value of the issued Ordinary Shares of the Company has not completed within six months of the date of the Call Notice

#### **9.10 Nil consideration**

If the effect of the apportionment of the purchase consideration under Article 9 4 4 is that any shareholder will receive a nil consideration, that shareholder will nevertheless be bound by the provisions of this Article 9 and obliged to transfer his shares for that nil consideration and references to 'sale', 'sell', 'purchase' and 'purchaser' will be construed accordingly

### **10 TAG ALONG RIGHT**

#### **10 1 Transfer of a Controlling Interest**

A Proposing Transferor must not transfer any shares pursuant to Article 6 17 if it is prohibited by Article 10 2

## **10.2 Restriction**

The transfer referred to in Article 10 1 must not be made if it would result in any person or persons, and any person or persons acting in concert with him or them within the meaning of the City Code on Takeovers and Mergers in force from time to time, who was or were not a shareholder or shareholders of the Company on the date of adoption of these Articles obtaining direct or indirect control of a Controlling Interest That is, unless the condition specified in Article 10 3 is met

## **10.3 Tag along**

The condition referred to in Article 10 2 is that, before the transfer is made, the proposed transferee ("Buyer") makes a written offer to all the shareholders to purchase all the shares in the capital of the Company then in issue at a price per Ordinary share of not less than the Offer Price (as defined in Article 6 5) The offer must be made at the same time and otherwise on the same terms and conditions for each shareholder and must be open for acceptance in England for a period of at least 21 days from its delivery, which shall be made by personal delivery or courier to each of the shareholders at his registered address A shareholder (including the Proposing Transferor) must not complete any sale of shares to the Buyer unless the Buyer completes the purchase of all the shares agreed to be sold at the same time At the request of the Buyer, the Company will send the offer to the shareholders on behalf of the Buyer

## **11 PERMITTED TRANSFERS OF SHARES**

### **11.1 Permitted Transfers**

A shareholder will be permitted to transfer the legal title to and/or the beneficial ownership of a share (except as provided in Article 11 3)

- 11 1 1 in the case of a shareholder who is an individual, to a Family Member of that shareholder or to trustees to be held on Family Trusts of that shareholder,
- 11 1 2 in the case of a shareholder (not being in relation to the shares concerned a holder of them as a trustee of any Family Trusts) being a company, to an Associated Company of that shareholder,
- 11 1 3 in the case of a shareholder whose principal business is to make, manage or advise upon share investments (an "Institutional Investor") or which is an investment fund (however constituted) managed by an Institutional Investor

(or a nominee of such a person or any person to whom any of them may have transferred shares pursuant to this Article 11 1 3)

- (a) to the beneficial owner or owners in respect of which the transferor is a nominee or custodian or any other nominee or custodian for such beneficial owner or owners;
- (b) to any unit-holder, partner, member, participant or manager in or of the Institutional Investor or any investment fund managed by the Institutional Investor or, in any case, a nominee on behalf of any of them),

11 1 4 to any person with a Shareholders' Special Consent, or

11 1 5 in the case of Isis, to a Fund.

## **11.2 Family Trusts**

Where Shares have been transferred under Article 11 1 1 or this Article 11 2 to trustees of Family Trusts, the trustees and their successors may transfer all or any of the Relevant Shares (subject as provided in Article 11 3) as follows

11 2 1 on any change of trustee, the Relevant Shares may be transferred to the trustees from time to time of the Family Trusts concerned,

11 2 2 pursuant to the terms of such Family Trusts or in consequence of the exercise of any power or discretion vested in the trustees or any other person, all or any of the Relevant Shares may be transferred to the trustees from time to time of any other Family Trusts of the same individual shareholder or of any Family Member of the relevant shareholder, or

11 2 3 back to the original individual shareholder

## **11 3 Restrictions on Permitted Transfers.**

11 3 1 No transfer of any share which would otherwise be permitted by this Article 11 shall be made or registered

- (a) during the Active Period of any Transfer Notice under Article 6 or any Call Notice under Article 9 relating to that share;
- (b) during the Active Period of any Compulsory Sale Notice under Article 7 relating to that share, or

- (c) if that share has previously been the subject of a Transfer Notice deemed to be given under Article 7 and that share has not been validly transferred subsequently pursuant to any provision of these Articles (other than this Article 11).

11 3 2 Any transfer of a share which would otherwise be permitted by this Article 11 is subject to the restrictions set out in Article 5.5 (directors' right to refuse to register transfers)

## **12 DEED OF ADHERENCE TO SHAREHOLDERS' AGREEMENT**

12 1 At the same time as any person who is not already a shareholder is registered as the holder of any share in the Company such person will, and the Company will procure that such person will, execute a deed of adherence in the form required by any Shareholders' Agreement in force from time to time Any right to transfer or issue shares or to receive a transfer or issue of shares under these Articles will take effect subject to this obligation

12 2 If any person fails to comply with Article 12 1, the directors may authorise some other person, who is (as security for the performance of the defaulter's obligations) irrevocably and unconditionally appointed as the attorney of the defaulter for the purpose, to execute the necessary deed of adherence on the defaulter's behalf

## **13 DIRECTORS**

### **13 1 No retirement by rotation**

The directors will not be required to retire by rotation

### **13.2 Minimum and maximum number of directors**

The minimum number of directors shall be one but there shall not be a maximum number of directors (unless the shareholders by Special Shareholders' Consent agree otherwise)

### **13.3 Isis director**

Isis shall for the longer of such period as.

13 3 1 it holds not less than ten per cent (10%) of the issued Ordinary Shares, and

13 3 2 three years from the date of adoption of these Articles

13 3 3 be entitled to nominate one person to act as a director of the Company from time to time The other shareholders shall not vote their shares so as to

remove any director appointed pursuant to this Article 13 3 from office Isis shall be entitled to remove its nominated director from office and appoint another person to act in his place

**13.4 Founder directors**

13 5 Each of the Founders shall for the longer of such period as:

13 5 1 he holds not less than ten per cent (10%) of the issued Ordinary Shares; and

13 5 2 three years from the date of adoption of these Articles:

be entitled to nominate one person to act as a director of the Company from time to time The other shareholders shall not vote their shares so as to remove any director appointed pursuant to this Article 13 4 from office. Each Founder shall be entitled to remove his nominated director from office and appoint another person to act in his place For the avoidance of doubt, a Founder shall not vote his shares so as to remove a director from office appointed pursuant to this Article 13 4 by the other Founder

**13.6 Appointment of director**

Any appointment or removal of a director under Articles 13 3, and 13 4 shall take effect at the time that a notice of appointment or removal signed by or on behalf of the appointing shareholder is received at the Company's registered office or produced to a meeting of the directors

**13.7 Observer**

Each of the Founders and Isis for so long as they are each entitled to nominate a person to act as a director of the Company shall be entitled to appoint one person to act as an observer who shall be entitled to attend and speak at all meetings of the directors and to receive copies of all board papers as if he were a director but shall not be entitled to vote on any resolutions proposed at a meeting of the directors Neither the Founders nor Isis may appoint an observer while their nominated director is in office

**14 PROCEEDINGS OF DIRECTORS**

14 1 Subject to the provisions of these Articles, the directors may regulate their proceedings as they think fit Any director may call a meeting of the directors Questions arising at a meeting shall be decided by a majority of votes In the case of an equality of votes, the Chairman shall not have a second or casting vote. A director who is also an alternate director shall be entitled in the absence of his appointor to a separate vote on behalf of his appointor in addition to his own vote



- 14 2 Notice of every meeting of the directors shall be given to every director and to his alternate (if any) and the non-receipt of notice by any director or alternate director shall invalidate the proceedings of the directors Unless all the directors indicate their willingness to accept shorter notice of a meeting of directors at least 14 days' notice shall be given of the time place and purpose of the meeting. Every notice of a meeting of the directors required to be given under these Articles shall be in writing and may be served personally or sent by prepaid letter post or by electronic mail or by facsimile to the address for the time being notified for the purpose and shall be accompanied by an agenda specifying the business to be transacted unless otherwise agreed by the directors Not fewer than 12 fixed meetings of the directors shall take place in each financial year of the Company on such dates as the directors shall agree prior to the start of each financial year of the Company ---
- 14 3 Any director resident outside or for the time being absent from the United Kingdom shall be entitled to be given reasonable notice of meetings of the directors to such address if any (whether inside or outside the United Kingdom) as the director may from time to time notify to the Company. Every notice of meeting referred to in Article 14.2 shall be sent to the director resident outside the United Kingdom by pre paid letter by post or electronic mail or facsimile to the address or number for the time being supplied for the purpose to the Company
- 14 4 The continuing directors or a sole continuing director may act notwithstanding any vacancies in their number, but, if the number of directors is less than the number fixed as the quorum, they or he may act only for the purpose of calling a general meeting
- 14 5 All or any of the directors or any committee of the directors may participate in a meeting of the directors or that committee by means of a telephonic conference or any communication equipment which allows all persons participating in the meeting to hear each other A person so participating shall be deemed to be present in person at the meeting and shall be entitled to vote or be counted in a quorum accordingly Such a meeting shall be deemed to take place where the largest group of those participating is assembled, or, if there is not such group, where the chairman of the meeting then is
- 14 6 All acts done by a meeting of directors, or of a committee of directors, or by a person acting as a director shall, notwithstanding that it be afterwards discovered that there was a defect in the appointment of any director or that any of them were disqualified from holding office, or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a director and had been entitled to vote.

- 14 7 A resolution in writing signed or approved by letter, facsimile or e-mail by all the directors entitled to receive notice of a meeting of directors or of a committee of directors shall be as valid and effectual as if it had been passed at a meeting of directors or (as the case may be) a committee of directors duly convened and held and may consist of several documents in the same terms each signed by one or more directors; but a resolution signed by an alternate director need not also be signed by his appointor and, if it is signed by a director who has appointed an alternate director, it need not be signed by the alternate director in that capacity

## **15 ALTERNATE DIRECTORS**

- 15 1 Each director shall be entitled to nominate another director or some other person who is willing to act as his alternate director. A nomination shall be subject to the approval of all other directors. A director may at his discretion remove an alternate director nominated by him. The nomination and removal of an alternate director shall be by notice in writing given to the Company by the director wishing to appoint or remove an alternate director. An alternate director shall have the same entitlement as his appointor to receive notices of meetings of the directors and to attend, vote and be counted for the purpose of a quorum at any meeting at which his appointor is not personally present, and generally in the absence of his appointor at such meeting to exercise and discharge all the functions, powers and duties of his appointor
- 15 2 Save as otherwise provided in these Articles an alternate director shall during his appointment be deemed to be a director for the purposes of these Articles, shall not be deemed to be an agent of his appointor, shall alone be responsible to the Company for his own acts or defaults and shall be entitled to be indemnified by the Company to the same extent as if he were a director
- 15 3 An alternate director shall not in respect of his office of alternate director be entitled to receive any remuneration from the Company or to appoint another person as his alternate. The appointment of an alternate director shall immediately and automatically determine if his appointor ceases for any reason to be a director or on the happening of an event which, if he were a director, would cause him to vacate the office of director, or if by written notice to the Company he shall resign such appointment.

## **16 DIRECTORS' CONFLICTS OF INTEREST**

### **16.1 Authorising situational conflicts of interest**

The directors may authorise, to the fullest extent permitted by law, any matter which would otherwise result in a director infringing his duty to avoid a situation in which

he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company and which may reasonably be regarded as likely to give rise to a conflict of interest (including a conflict of interest and duty or conflict of duties) The directors may do so subject to such terms and conditions, if any, as they may think fit from time to time to impose and subject always to their right to vary or terminate such authorisation

## **16.2 Conditions for the authorisation to be effective**

However, the authorisation referred to in Article 16.1 is only effective if:

16 2 1 any requirement as to the quorum at the meeting at which the matter is considered ~~is met without counting the director in question or any other~~ interested director, and

16 2 2 the matter was agreed to without their voting or would have been agreed to if their votes had not been counted

## **16 3 Effect of authorisation**

If a matter has been authorised by the directors in accordance with Article 16 1 (an "approved matter") then (subject to such terms and conditions, if any, as the directors may think fit from time to time to impose, and subject always to their right to vary or terminate such authorisation or the provisions set out below), the relevant director

16 3 1 shall not be required to disclose any confidential information relating to the approved matter to the Company if to make such a disclosure would result in a breach of a duty or obligation of confidence owed by him in relation to or in connection with that approved matter,

16 3 2 may be required by the Company to maintain in the strictest confidence any confidential information relating to the approved matter which also relates to the Company;

16 3 3 may be required by the Company not to attend any part of a meeting of the directors at which anything relevant to the approved matter is to be discussed and any related board papers may be withheld from that director,

16 3 4 may absent himself from discussions, whether in meetings of the directors or otherwise, and exclude himself from information, which may be relevant to the approved matter,

16 3 5 shall not, by reason of his office as a director, be accountable to the Company for any benefit which he derives from the approved matter.

#### **16 4 Interests in other Group companies**

A director may, notwithstanding his office or the existence of an actual or potential conflict between the interests of the Company and those of another member of the Group which would be caught by section 175(1) of the Act, be a director or other officer of, or employed by or otherwise interested in, whether directly or indirectly, any other company in the Group (a "group company interest") and the director in question

16 4 1 shall be entitled to be counted in the quorum and to attend any meeting or part of a meeting of the directors or a committee of the board of directors at which any matter which is or may be relevant to the group company interest may be discussed, and to vote on any resolution of the directors or a committee of the board of directors relating to such matter or to take any unanimous decision of the directors, and any board or committee papers relating to such matter shall be provided to the director in question at the same time as the other directors,

16 4 2 shall not be obliged to account to the Company for any benefit which he derives from a group company interest;

16 4 3 shall not be obliged to disclose to the Company or use for the benefit of the Company, any confidential information received by him by virtue of his group company interest and otherwise than by virtue of his position as a director, if to do so would result in a breach of a duty or obligation of confidence owed by him to any other company in the Group or third party

#### **16 5 Interests in transactions or arrangements with the Company**

16 6 The provisions of Articles 16 1 to 16 4 (inclusive) shall not apply to a conflict of interest which arises in relation to an existing or proposed transaction or arrangement with the Company but the following provisions of this Article 16 5 and Article 16.6 shall apply. Any director may be interested in an existing or proposed transaction or arrangement with the Company provided that he complies with the Act

#### **16 7 Effect of declaring an interest in a transaction or arrangement with the Company**

Without prejudice to the obligation of each director to declare an interest in accordance with sections 177 and 182 of the Act, a director may vote at a meeting of the board of directors or of a committee of the board of directors on any resolution concerning a matter in which he has an interest, whether direct or indirect, which relates to a transaction or arrangement with the Company, or in relation to which he

has a duty. Having so declared any such interest or duty he may have, the director shall be counted in the quorum present when any such resolution is under consideration and if he votes on such resolution his vote shall be counted. He may also retain for his own absolute use and benefit all profits and advantages directly or indirectly accruing to him under or in consequence of such transaction or arrangement. Article 14 of the Model Articles shall not apply.

#### **16.8 Interests under Articles 6 and 7**

Despite the above provisions of this Article 16, a director shall be regarded as having an interest which is material and which conflicts with the interests of the Company in (and accordingly shall not be entitled to vote in relation to) any matter which requires to be determined or decided by the directors under Article 6 or Article 7 to the extent the matter relates to any share held by that director or any Associate of that director or in which that director is otherwise interested.

#### **16.9 Quorum in the event of conflicts of interest**

If at any meeting of directors there is only one director entitled to vote on the business of the meeting, or any item of business at the meeting, because of a conflict of interest of the other directors, then the quorum for that meeting or that item of business shall be one.

### **17 TRANSMITTEES**

These Articles shall be binding upon and shall apply for the benefit of each transmittee of a shareholder.

### **18 DEFINITIONS AND INTERPRETATION**

#### **18.1 Definitions**

The following definitions apply in these Articles:

<b>"Act"</b>	means the Companies Act 2006,
<b>"Active Period"</b>	means, in respect of a specified notice, the period from the time of its service or deemed service until the time when none of the shareholders, the directors or the Company has any further rights or duties, directly or indirectly, to that notice,
<b>"Arrears"</b>	means in relation to any dividend payable on a share, all accruals, deficiencies and arrears of such

	dividend,
<b>"Articles"</b>	means these articles of association,
<b>"Associate"</b>	has the meaning given to it in section 435 of the Insolvency Act 1986;
<b>"Associated Company"</b>	means, in relation to a company, any company which is a holding company of that company or a subsidiary of that company or of such holding company,
<b>"Bad Leaver"</b>	means any shareholder whose employment or consultancy with a Group Company has terminated as a result of his fraud, dishonesty or gross misconduct
<b>"Chairman"</b>	means the chairman, if any, of the directors,
<b>"Commencement Date"</b>	means the date of completion of any Shareholders' Agreement;
<b>"Controlling Interest"</b>	means an interest (within the meaning of Part 22 of the Act) in any shares in the Company conferring in aggregate more than 50 per cent of the total voting rights conferred by all the shares in the capital of the Company from time to time in issue and conferring the right to vote at all general meetings of the Company,
<b>"Family Member"</b>	means, in relation to any person, the spouse, parent and every child of that person (including stepchildren and adopted children),
<b>"Family Trusts"</b>	means, as regards any particular individual shareholder, a trust or trusts under which no immediate beneficial interest in any of the shares in question is from time to time vested in any person other than that individual and/or Family Members of that individual (and so that for this purpose a person shall be considered to be beneficially interested in a share if such share or the income from it is or may become liable to be transferred or

paid or applied or appointed to or for the benefit of such person or any voting or other rights attaching to such share are or may become liable to be exercisable by or as directed by such person pursuant to the terms of the relevant trusts or in consequence of an exercise of a power or discretion conferred by the relevant trusts on any person or persons),

**"Founder"**

means each of Phelim Bradley and Ekaterina Damer,

**"Fund"**

means any limited partnership or other similar investment vehicle in which the University and/or Isis and/or any of the colleges of the University are participants from time to time;

**"Good Leaver"**

means any shareholder who is not a Bad Leaver,

**"Group"**

means the Company and any subsidiary or subsidiaries (if any) of the Company from time to time;

**"Isis"**

means Isis Innovation Limited a wholly owned subsidiary of the University, registered in England under number 2199542 and whose registered office is at University Offices, Wellington Square, Oxford OX1 2JD, England,

**"Issue Price"**

means in respect of a share, the aggregate of the amount paid up (or credited as paid up) in respect of the nominal value of the share and any share premium on that share,

**"Model Articles"**

means the model articles for private companies limited by shares contained in Schedule 1 of the Companies (Model Articles) Regulations 2008 (*SI 2008/3229*) as amended prior to the date of adoption of these Articles,

**"Ordinary Shares"**

means the ordinary shares of £1.00 each in the capital of the Company,

<b>"Ordinary Shareholder"</b>	means the holder (or joint holders) of any Ordinary Shares.
<b>"Permitted Transferee"</b>	means a person to whom shares have been permitted to be transferred pursuant to Article 11,
<b>"Relevant Shares"</b>	means (so far as they remain held by the Permitted Transferee) the shares originally transferred to a Permitted Transferee pursuant to Article 11 and any additional shares either issued to such Permitted Transferee by way of capitalisation of reserves or acquired by such Permitted Transferee in exercise of any right or option granted or arising by virtue of the holding of such shares or additional shares or any of them or the membership conferred by them,
<b>"share"</b>	means a share in the Company of whatever class;
<b>"shareholder"</b>	means a registered holder of shares in the Company (and includes joint holders),
<b>"Shareholders' Agreement"</b>	means any agreement, by whatever name called, in effect from time to time between the Company and any shareholders holding a Controlling Interest that relates in whole or in part to the conduct of the Company's affairs,
<b>"Shareholders' Special Consent"</b>	means the written consent, direction or agreement (which may be given by several instruments in the like form and may be subject to terms and conditions) of (i) shareholders holding not less than 75 per cent in nominal value of the issued ordinary share capital of the Company and (ii) each shareholder holding more than 20 per cent in nominal value of the issued ordinary share capital of the Company, in each case at the time the consent is given or the agreement made,
<b>"Transferee Company"</b>	means a company from time to time holding shares in consequence of a transfer or series of transfers of shares between Associated Companies (the relevant Transferor Company in the case of a series of



transfers being the first transferor in that series),

**"Transferor Company"**

means a company (other than a Transferee Company) that has transferred shares to an Associated Company;

**"transmittee"**

means a person entitled to a share by reason of the death or bankruptcy of a shareholder or otherwise by operation of law, and

**"University"**

means The Chancellor, Masters and Scholars of the University of Oxford

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**18 2 Interpretation**

In these Articles, where the context admits and unless specified to the contrary

18 2 1 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,

18 2 2 a reference to an "Article" is a reference to the relevant article of these Articles unless expressly provided otherwise;

18 2 3 words and expressions defined in any part of these Articles have the same meanings throughout these Articles,

18 2 4 a reference to the issue of a share includes the allotment of a share,

18 2 5 use of the singular is deemed to include the plural, use of any gender is deemed to include every gender and any reference to a person is deemed to include a corporation, a partnership and other body or entity; and (in each case) vice versa,

18 2 6 references to the "directors" means, unless the context otherwise requires, the directors of the Company acting as a board or the directors of the Company present or deemed to be present at a duly convened board meeting at which a quorum is present,

18 2 7 a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of (i) any subordinate legislation from time to time made under it and (ii) any

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amendment or re-enactment, and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts,

18 2 8 in relation to any shareholder, references to any English legal term for any action, remedy, method of judicial proceeding, insolvency proceeding, event of incapacity, legal status, court, governmental or administrative authority or agency, official or any legal concept, practice or principle or thing shall in respect of any jurisdiction other than England where that shareholder is domiciled, resident, incorporated or carries on business be deemed to include what most approximates in that jurisdiction to the English legal term concerned, and

18 2 9 the headings shall not affect the interpretation of these Articles