

Company number: 09396640

Articles of Association

8Power Limited

Incorporated on 20 January 2015

Adopted on 26th March 2024

Companies Act 2006
Private company limited by shares
Articles of Association
of

8POWER LIMITED

Registered company number: 09396640

Adopted by special resolution on: 2024

1. DEFINITIONS

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

"A Ordinary Shares"	means the A ordinary shares of £0.00001 each in the capital of the Company
"Act"	means the Companies Act 2006 (as amended or replaced from time to time)
"Acting in Concert"	has the meaning given to it in The City Code on Takeovers and Mergers published by the Panel on Takeovers and Mergers (as amended from time to time);
"Adoption Date"	means 2024
"Appointing Investor Director"	means any director appointed by the Appointing Investors pursuant to clause 16.3
"Appointing Investor Majority"	has the meaning set out in article 16.3
"Appointing Investors"	has the meaning set out in the Shareholders' Agreement
"these articles"	means these articles of association, whether as originally adopted or from time to time altered by special resolution
"Arrears"	means in relation to any Share, all arrears of declared and/or accrued but unpaid dividends on that Share;
"Asset Sale"	means the disposal by the Company of all or substantially all of its undertaking and assets (where disposal may include, without limitation, the grant by the Company of an exclusive licence of intellectual property not entered into in the ordinary course of business)

"Available Profits"	means profits available for distribution within the meaning of part 23 of the Act
"B Ordinary Shares"	means the B ordinary shares of £0.00001 each in the capital of the Company
"Bad Leaver"	<p>means any Leaver whose cessation of employment, engagement or appointment as an employee, consultant, director or secondee of or provision of consultancy services to the Company, occurs for reason of:</p> <ul style="list-style-type: none"> (a) his fraud, gross misconduct, gross negligence or dishonesty; or (b) circumstances which entitle the Company to terminate such employment, engagement or appointment by reason of irremediable or material breach or summary dismissal (and such dismissal is not found by a tribunal or court of competent jurisdiction to have been wrongful or unfair); or (c) him being disqualified from acting as a director of the Company; or (d) him being convicted of a criminal offence (other than a road traffic offence which is not punishable by a custodial sentence); or (e) his violation of any securities laws or insider trading laws;
"BGF"	means BGF Investments LP a limited partnership registered in England and Wales with number LP14928 whose registered office is at 13-15 York Buildings, London, WC2N 6JU, acting by its manager BGF IML, and references to BGF shall include any Permitted Transferees of BGF to whom shares have been transferred and, as the context requires or permits, a nominee of BGF Investments LP from time to time
"BGF Group"	means BGF, BGF IML, any Member of the same Group as BGF IML and any person, fund, partnership or company (or any nominees of them) managed or advised by BGF IML or any Member of the same Group as BGF IML, or of which BGF IML or any Member of the same Group as BGF IML is a general partner, in each case being a subsidiary, person, fund, partnership or company carrying on the business of making, managing or advising on the holding of share investments and "member of the BGF Group" shall be construed accordingly

“BGF IML”	means BGF Investment Management Limited acting as manager for and on behalf of BGF
“Board”	means the board of directors of the Company from time to time
“Business Day”	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
“Cambridge Enterprise Seed Funds”	means the University’s discovery fund and venture fund
“CE”	means Cambridge Enterprise Limited, a limited company incorporated in England and Wales under company number 01069886
“CIC”	Cambridge Innocation Capital plc of Hauser Forum, 3 Charles Babbage Road, Cambridge, CB3 0GT
“CIC Group”	means CIC, any company that becomes a holding company of CIC and the shareholders of which are, at the time of so becoming, substantially the same as the shareholders in CIC immediately prior to such time, and each of their respective subsidiaries from time to time (including CIC (Jersey) Limited).
“Civil Partner”	has the meaning given to it under the Civil Partnership Act 2004
“Company”	means 8Power Limited, a limited company incorporated in England and Wales under company number 09396640
“Company’s Lien”	shall have the meaning set out in article 20.1 and “Lien” shall be construed accordingly
“Controlling Interest”	means an interest in Shares conferring either of (i) Voting Control and/or (ii) Nominal Value Control
“Director”	means each director of the Company from time to time
“Drag Documents”	has the meaning provided in article 14.7
“EBT”	means any employment benefit trust established to hold shares in the Company for the benefit of employees and/or officers and/or consultants of the Company and/or its subsidiaries and, if applicable, specified dependents of such employees, directors and/or consultants
“electronic form”	has the meaning given in section 1168 of the Act

“Eligible Director”	means a Director who would be entitled to vote on the matter at a meeting of the Board (but excluding any Director whose vote is not to be counted in respect of the particular matter)
“Fair Value”	has the meaning provided in article 11.2
“Family Trusts”	in relation to any Shareholder, means 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
"Financial Institution"	means any financial investor authorised by or registered with the Financial Services Authority or the Financial Conduct Authority or the Prudential Regulation Authority (as the case may be) (or a financial investor registered with the equivalent body or authority in the country of the relevant financial investor's principal place of business)
"Financial Year"	means an accounting reference period (as defined by the Act) of the Company and "Financial Period" shall be construed accordingly
“Founders”	together, Yu Jia, Jize Yan, Ashwin Seshia and Kenichi Soga and “Founder” shall mean any one of them
“Founder Agreements”	means the agreements in respect of the engagement of the Founders as consultants on or around 20 June 2016 entered into between (i) the Company and the Founders (other than Ashwin Seshia) and (ii) the Company and Cambridge University Technical Services in relation to Ashwin Seshia
“Good Leaver”	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

“Group”		means the Company, its subsidiaries, any holding company of the Company and any subsidiary of any such holding company from time to time and “Group Company” shall be construed accordingly
“hard copy form”		has the meaning given in section 1168 of the Act
“holding company”		has the meaning given in section 1159 of the Act
“Independent Expert”		means such firm of chartered accountants 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 of England and Wales
“Investment Fund”		means 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, and which shall include for the avoidance of doubt IPVFII
“Investment Manager”		means a person whose principal business is to make, manage or advise upon investments
“Investor Consent”		means the prior written consent of members of the Investor Majority Group representing: <ul style="list-style-type: none"> (a) more than 50% of the Shares held by the Investor Majority Group; and (b) at least 4 out of the 5 members of the Investor Majority Group;
“Investor Directors”		means the LCIF Director, the IP2IPO Director, the University Director and the Appointing Investor Director, and “Investor Director” shall mean any of them
“Investor Consent”	Director	means the prior written consent of such number of Investor Directors as represents “N – 1” where N = the number of Investor Directors appointed to the Board from time to time
“Investor Majority Group”	Majority	means, for so long as they (or their Permitted Transferee(s)) hold Shares: <ul style="list-style-type: none"> (a) LCIF2; (b) BGF; (c) the University; (d) IP Group; and (e) the Appointing Investors, acting by the Appointing Investor Director;

“IP2IPO”	means IP2IPOPortfolio L.P. (limited partnership number LP017872) acting by its general partner IP2IPO Portfolio (GP) Limited a limited company incorporated in England and Wales under company number 10360684
“IP2IPO Director”	means any director appointed by IP2IPO and IPVFII (acting jointly) pursuant to article 16.1 and shall include any alternate appointed in his place from time to time
“IP2IPO Employees’ Trust”	means any trust established by IP2IPO or any member of the IP Group to acquire and hold Shares for the benefit of employees and/or ex-employees of IP Group and their dependents
“IP2IPO Nominees”	means IP2IPO Nominees Limited, a limited company incorporated in England and Wales under company number 05602177
“IP Group”	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, in the case of IPVFII, a Member of the same Fund Group and “IP Group Company” shall be construed accordingly
“IPO”	means the admission of all or any of the Shares or securities representing those shares (including without limitation depositary interests, American depositary receipts, American depositary shares and/or other instruments) on NASDAQ or the Official List of the United Kingdom Listing Authority or the AIM Market operated by the London Stock Exchange Plc or any other recognised investment exchange (as defined in section 285 of the Financial Services and Markets Act 2000)
“IPVFII”	means IP Venture Fund II L.P. (limited partnership number LP15513) acting by its general partner IP Venture Fund II (GP) LLP (registered number OC384792)
“LCIF2”	means Low Carbon Innovation Fund 2 LP (registered number LP020737) acting by its general partner LCIF 2 General Partner Limited (registered number: 12278836)
“LCIF Director”	means any director appointed by the LCIF Group pursuant to article 16.4 and shall include any alternate appointed in his place from time to time
“LCIF Group”	means LCIF2, LCIF2 Limited and Turquoise International Limited

"Leaver"	means any Director (other than the IP2IPO Director, University Director, Appointing Investor Director or LCIF Director), employee or consultant of the Company or any of its subsidiaries who:
	<ul style="list-style-type: none"> (a) ceases to be a Director (and does not continue as an employee or a consultant to the Company or any of its subsidiaries); and/or (b) ceases to be employed or engaged by, or to provide consultancy services, to the Company or any of its subsidiaries
"Leaver's Percentage"	<p>means, in the case of a Leaver, who becomes a Resigning Leaver:</p> <ul style="list-style-type: none"> (c) at any time on or prior to the 6 month anniversary of the Prior Adoption Date, 100% of his Leaver Shares; (d) at any time following the 6 month anniversary of the Prior Adoption Date but on or prior to the 12 month anniversary of the Prior Adoption Date, 75% of his Leaver Shares; (e) at any time following the 12 month anniversary of the Prior Adoption Date but on or prior to the 18 month anniversary of the Prior Adoption Date, 50% of his Leaver Shares; (f) at any time following the 18 month anniversary of the Prior Adoption Date but on or prior to the 24 month anniversary of the Prior Adoption Date, 25% of his Leaver Shares; (g) at any time following the 24 month anniversary of the Prior Adoption Date, 0% of his Leaver Shares;
"Leaver Shares"	<p>means:</p> <ul style="list-style-type: none"> (a) all the shares held by a Shareholder who is (a) a Leaver or (b) a Privileged Relation or a Family Trust or a personal representative 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) or hold shares by reason of their connection with such Leaver (and the decision of the Board in this respect will be final); and (b) all shares acquired by a Shareholder who is (a) a Leaver or (b) a Privileged Relation or a Family Trust or a personal representative of a Leaver after such Shareholder becomes a Leaver whether under any Share Option Plan or otherwise
"Leaver Transfer Notice"	has the meaning given in article 12.6

“Lien Enforcement Notice”	means a notice in writing which complies with the requirements of article 20.4(b)
“Member of the same Fund Group”	shall have the meaning set out in article 10.8
“Member of the same Group”	shall have the meaning set out in article 10.7
“Model Articles”	means the model articles for private companies limited by shares contained in Schedule 1 to The Companies (Model Articles) Regulations 2008 (SI 2008/3229), as amended prior to the Adoption Date
“New Holding Company”	means a newly formed holding company, pursuant to which the membership, pro rata shareholdings and classes of shares comprised in such holding company matches that of the Company immediately prior to the transfer of the issued share capital of the Company to such holding company
“Nominal Value Control”	means any corporate shareholder, together with any persons connected to it, 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 2007 and paragraphs 10, 11, 11A and 11B of Schedule 5 of Income Tax (Earnings and Pensions) Act (“ITEPA”) 2003 would be breached
“ordinary resolution”	has the meaning given in section 282 of the Act
“Ordinary Shares”	means the ordinary shares of £0.00001 each in the capital of the Company
“Permitted Transferee”	means a permitted transferee as set out in article 10
“Preference Amount”	means, in respect of an A Ordinary Share or a B Ordinary Share, the amount paid up or credited as paid up (including any premium) for the Share together with a sum equal to any Arrears;

"Prior Adoption Date"	means 30 November 2020;
"Privileged Relation"	means the spouse, Civil Partner of a Shareholder and every child, stepchild, grandchild, adopted child, brother, sister, nephew, niece, widow or widower of a person who is a Shareholder following the Adoption Date
"Proceeds of Sale"	means the consideration payable (including any deferred and/or contingent consideration) whether in cash or otherwise to those Shareholders selling (or otherwise transferring) Shares under a Share Sale less any fees, costs and expenses payable in respect of the Share Sale as approved by the selling shareholders;
"Relevant Member"	has the meaning set out in article 12.2
"Relevant Securities"	means all shares, rights to subscribe for shares or to receive them for no consideration and all debt or securities convertible into shares after the Adoption Date, but excluding the grant of options to subscribe for Ordinary Shares under a Share Option Plan (and the issue of the shares upon exercise of such options)
"Resigning Leaver"	means any Leaver whose cessation of employment, engagement or appointment as an employee, director or secondee of or to the Company, occurs for reason of his resignation (other than as a result of constructive dismissal) within 24 months of the Prior Adoption Date
"Sale Agreement"	shall have the meaning set out in article 14.2
"Sale Price"	shall have the meaning set out in article 11.2
"Sale Shares"	means the shares specified or deemed to be specified for sale in a Transfer Notice or Deemed Transfer Notice
"Seller"	means the transferor of shares pursuant to a Transfer Notice
"Shareholder"	means a holder of Ordinary Shares or any other share forming part of the share capital of the Company
"Share Option Plan"	means any share option plan established by the Company, eligible beneficiaries of which shall be bona fide employees, non-executive Directors and/or consultants to the Company

"Share Price"	means a price of £0.60 per Share
"Share Sale"	Share Sale means the sale or transfer of any of the shares in the capital of the Company (in one transaction or as a series of transactions) which will result in the acquirer of those shares and persons Acting in Concert with them together acquiring a Controlling Interest in the Company, except where following completion of the sale or transfer the shareholders and the proportion of shares held by each of them are the same as the shareholders and their shareholdings in the Company immediately before the sale or transfer;
"Shareholders' Agreement"	means the subscription and shareholders' agreement to be entered into on or around the Prior Adoption Date as amended, supplemented and/or adhered to from time to time
"shares" and "Shares"	means the Ordinary Shares, A Ordinary Shares, B Ordinary Shares and any other share forming part of the share capital of the Company from time to time
"special resolution"	has the meaning given in section 238 of the Act
"Specified Shares"	has the meaning set out in article 13.1
"subsidiary"	has the meaning given in section 1159 of the Act
"Termination Date"	shall mean the date on which the relevant Leaver ceases to be employed, engaged or appointed by or to provide services to the Company or any of its subsidiaries and, in case of a Founder, shall include the date on which he ceases to provide his services to the Company under the applicable Founder Agreement
"Total Transfer Condition"	shall have the meaning set out in article 11.3
"Transferee"	has the meaning given in article 11.18
"Transfer Call Notice"	has the meaning given in article 11.21
"Transfer Event"	has the meaning set out in article 12.1
"Transfer Notice"	means 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 shall be referred to as a "Deemed Transfer Notice"

“Treasury Shares”	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
“UCEF”	<p>means:</p> <p>(a) the SEIS and/or EIS funds each called the “University of Cambridge Enterprise Fund” (and which, following the first such fund, are designated by consecutive Roman numerals) managed by Parkwalk Advisors Ltd (company number 06925696) whose registered office is at Warwick House, 25 Buckingham Palace Road, London SW1W 0PP or such other agent as may be appointed in respect of the funds from time to time; and/or</p> <p>(b) any SEIS and/or EIS syndicate investment each called the “University of Cambridge Enterprise Fund Syndicate” followed by the name of the investment (and which, following the first such syndicate is designated by consecutive Roman numerals) managed by Parkwalk Advisors Ltd (company number 06925696) whose registered office is at Warwick House, 25 Buckingham Palace Road, London SW1W 0PP or such other agent as may be appointed in respect of the funds from time to time</p>
“University”	means The Chancellor, Masters and Scholars of the University of Cambridge
“University Director”	means any director appointed by the University Group pursuant to article 16.2 and shall include any alternate appointed in his place from time to time
“University Group”	<p>means:</p> <p>(a) the University and its subsidiaries;</p> <p>(b) the University Seed Funds; and</p> <p>(c) the CIC Group;</p>
“University Seed Funds”	means the Cambridge Enterprise Seed Funds, UCEF and those funds established by CE or the University from time to time to invest or co-invest in University spin-outs which are managed or operated by CE or to which CE is appointed representative or investment advisor (including any syndicate funds established to allow UCEF’s investors to make follow-on investments)

“Voting Control” means an interest in Shares conferring in the aggregate more than 50% of the total voting rights conferred by all the issued Shares in the Company

1.2 Whether or not persons are ‘acting in concert’ 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 7(1), 8, 9(1) and (3), 11(2) and (3), 13, 14(1) to (4) (inclusive), 17(1), 26(5), 44(2) and 51 to 53 (inclusive) shall not apply to the Company.

2.3 In Model Article 25(2)(c), the words "evidence, indemnity and the payment of a reasonable fee" shall be deleted and replaced with the words "evidence and indemnity".

2.4 Model Article 29 shall be amended by the insertion of the words ", or the name of any person(s) named as the transferee(s) in an instrument of transfer executed under article 28(2)," after the words "the transmittee's name".

3. DIVIDENDS

3.1 In respect of any Financial Year, the Company's Available Profits will be applied as set out in this article 3.

3.2 No dividend shall be declared and paid on any Share which is not fully paid.

3.3 Article 31(1) 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 article 31(1) 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 article 31(1) with the words "in writing".

3.4 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.

3.5 Subject to the Act and these articles, the Board may, provided Investor Consent is given, pay interim dividends if justified by the Available Profits in respect of the relevant Financial Period.

3.6 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. EXIT PROVISIONS AND DISTRIBUTIONS

4.1 On a Share Sale, Asset Sale, or on a distribution of assets on a liquidation or a return of capital (other than a conversion, redemption or purchase of shares), the Proceeds of Sale or the surplus assets of the Company remaining after payment of its liabilities shall be distributed (to the extent that the Company is lawfully permitted to do so) in the following order of priority:

- (a) first, in paying a sum equal to £X plus £100 (where X is an amount equal to the five (5) times the aggregate Preference Amount of all B Ordinary Shares), to be distributed (i) as to 0.0001%, to the holders of Ordinary Shares and A Ordinary Shares pro rata according to the number of Ordinary Shares and A Ordinary Shares held by them (as if such Shares constituted one and the same class); and (ii) as to the balance, to the holders of B Ordinary Shares, such that each holder of B Ordinary Shares receives in respect of each B Ordinary Share held five (5) times the Preference Amount

of that B Ordinary Share, providing that, where there are insufficient Surplus Assets to pay the amounts under this Article 4.1(a), the Surplus Assets shall be distributed amongst the holders the A Ordinary Shares, B Ordinary Shares and the Ordinary Shares pro rata to the amount they would otherwise have received hereunder;

- (b) second, in paying a sum equal to £Y plus £100 (where Y is an amount equal to the three (3) times the aggregate Preference Amount of all A Ordinary Shares), to be distributed (i) as to 0.0001%, to the holders of Ordinary Shares and B Ordinary Shares pro rata according to the number of Ordinary Shares and B Ordinary Shares held by them (as if such Shares constituted one and the same class); and (ii) as to the balance, to the holders of A Ordinary Shares, such that each holder of A Ordinary Shares receives in respect of each A Ordinary Share held three (3) times the Preference Amount of that A Ordinary Share, providing that, where there are insufficient Surplus Assets to pay the amounts under this Article 4.1(b), the Surplus Assets shall be distributed amongst the holders the A Ordinary Shares, B Ordinary Shares and the Ordinary Shares pro rata to the amount they would otherwise have received hereunder; and
- (c) third, the balance of the Proceeds of Sale or the surplus assets (if any) shall be distributed (i) as to 0.0001%, to the holders of A Ordinary Shares and B Ordinary Shares pro rata according to the number of A Ordinary Shares and B Ordinary Shares held by them (as if such Shares constituted one and the same class); and (ii) as to the balance, to the holders of Ordinary Shares pro rata to the number of Ordinary Shares held by them,

PROVIDED always that if the sum, which would be distributed pursuant to Articles 4.1(a), 4.1(b) and 4.1(c) to a holder of a B Ordinary Share or an A Ordinary Share on an as-converted to an Ordinary Share basis, would be greater than the sum to otherwise be paid to the holder of such B Ordinary Share or A Ordinary Share, then such holder shall instead be paid the greater sum in relation to such B Ordinary Share; and or A Ordinary Share.

4.2

- 4.3 In relation to a Share Sale, the Directors shall not register any transfer of shares if the Proceeds of Sale are distributed pursuant to article 4.1, save in respect of any shares not sold in connection with that Share Sale, provided that, if the Proceeds of Sale are not settled in their entirety upon completion of the Share Sale:

- (a) the Directors shall not be prohibited from registering the transfer of the relevant shares so long as the Proceeds of Sale that are settled have been distributed in the order of priority set out in this Article 4; and
- (b) the Shareholders shall take any lawful action required by Shareholders holding 75 per cent in nominal value of the Shares to ensure that the Proceeds of Sale in their entirety are distributed in the order of priority set out in this Article 4.

- 4.4 On an Asset Sale the surplus assets of the Company remaining after payment of its liabilities shall be distributed (to the extent that the Company is lawfully permitted to do so) in the order

of priority set out in this Article 4 provided always that if it is not lawful for the Company to distribute its surplus assets in accordance with the provisions of these Articles, the Shareholders shall take any lawful action reasonably required by Shareholders holding 75 per cent in nominal value of the Shares (including, but without prejudice to the generality of this Article 4.3, actions that may be necessary to put the Company into voluntary liquidation so that this Article 4 applies).

5. VOTING

5.1 Subject to any other provisions in these articles concerning voting rights, the Shares in the Company shall carry one vote per Share at all general meetings of the Company and on proposed written resolutions of the Company.

5.2 If the aggregate number of votes exercisable in a general meeting of the Company or in relation to any proposed written resolutions of the Company in respect of those Shares held by IP2IPO, IPVFII and IP2IPO Nominees (and any other member of IP Group) would exceed forty-nine point nine per cent. (49.9%) of the total number of votes exercisable in respect of all shares entitled to vote at a general meeting of the Company or on any proposed written resolutions of the Company, then the number of votes actually exercisable in respect of those shares held by IP2IPO, IPVFII and IP2IPO Nominees in a general meeting of the Company or on any proposed written resolutions of the Company shall be reduced so that the combined voting rights of IP2IPO, IPVFII and IP2IPO Nominees (and any member of IP Group) is equal to 49.9% of the total number of votes exercisable in respect of all shares entitled to vote at a general meeting of the Company or on any proposed written resolutions of the Company. The foregoing provisions of this Article 5.2 may be suspended or disapplied at any time by written notice served on the Company by IP2IPO, IPVFII and IP2IPO Nominees.

5.3 Notwithstanding any other provision of these articles, the aggregate number of votes attaching to all the Shares held by BGF (and any member of the BGF Group or any nominee or custodian of such Shares) shall be restricted to the lower of:

- (a) an aggregate 40% of the votes attaching to all such Shares; and
- (b) the total aggregate number of votes that would have been conferred on BGF (and any member of the BGF Group or any nominee or custodian of such shares) if this article 5.3 did not apply.

The provisions of this article 5.3 may be suspended or disapplied at any time by written notice service on the Company by BGF. No variation of this article 5.3 may be made without the written consent of such members of the BGF Group as then hold Shares.

5.4 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).

5.5 A poll may be demanded:

- (a) by the chairman of the meeting; or
- (b) by at least two members having the right to vote on the resolution; or
- (c) by a member or members representing not less than one-tenth of the total voting rights of all the members having the right to vote on the resolution; or
- (d) by a member or members holding Shares conferring a right to vote on the resolution being Shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the Shares conferring that right,

and a demand by a person as proxy for a member shall be the same as a demand by the member.

5.6 Model Article 44(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.

5.7 No member shall be entitled to vote at any general meeting or at any separate meeting of the holders of any class of Shares, either in person or by proxy, or on any resolution proposed to be passed by way of written resolution or class consent in respect of any Share held by him unless all monies presently payable by him in respect of that Share have been paid.

5.8 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 or vote on any proposed written resolution;
- (c) receive a dividend or other distribution; and
- (d) save as otherwise permitted by section 726(4) of the Act.

6. PROXIES

6.1 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.

6.2 Model Article 45(1) shall be amended by:

- (a) the deletion of Model Article 45(1)(d) and its replacement with the words "is delivered to the Company in accordance with these articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate"; and
- (b) the insertion of the words "and a proxy notice which is not delivered in such manner shall be invalid, unless the Directors, in their discretion, accept the notice at any time before the meeting" as a new paragraph at the end of that Model Article.

7. CLASS RIGHTS

Whenever the capital of the Company is divided into different classes of shares the special rights attached to any class may be varied or abrogated either whilst the Company is a going concern or during or in contemplation of a winding up, with the consent in writing of the holders of at least 75% of the issued shares of that class.

8. FURTHER ISSUES OF SHARES

- 8.1 Save to the extent authorised from time to time by an ordinary resolution of the shareholders or by a written resolution in accordance with section 282(2) of the Act, the Directors shall not exercise any power to allot Relevant Securities.
- 8.2 In accordance with section 567(1) of the Act, sections 561 and 562 of the Act shall not apply to an allotment of any Relevant Securities made by the Company.
- 8.3 Unless otherwise agreed by special resolution (provided always that any waiver or disapplication of pre-emption rights held by BGF must be approved in writing by BGF), if the Company proposes to create, issue or allot any Relevant Securities, those Relevant Securities shall not be created, issued or allotted to any person unless the Company has first offered them to all Shareholders holding Shares 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 then 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 Business Days from the date of the offer and shall give details of the number and subscription price of the Relevant Securities (which shall be the same for each Relevant Security); 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 equity securities ("Excess Securities") for which he wishes to subscribe.
- 8.4 Any Relevant Securities not accepted by Shareholders pursuant to the offer made to them in accordance with article 8.3 shall be used for satisfying any requests for Excess Securities made pursuant to article 8.3. 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 8.3 (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.
- 8.5 Without the prior written consent of the Board, no shares shall be allotted 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 the Income Tax (Earnings and Pensions) Act 2003.
- 8.6 An offer of Relevant Securities made to IP2IPO, IPVFII and/or IP2IPO Nominees pursuant to article 8.3 shall, as directed by the relevant party, entitle either:
 - (a) IP2IPO; and/or
 - (b) IPVFII; and/or
 - (c) IP2IPO Nominees; and/or
 - (d) any of their Permitted Transferees at the time at which the offer is made under article 8.3,to subscribe for such Relevant Securities.
- 8.7 An offer of Relevant Securities made to the University Group pursuant to article 8.3 shall, as directed by the relevant party, entitle any member of the University Group at the time at which the offer is made under article 8.3, to subscribe for such Relevant Securities.
- 8.8 An offer of Relevant Securities made to LCIF2 pursuant to article 8.3 shall, as directed by the relevant party, entitle any member of the LCIF2 Group at the time at which the offer is made under article 8.3, to subscribe for such Relevant Securities.
- 8.9 An offer of Relevant Securities made to BGF pursuant to article 8.3 shall, as directed by the relevant party, entitle any member of the BGF Group at the time at which the offer is made under article 8.3, to subscribe for such Relevant Securities.

9. TRANSFER OF SHARES

9.1 The Directors may 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:

- (a) they suspect that the proposed transfer may be fraudulent;
- (b) the registration thereof would permit the registration of a transfer of shares on which the Company has a lien; or
- (c) the transfer is to a minor.

9.2 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.

9.3 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.

9.4 The Company shall only be permitted to sell or transfer any Shares held as Treasury Shares to any person with Investor Consent.

10. PERMITTED TRANSFERS

Transfers with Investor Consent

10.1 Notwithstanding any other provision of these articles, but provided that this article 10.1 shall not waive or otherwise disapply the pre-emption rights of IP2IPO, IPVFII, IP2IPO Nominees, LCIF2 or BGF without their prior written consent:

- (a) a transfer of any shares approved with Investor Consent may be made without restriction as to price or otherwise and free from pre-emption rights and any such transfer shall be registered by the Directors;
- (b) any shares may at any time be transferred without restriction as to price or otherwise and free from pre-emption rights where there is a sale of the entire issued share capital of the Company to a New Holding Company, which has been approved by the Board with Investor Consent, and any such transfer shall be registered by the Directors.

Permitted transfers by corporate Shareholders

- 10.2 Notwithstanding any other provision of these articles, a transfer of any shares in the Company by IP2IPO may be made by IP2IPO to the trustees of an IP2IPO Employees' Trust without any restriction as to price or otherwise and free from pre-emption rights pursuant to article 11 and any such transfer shall be registered by the Directors.
- 10.3 Notwithstanding any other provision of these articles, a transfer of any shares may be made without restriction as to price or otherwise (and any such transfers shall be registered by the directors) between IPVFII and a Member of the same Fund (or any custodian or nominee to be held solely on behalf of any such person).
- 10.4 Notwithstanding any other provisions of these articles, IP2IPO Nominees may transfer the legal interest in any shares held by it 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 11 and any such transfer shall be registered by the Directors.
- 10.5 Notwithstanding any other provisions of these articles, LCIF2 (or its nominee) may transfer the legal and/or beneficial interest in any shares held by it to any member of the LCIF Group and vice versa any Shares may be transferred by any member of the LCIF Group to any other member of the LCIF Group, without any restriction as to price or otherwise and free from pre-emption rights pursuant to article 11 and any such transfer shall be registered by the Directors.
- 10.6 Notwithstanding any other provisions of these articles, BGF may transfer any shares held by it to:
 - (a) any member of the BGF Group, any person who is connected with BGF or a member of the BGF Group, any general partner, limited partner or other partner in or trust, nominee, manager of, adviser, promoter, beneficiary, withholder or other financier of a member of the BGF Group or any person who is connected with a member of the BGF Group; or
 - (b) any Financial Institution acquirer of BGF's portfolio (being more than three) of investments,

without any restriction as to price or otherwise and free from pre-emption rights pursuant to article 11 and any such transfer shall be registered by the Directors.

10.7 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) any subsidiary of that body corporate;
- (b) any employee trust of that body corporate;
- (c) that body corporate's holding company;
- (d) any limited partner participant (in connection with a limited partnership formed in accordance with the Limited Partnerships Act 1907) interested in that body corporate;
- (e) any subsidiary of that holding company; or
- (f) 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,

(a "Member of the same Group") without restriction as to price or otherwise and free from pre-emption rights pursuant to article 11, and any such transfer shall be registered by the Directors. 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. For the avoidance of doubt, any combined Members of the same Group will be classed as a single holding in the Company.

10.8 Notwithstanding any other provision of these articles, a transfer of any shares in the Company held by any Shareholder which is an Investment Fund, an Investment Manager or nominee of an Investment Fund or Investment Manager may be made to:

- (a) where the Shareholder is an Investment Manager or nominee of an Investment Manager:
 - (i) a nominee of such Investment Manager or to any new nominee of such Investment Manager;
 - (ii) any participant or partner in or member of any Investment Fund in respect of which the Shares are held (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);
 - (iii) any Investment Fund whose business is managed by the Investment Manager who is or whose nominee is the transferor or any Investment Fund whose business is managed by a direct or indirect subsidiary undertaking or ultimate parent undertaking of such Investment Manager or by any other director or indirect subsidiary undertaking of any such ultimate parent undertaking; or
 - (iv) any other Investment Manager who manages the business of the Investment Fund in respect of which the Shares are held;

- (b) where the Shareholder is an Investment Fund or nominee of an Investment Fund:
 - (i) a nominee of such Investment Fund or to any new nominee of such Investment Fund;
 - (ii) any participant (directly or indirectly) 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);
 - (iii) any other Investment Fund whose business is managed by the same Investment Manager as manages the Investment Fund which is or whose nominee is the transferor or any direct or indirect holding company or subsidiary of that Investment Manager;
 - (iv) the Investment Manager who manages the business of the Investment Fund which is or whose nominee is the transferor;
- (c) and vice versa any Shares may be transferred by any of the persons in articles 9.8(a) or 9.8(b) to any person who falls in the categories set out in article 9.8 above, (a "Member of the same Fund Group") without restriction as to price or otherwise and free from pre-emption rights pursuant to article 11, and any such transfer shall be registered by the Directors. If any such transferee ceases to be a Member of the same Fund Group as the original transferor it shall forthwith transfer the relevant shares back to the original transferor, or another Member of the same Fund Group as the original transferor.

10.9 Notwithstanding any other provision of these articles, a transfer of any shares in the Company may be made by any member of the University Group to:

- (a) any member of the University Group; or
- (b) any limited partnership or any similar investment vehicle in which it, or any colleges belonging to it, are the majority participants from time to time (or to a nominee appointed by such person),

without any restriction as to price or otherwise and free from pre-emption rights pursuant to article 11 and any such transfer shall be registered by the Directors. If any such transferee ceases to be such an investment vehicle or subsidiary, it shall forthwith transfer the relevant shares back to the original transferor, or another such investment vehicle or subsidiary.

Permitted transfers to Privileged Relations and Family Trusts

10.10 Subject to the provisions of articles 10.11 and 10.12, 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, provided that any such transfer of shares to trustees to be held upon a Family Trust may only be made with Board approval.

- 10.11 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 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.
- 10.12 If and whenever any shares in the Company are held by a Privileged Relation who ceases to be a Privileged Relation, a Transfer Notice 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.

Criteria for consents to Family Trusts

- 10.13 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

- 10.14 Notwithstanding any other provisions of these articles, trustees who hold shares on behalf of beneficiaries may transfer the 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.
- 10.15 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.
- 10.16 Any EBT shall be entitled to transfer or distribute any share or shares according to its rules to any employee of the Group.

11. PRE-EMPTION RIGHTS

Transfer Notices and Sale Price

11.1 Unless this article is otherwise disapplied by special resolution (provided always that the pre-emption rights of IP2IPO, IPVFI, IP2IPO Nominees, LCIF2 or BGF shall not be disapplied without their prior written consent) or where otherwise provided in these articles (including under articles 10 and 12.3), 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.

11.2 Transfer Notices and Deemed Transfer Notices shall constitute the Company as the Seller's agent for the sale of the Sale Shares in one or more lots at the discretion of the Directors at the price agreed by the Seller and the Directors (the "Sale Price"). If the Seller and the Directors are unable to agree a price within 15 days of the Transfer Notice being given or being deemed to have been given, the Board shall appoint an Independent Expert to determine the fair value of the Sale Shares and 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. In certifying the Fair Value the Independent Expert shall be considered to be acting as expert and not as arbitrator or arbiter and accordingly any provisions of law or statute relating to arbitration shall not apply.

Right of Seller to reject partial sales

11.3 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

11.4 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 7 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 apportioned among the Seller and the purchasing members (but borne solely by the Seller if the Seller cancels the Company's authority to sell the Sale Shares) and borne by any one or more of them as the Independent Expert in their absolute discretion shall decide.

Pre-emptive offers-general

- 11.5 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 11.4, the Sale Shares shall be offered for sale in accordance with the following provisions of this article.
- 11.6 A Transfer Notice shall not be revocable except with the sanction of the Directors (acting with Investor Director Consent) given any time prior to completion of the transfer of the Shares in question, or unless notified in writing to the Company by the Seller not more than three days following receipt by him of notice of the certified Fair Value of each Share (if relevant) provided such transfer notice has not been deemed served pursuant to any provision of these articles.

Offer to Shareholders

- 11.7 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 and any other person holding Shares who has given or is deemed to have given a Transfer Notice). The notice shall specify:
- (a) the identity of the Seller;
 - (b) the number of Sale Shares on offer and the Sale Price;
 - (c) whether the Sale Shares are subject to a Total Transfer Condition; and
 - (d) 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).
- 11.8 The notice shall set out an offer to each holder of Shares (other than the Seller and any other person holding Shares who has given or is deemed to have given a Transfer Notice) 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.
- 11.9 An offer of Sale Shares made to IP2IPO, IPVFI and/or IP2IPO Nominees pursuant to article 11 shall, as directed by the relevant party, entitle either:
- (a) IP2IPO; and/or
 - (b) IPVFI; and/or
 - (c) IP2IPO Nominees; and/or
 - (d) any of their Permitted Transferees at the time at which the offer is made under article 11, to purchase such Sale Shares.

- 11.10 An offer of Sale Shares made to any member of the University Group pursuant to article 11 shall, as directed by the relevant party, entitle any member of the University Group at the time at which the offer is made under article 11, to purchase such Sale Shares.
- 11.11 An offer of Sale Shares made to LCIF2 pursuant to article 11 shall, as directed by the relevant party, entitle any member of the LCIF2 Group at the time at which the offer is made under article 11, to purchase such Sale Shares.
- 11.12 An offer of Sale Shares made to BGF pursuant to article 11 shall, as directed by the relevant party, entitle any member of the BGF Group at the time at which the offer is made under article 11, to purchase such Sale Shares.

Basis of allocation to Shareholders

- 11.13 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.
- 11.14 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 more than the number of Sale Shares available (and following such allocation), the provisions of article 11.15 shall apply.
- 11.15 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 number of Sale Shares to be allocated to the relevant Shareholder in the iteration.

B is the number of Shares held by the Shareholder.

C is the number of Shares 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.

- 11.16 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.

- 11.17 If the total number of Sale Shares applied for does not meet the Total Transfer Condition, the Board shall notify the Seller and all those to whom Sale Shares have been conditionally allocated stating that the Total Transfer Condition has not been met and that the relevant Transfer Notice has lapsed with immediate effect.
- 11.18 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

- 11.19 Subject to article 11.3, 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 those Shareholders who have been allocated the Sale Shares following the application of articles 11.7 to 11.18. If the Seller defaults in transferring the relevant Sale Shares the Company shall, if so required by the Shareholder(s) 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 relevant Shareholder and shall enter the names of such Shareholder(s) in the register of Shareholders as the holder of such of the Sale Shares as have been transferred to him (or it). The receipt by the Company of the Sale Price shall be a good discharge to the purchasing Shareholders. The Company shall pay the Sale Price into a separate bank account and shall hold the same on trust for the Seller.

Transfers of excess Sale Shares

- 11.20 If, following the Company's notification of the allocation of the Sale Shares as referred to in article 11.18, any of the Sale Shares have not been allocated, the Seller may at any time within a period of eight weeks transfer the Sale Shares which have not been allocated (or, where the Transfer Notice contains a Total Transfer Condition and such condition has not been satisfied, all (but not some only) of the unallocated Sale Shares) to any person and at any price (being not less than the Sale Price or deemed Sale Price as the case may be) provided that the Directors:
- (a) may refuse approval if the Board reasonably considers that the transferee is a person (or a nominee for a person), who is a competitor with the business of the Company or any member of its Group; or
 - (b) may require to be satisfied that those shares are being transferred under a bona fide sale for the consideration stated in the transfer without any deduction, rebate or allowance to

the purchaser or purchasers and, if not so satisfied, may refuse to register the instrument of transfer,

(without prejudice, however, to the Directors' obligation to refuse to approve or register any transfer of shares in the circumstances described in article 9).

Effect of non-compliance

- 11.21 If and when required by notice in writing by the holder or holders of (in aggregate) a majority in nominal value of the Shares in the Company (including IP2IPO, LCIF2 and BGF) so to do ("Transfer Call Notice") a member who transfers or purports to transfer any Share in the Company in breach of the provisions of these articles shall be bound to give a Transfer Notice in respect of the Shares (without specifying a price per Share) which he has transferred or purported to transfer in breach of these articles.
- 11.22 In the event of such member failing to serve such a Transfer Notice within five days of the date of the Transfer Call Notice such member shall be deemed to have given a Transfer Notice at the expiration of such period of five days and to have specified therein as the price per Share the Fair Value of each Share to be certified in accordance with article 11.2. A Transfer Notice given or deemed given under this article 11.22 shall be irrevocable unless the Directors (with Investor Consent) give their consent to the contrary.
- 11.23 Any purported transfer of shares otherwise than in accordance with the provisions of these articles shall be void and have no effect.

12. COMPULSORY TRANSFERS

12.1 In this article 12, a "Transfer Event" means:

(a) in relation to any Shareholder:

- (i) a Shareholder who is an individual being adjudicated as bankrupt by a court of competent jurisdiction;
- (ii) a Shareholder making any arrangement or composition with his creditors generally;
- (iii) a Shareholder who is a body corporate or public sector entity:
 - (1) having a receiver, manager or administrative receiver appointed over all or any part of its undertaking or assets (other than as part of a bona fide restructuring or reorganisation); or
 - (2) having an administrator appointed in relation to it; or
 - (3) entering into liquidation (other than a voluntary liquidation for the purpose of a bona fide scheme of solvent amalgamation or reconstruction); or

(4) having any equivalent action taken in any jurisdiction,

provided that this article 12.1(a)(iii) shall have no application to IP2IPO, BGF, LCIF2 or their Permitted Transferees;

(iv) a Shareholder who is a body corporate who ceases to be within the control (as such term is defined by section 1124 Corporation Tax Act 2010) of the person(s) who controlled such company on the date on which it became a member of the Company or on the Adoption Date (whichever shall be the later), provided that this article 12.1(a)(iv) shall have no application to IP2IPO, BGF, LCIF2 or their respective Permitted Transferees;

(v) a Shareholder who becomes a Leaver;

(vi) a Shareholder or any Privileged Relation of a Shareholder or the trustees of any Family Trust of a Shareholder wilfully attempting to deal with or dispose of any Share or any interest in it otherwise than in accordance with these articles; or

(vii) a Shareholder not giving a Transfer Notice in respect of any Shares which may otherwise be required by these articles; or

(b) in relation to a Privileged Relation, a Privileged Relation to whom Shares have been transferred ceases to be a Privileged Relation of the Shareholder who made the transfer; or

(c) in relation to a Family Trust, any Shares held by trustees upon a Family Trust cease to be so held upon a Family Trust (otherwise than in consequence of a transfer to the settlor, to any Privileged Relation of the settlor or other permitted transfer) or there ceases to be any beneficiaries of the Family Trust other than a charity or charities.

12.2 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 ("Relevant Member") and any Privileged Relation who or Family Trust, Member of the same Group, Member of the same Fund Group and/or other Permitted Transferee which has acquired Shares from him (directly or by a means of a series of two or more transfers) or who holds Shares by reason of their connection with the Relevant Member (and the decision of the Board in this respect will be final) 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 or any proposed written resolution in respect of those Shares on and from the date of the relevant Deemed

Transfer Notice until the entry in the register of Shareholder of the Company of another person as the holder of those Shares.

- 12.3 Subject to article 12.8, the Shares the subject of any Deemed Transfer Notice shall be offered for sale in accordance with article 11 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 Deemed Transfer Notice shall not include a Total Transfer Condition;
 - (b) the Sale Price shall be a price per Sale Share agreed between the Seller and the Board and in default of agreement within twenty (20) Business Days after a Deemed Transfer Notice is deemed to have been given, the Fair Value;
 - (c) 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 and/or any of his 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 or on any proposed written resolution; and
 - (d) the Sale Shares which are 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.
- 12.4 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.

Good Leaver, Bad Leaver and Resigning Leaver

- 12.5 In the event a Shareholder becomes a Good Leaver, all Leaver Shares shall be retained by the Good Leaver, provided that in relation to such retained shares, the shares 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 majority or to vote on any proposed written resolution of the Company.
- 12.6 In the event a Shareholder becomes a Bad Leaver or a Resigning Leaver, then, unless the Board determine otherwise, subject always to their obtaining Investor Consent in relation to such determination, the relevant Shareholder and any Permitted Transferee which has acquired Shares from that Leaver (directly or by a means of a series of two or more transfers) or who holds Shares by reason of their connection with such Shareholder shall be deemed to have immediately given a Transfer Notice (the "Leaver Transfer Notice") in respect of:
- (a) in the case of a Bad Leaver, the Bad Leaver's Leaver Shares; and
 - (b) in the case of a Resigning Leaver, the Leaver's Percentage of the Resigning Leaver's Leaver Shares.

12.7 A Leaver Transfer Notice shall supersede and cancel any then current Transfer Notice insofar as it relates to the same Leaver Shares except for Leaver Shares which have been validly transferred pursuant to that Transfer Notice. Subject to article 12.8(b), and unless the Board determines otherwise, subject always to their obtaining Investor Consent in relation to such determination, any Shareholder holding Leaver Shares in respect of which a Leaver Transfer Notice is deemed to have been given shall not be entitled to exercise any voting rights at general meetings of the Company (either in person or by proxy) or to vote on any proposed written resolution of the Company, in respect of those Leaver Shares on and from the date of the relevant Leaver Transfer Notice (whether deemed or otherwise) until the entry in the register of shareholders of the Company of another person as the holder of those Leaver Shares or until such time as the provisions of these Articles have been adhered to in relation to the retaining but disenfranchisement of those Leaver Shares or immediately prior to an IPO.

12.8 The Leaver Shares the subject of a Leaver Transfer Notice shall be offered for sale in accordance with article 11 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 per Leaver Share shall be as follows:
 - (i) if the Leaver is a Resigning Leaver, the lower of £0.60 and Fair Value;
 - (ii) if the Leaver is a Bad Leaver, nominal 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 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 to vote in any class meeting nor count towards any majority or any proposed written resolution of the Company; 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.

13. TAG ALONG RIGHTS

13.1 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 13.1 to purchase at the specified price (defined in article 13.4) 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).

- 13.2 An offer made under article 13.1 shall be in writing, open for acceptance for at least 20 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.
- 13.3 If any part of the specified price is to be paid except by cash then each of IP2IPO, IPVFI, IP2IPO Nominees, LCIF2 and BGF may, at their option, elect to take a price per share of such cash sum as may be agreed by them and the proposed transferee having regard to the transaction as a whole.
- 13.4 For the purpose of article 13.1:
- (a) the expression "transfer" shall include the renunciation of a renounceable letter;
 - (b) the expression "specified price" means a price per share equal to the highest price paid (or payable pursuant to such bona fide offer referred to in article 13.1) 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.
- 13.5 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 13.1 between the proposed transferee and Shareholders holding at least 85% of the class of shares concerned (excluding the transferee and persons who have waived their right to receive an offer, but which must include the Investor Majority Group), 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 13.1 shall have no effect. The costs of the Independent Expert shall be borne as the Independent Expert shall determine.
- 13.6 The rights of pre-emption set out in these articles shall not arise on any transfer of shares made in accordance with articles 13.1 to 13.5 inclusive.
14. DRAG ALONG RIGHTS
- 14.1 If an offer or offers ("Offer") is made by or on behalf of a bona fide arm's length third party purchaser (the "Third Party Purchaser") and the holders of at least 75% of the Shares in issue for the time being (which must include the Investor Majority Group) (the "Selling Shareholders") wish to transfer all their interest in Shares (the "**Sellers' Shares**") to such Third Party Purchaser, the Selling Shareholders shall have the option (the "Drag Along Option") to require all the other holders of Shares (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.
- 14.2 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 both the

Third Party Purchaser and, at the same time, the other Shareholders. 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 Third Party Purchaser, the consideration for which the Called Shares are to be transferred (being the same consideration per share as that payable in respect of the Seller's Shares, unless the provisions of articles 14.11 or 14.12 apply), the proposed date of transfer and the form of any sale agreement or form of acceptance or any other document of similar effect that the Called Shareholders are required to sign in connection with such sale (the "Sale Agreement").

- 14.3 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 45 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.
- 14.4 No Drag Along Notice may require a Called Shareholder to agree to any terms save those specifically provided for in this article.
- 14.5 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 all of the Called Shareholders and the Selling Shareholders agree otherwise.
- 14.6 The rights of pre-emption set out in these articles and the requirement for an offer under article 13 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.
- 14.7 The Called Shareholders shall deliver the Drag Documents on the completion date determined in accordance with article 14.5 and, against delivery of such Drag Documents, the Company shall pay the Called Shareholders, on behalf of the Third Party Purchaser, the amounts they are due to the extent that the Third Party Purchaser has put the Company in the requisite funds. The Company's receipt of the price shall be a good discharge to the Third Party Purchaser. The Company shall hold the amounts due to the Called Shareholders on trust for the Called Shareholders without any obligation to pay interest.
- 14.8 To the extent that the Third Party Purchaser has not, on the completion date determined in accordance with article 14.5, put the Company in funds to pay the consideration due, the Called Shareholders shall be entitled to the return of the Drag Documents for the relevant Called Shares and the Called Shareholders shall have no further obligations under this article 14 in respect of their Shares.
- 14.9 If any holder of Shares does not on completion of the sale of Called Shares execute transfer(s) in respect of all the Called Shares held by them, the duly executed Sale Agreement (if applicable, in the form specified in the Drag Along Notice or as otherwise specified by the Company, and the relevant share certificate (or a suitable indemnity for any lost share certificate) (together the "Drag Documents")), the defaulting holder shall be deemed to have irrevocably appointed any person nominated for the purpose by the Selling Shareholders to be

their agent and attorney to execute all necessary Drag Documents 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 Drag Documents 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.

- 14.10 Upon any person, following the issue of a Drag Along Notice, becoming a member of the Company pursuant to the exercise of a pre-existing option or warrant to acquire shares in, or on the conversion of any other convertible security of, 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.
- 14.11 If any of IP2IPO (or its Permitted Transferees), LCIF2 or BGF are Called Shareholders, the consideration for which they shall be obliged to sell each of their Called Shares shall be at least equal to or more than the Share Price, unless otherwise agreed by IP2IPO, LCIF2 and/or BGF (as the case may be) in writing.
- 14.12 If the consideration (or any part thereof) for which the Called Shareholders shall be obliged to sell each of their shares is non-cash consideration, a cash alternative must be made available to:
- (a) IP2IPO (and its Permitted Transferees), unless otherwise agreed by IP2IPO;
 - (b) BGF (and its Permitted Transferees), unless otherwise agreed by BGF; and
 - (c) LCIF2 (and its Permitted Transferees), unless otherwise agreed by LCIF2.
- 14.13 With respect to any relevant documentation required to be executed to give effect to the provisions set out in this article 14, the Called Shareholders shall only be obliged to undertake to transfer their respective Called Shares with full title guarantee (and provide an indemnity for lost certificate in a form acceptable to the Board if so necessary) in receipt of the consideration when due and shall not be obliged to give warranties, indemnities, undertakings or covenants of any kind except a several warranty as to title to their Called Shares and capacity to enter into such documentation and each of IP2IPO, IPVFII, IP2IPO Nominees, BGF's and LCIF2's liability shall be capped at the consideration received by them.
- 14.14 Any Transfer Notice or Deemed Transfer Notice served in respect of the transfer of any Share which has not completed before the date of service of a Drag Along Notice shall automatically be revoked by the service of a Drag Along Notice.

14.15 The provisions of articles 13.1 to 13.5 shall not apply where a Drag Along Notice has been served.

15. APPOINTMENT AND REMOVAL OF DIRECTORS

15.1 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, the holders of shares 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.

15.2 Model Article 18 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) he shall for more than six consecutive months have been absent without permission of the Directors from meetings of Directors held during that period and the Directors resolve that his office be vacated;
- (c) save in the case of the LCIF Director, the Appointing Investor Director, the IP2IPO Director and/or the University Director, a majority of the other Directors resolve that he cease to be a Director; and
- (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.

16. BOARD APPOINTEES

16.1 Notwithstanding any other provisions of these articles, for so long as IP2IPO and IPVFI (together with any of their permitted transferees pursuant to article 10) hold more than 10% of the shares in issue, 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.

16.2 Notwithstanding any other provisions of these articles, for so long as the University Group (together with any of their respective permitted transferees pursuant to article 10) hold more than 10% of the shares in issue, the University 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.

16.3 Notwithstanding any other provisions of these articles, for so long as the Appointing Investors (together with any of their respective permitted transferees pursuant to article 10) together hold more than 10% of the shares in issue, the Appointing Investors (acting by those Appointing

Investors holding more than 50% of the Shares held by the Appointing Investors (“Appointing **Investor Majority**”) shall be entitled to jointly 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.

- 16.4 Notwithstanding any other provisions of these articles, for so long as LCIF2 (together with any of their respective permitted transferees pursuant to article 10) hold any Shares, LCIF2 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.
- 16.5 Any appointment or removal of an IP2IPO Director, an Appointing Investor Director, a University Director or an LCIF Director under article 16.1 to 16.4 (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.
- 16.6 Each of the LCIF Director, the Appointing Investor Director, the IP2IPO Director and the University Director shall be entitled at his request to be appointed to any committee of the Board established from time to time and to the board of directors of any Subsidiary. The Board shall promptly notify each of the Appointing Investors, IP2IPO, LCIF2 and the University of the creation of any such committee and provide each of such Shareholders with reasonable detail relating to the purpose and authority of such committee.
- 16.7 If and to the extent that any of the Appointing Investors (acting by an Appointing Investor Majority), the Founders, IP2IPO and IPVFII (acting jointly), or the University Group does not exercise its or his respective right to appoint a director (for so long as they each respectively have a right to appoint a director under this article 16 whether individually or jointly), each of them (either individually or jointly as the case may be) shall be entitled to appoint an observer who may attend meetings of the Board (and remove any such observer and appoint another person in his or her place by notice to the Company). Any such observer shall be entitled to attend any and all such meetings and to speak provided that the observer shall not be entitled in any circumstances to vote and shall not be treated as a director for any purpose.
- 16.8 At any time when the LCIF Director has not been appointed under article 16.4, for so long as LCIF2 (together with any of their respective permitted transferees pursuant to article 10) hold any Shares, it shall be entitled from time to time to appoint an observer who may attend meetings of the Board (and remove any such observer and appoint another person in his or her place by notice to the Company). Any such observer shall be entitled to attend any and all such meetings and to speak provided that the observer shall not be entitled in any circumstances to vote and shall not be treated as a director for any purpose.
- 16.9 For so long as BGF (together with its Permitted Transferee(s)) shall hold any Shares, it shall be entitled from time to time to appoint an observer who may attend meetings of the Board (and remove any such observer and appoint another person in his or her place by notice to the Company). Any such observer shall be entitled to attend any and all such meetings and to

speak provided that the observer shall not be entitled in any circumstances to vote and shall not be treated as a director for any purpose.

- 16.10 Unless otherwise agreed by the Investor Majority Group, the maximum number of Directors appointed to the Board from time to time shall be eight Directors.

17. PROCEEDINGS OF DIRECTORS

- 17.1 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 17.2 (subject to article 17.3 and article 17.4). 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.
- 17.2 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.
- 17.3 A decision taken in accordance with article 17.2 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.
- 17.4 A decision may not be taken in accordance with article 17.2 if the Eligible Directors would not have formed a quorum at a Directors' meeting to vote on the matter in accordance with article 17.7 and article 17.8.
- 17.5 Any director including an alternate director may participate in a meeting of the directors or a committee of the directors of which he is a member by means of a conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other and participation in a meeting in this manner shall be deemed to constitute presence in person at such meeting and, subject to these articles and the Act, he shall be entitled to vote and 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 no such group, where the chairman of the meeting then is.
- 17.6 Meetings of the Directors shall take place at least eight times per year unless the Board (with Investor Consent) 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 (5) Business Days' advance notice in writing of each such meeting shall be given to each Director, their respective alternates and any observers. Notice of every meeting of the Directors shall be given to each Director, their alternate, and any 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 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 each other. Such meetings shall be as effective as if the directors had met in person.

- 17.7 The quorum for any meeting (or, where specified below, part of a meeting) of the Directors shall be four Directors, which must include:
- (a) if all four of the Investor Directors are appointed, at least three out of four Investor Directors; or
 - (b) if less than four Investor Directors are appointed, all of the appointed Investor Directors.
- 17.8 If the necessary quorum pursuant to article 17.7 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 the meeting shall proceed so long as two Eligible Directors are present. No business shall be raised at a meeting adjourned pursuant to this article 17.8 unless it was included in the agenda and associated notices of the original meeting.
- 17.9 For the purposes of any meeting (or part of a meeting) held pursuant to article 17.6 to authorise a conflict of interest, if there are only two Eligible Directors in office other than the conflicted Director(s), the quorum for such meeting (or part of a meeting) shall be two Eligible Directors (of which at least one must be an Investor Director).
- 17.10 If the number of Directors in office for the time being is less than two, the Directors in office must not take any decision other than a decision to:
- (a) appoint further Directors; or
 - (b) call a general meeting so as to enable the Shareholders to appoint further Directors.
- 17.11 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.
- 17.12 Questions arising at any meeting of the Directors shall be decided by a majority of votes. The chairman of the Company shall not have a casting vote at any meeting of the Directors or any committee of the Board.
- 17.13 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.
- 17.14 Any remuneration committee constituted by the Company shall comprise only non-executive directors and shall include the LCIF Director.

18. **DIRECTORS' CONFLICTS OF INTEREST**

Specific interests of a Director

18.1 Subject to the provisions of the Act and provided that he has declared to the Directors in accordance with the provisions of these articles (unless the circumstances referred to in sections 177(5), 177(6), 182(5) or 182(6) of the Act apply, in which case no declaration is required), 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 with Investor Consent,

and shall, subject to article 18.6, be an Eligible Director for the purposes of any proposed decision of the Directors (or committee of the Directors) and shall be entitled to vote at a

meeting of Directors (or of a committee of the Directors) or participate in any unanimous decision of the Directors.

18.2 For the purposes of article 18.1:

- (a) 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; and
- (b) an interest of a person who is for any purpose of the Act (excluding any statutory modification not in force when these Articles were adopted) connected with a Director shall be treated as an interest of the Director and in relation to an alternate Director an interest of his appointor shall be treated as an interest of the alternate Director without prejudice to any interest which the alternate Director has otherwise.

Interests of an IP2IPO Director, University Director or LCIF Director

18.3 In addition to the provisions of article 18.1, subject to the provisions of the Act and provided 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 IP2IPO Director, University Director or LCIF 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; or
- (d) any "Investor Affiliate", which for these purposes means any person who or which, as regards the IP2IPO Group, the University Group or the LCIF2 Group (as applicable):
 - (i) is a holding company of that company, or a wholly owned subsidiary of the company or of any such holding company;
 - (ii) is its investment advisor;
 - (iii) controls or is controlled, managed advised (in an investment advisor capacity) or promoted by it; and/or

- (iv) is a trustee, manager, beneficiary, shareholder, partner, unitholder or other financier or any participant in or of it; and/or
- (v) any carried interest or incentive arrangement associated with any person or arrangement referred to in paragraphs (i) to (iv) above.

Interests of which a Director is not aware

- 18.4 For the purposes of this article 18, 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

- 18.5 In any situation permitted by this article 18 (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

- 18.6 Subject to article 18.7, 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;
 - (iii) restricting the Interested Director from any discussions (whether at meetings of directors or otherwise) related to the Relevant Interest and not giving the Interested Director any documents or other information relating to the Relevant Interest; or
 - (iv) restricting the application of the provisions in articles 18.8 and 18.9, 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 18.7, 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 18, and the director will not infringe any duty he owes to the Company by virtue of sections 171 to 177 of the Act provided he acts in accordance with such terms, limits and conditions (if any) as the Directors impose in respect of its authorisation.

Terms and conditions of Board authorisation for an IP2IPO Director, University Director or LCIF Director

- 18.7 Notwithstanding the other provisions of this article 18, it shall not be made a condition of any authorisation of a matter in relation to the IP2IPO Director, the University Director or the LCIF 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 18.8.

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

- 18.8 Subject to article 18.9 (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 18), 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.

- 18.9 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 18.8 shall apply only if the conflict arises out of a matter which falls within article 18.1 or article 18.3 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

- 18.10 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

18.11 Subject to section 182 of the Act, a Director shall declare the nature and extent of any interest permitted by article 18.1 or article 18.3 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 18.1(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

18.12 Subject to section 239 of the Act, the Company may, with Investor Consent, ratify any contract, transaction or arrangement, or other proposal, not properly authorised by reason of a contravention of any provisions of this article 18.

18.13 For the purposes of this article 18:

- (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;
- (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.

19. NOTICES OF GENERAL MEETINGS AND QUORUM

19.1 Every notice convening a general meeting may be given in accordance with section 308 of the Act, that is in hard copy form, electronic form or by means of a website and shall comply with the provisions of section 325(1) of the Act as to giving information to members in regard to their right to appoint proxies. The notice shall specify the time, date and place of the meeting and the general nature of the business to be dealt with at the meeting. Subject to the provisions of these articles and to any restrictions imposed on any Shares, notices of, and other communications relating to, any general meeting shall be given to all the members, to all persons entitled to a Share in consequence of the death or bankruptcy of a member, to the Directors and to the auditors of the Company.

- 19.2 The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.
- 19.3 All general meetings shall be called by at least fourteen clear days' notice but a general meeting may be called by shorter notice if it is so agreed by a majority in number of the members having a right to attend and vote being a majority together holding not less than ninety per cent in nominal value of the Shares giving that right (which must include the Investor Majority Group).
- 19.4 The quorum for a general meeting shall be two qualifying persons (as defined in section 318 of the Act, and which must include a representative of one of the Investor Majority Group) present at the general meeting, except when the Company has only one Shareholder, when the quorum shall be one such qualifying person.
- 19.5 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 meeting shall be dissolved, and Model Article 41 shall be modified accordingly.
- 19.6 The chairman, if any, of the Board of Directors or in his absence some other director nominated by the Directors shall preside as chairman of the meeting, but if neither the chairman nor such other Director (if any) be present within fifteen minutes after the time appointed for holding the meeting and willing to act, the Directors present shall elect one of their number to be chairman and, if there is only one Director present and willing to act, he shall be chairman.
- 19.7 If no Director is willing to act as chairman, or if no Director is present within fifteen minutes after the time appointed for holding the meeting, the members present and entitled to vote shall choose one of their number to be chairman.
- 19.8 A Director shall, notwithstanding that he is not a member, be entitled to attend and speak at any general meeting and at any separate meeting of the holders of any class of Shares in the Company.
- 19.9 The chairman may, with the consent of a meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at an adjourned meeting other than business which might properly have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for fourteen days or more, at least five clear Business Days' notice shall be given specifying the time and place of the adjourned meeting and the general nature of the business to be transacted. Otherwise it shall not be necessary to give any such notice.
- 19.10 Unless a poll is duly demanded, a declaration by the chairman that a resolution has been carried by a particular majority or carried unanimously, or lost, or not carried by a particular majority and an entry to that effect in the minutes of the meeting shall be conclusive evidence of the fact

without proof of the number or proportion of the votes recorded in favour of or against the resolution.

- 19.11 A poll shall be taken as the chairman directs and he may appoint scrutineers (who need not be members) and fix a time and place for declaring the result of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
- 19.12 A poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either forthwith or at such time and place as the chairman directs not being more than thirty days after the poll is demanded. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.
- 19.13 No notice need be given of a poll not taken forthwith if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least five clear Business Days' notice shall be given specifying the time and place at which the poll is to be taken.
- 19.14 In the case of an equality of votes, whether on a show of hands or on a poll, the chairman shall not be entitled to a casting vote in addition to any other vote he may have.
- 19.15 Ordinary resolutions and special resolutions may be passed as written resolutions in accordance with the Act. A proposed written resolution will lapse if not passed before the period of 28 days beginning with the circulation date. A written resolution shall be deemed to have been executed on behalf of a corporation if signed by one of its directors or its secretary. In the case of a share held by joint holders, the signature of any one shall be sufficient.

20. LIEN, CALLS ON SHARES AND FORFEITURE

- 20.1 The Company has a lien (the "**Company's Lien**") over every 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.
- 20.2 The Company's lien over a Share:
- (a) takes priority over any third party's interest in that Share; and
 - (b) extends to any dividend or other money payable by the Company in respect of that Share and (if the lien is enforced and the Share is sold by the Company) the proceeds of sale of that Share.

20.3 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.

20.4 Enforcement of the Company's Lien

(a) Subject to the provisions of this article 20.4, if:

- (i) a Lien Enforcement Notice has been given in respect of an 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 an 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 holder of the Share 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 20.4:

- (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.

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

- (g) Subject to the terms on which Shares are allotted, the directors may, when issuing Shares, provide that call notices sent to the holders of those Shares may require them:
 - (i) to pay calls which are not the same; or
 - (ii) to pay calls at different times.
- (h) 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,but if the due date for payment of such a sum has passed and it has not been paid, the holder of the Share concerned is treated in all respects as having failed to comply with a call notice in respect of that sum, and is liable to the same consequences as regards the payment of interest and forfeiture.

20.6 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) For the purposes of this Article:
 - (i) the "Call payment date" is the time when the call notice states that a Call is payable, unless the directors give a notice specifying a later date, in which case the "Call payment date" is that later date; and
 - (ii) the "relevant rate" is:
 - (1) the rate fixed by the terms on which the Share in respect of which the Call is due was allotted;
 - (2) such other rate as was fixed in the call notice which required payment of the Call, or has otherwise been determined by the Directors; or
 - (3) if no rate is fixed in either of these ways, 5 per cent per annum.
 - (iii) The relevant rate must not exceed by more than 5 percentage points the base lending rate most recently set by the Monetary Policy Committee of the Bank of England in connection with its responsibilities under Part 2 of the Bank of England Act 1998.

- (iv) The Directors may waive any obligation to pay interest on a Call wholly or in part.
- (c) 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.
- (d) If a notice of intended forfeiture is not complied with before the date by which payment of the Call is required in the notice of intended forfeiture, the directors may decide that any Share in respect of which it was given is forfeited, and the forfeiture is to include all dividends or other monies payable in respect of the forfeited Shares and not paid before the forfeiture.
- (e) Subject to these articles, the forfeiture of a Share extinguishes:
 - (i) all interests in that Share, and all claims and demands against the Company in respect of it; and
 - (ii) all other rights and liabilities incidental to the Share as between the person whose Share it was prior to the forfeiture and the Company.
- (f) Any Share which is forfeited in accordance with these articles:
 - (i) is deemed to have been forfeited when the Directors decide that it is forfeited;
 - (ii) is deemed to be the property of the Company; and
 - (iii) may be sold, re-allotted or otherwise disposed of as the Directors think fit.
- (g) If a person's Shares have been forfeited:
 - (i) the Company must send that person notice that forfeiture has occurred and record it in the register of members;
 - (ii) that person ceases to be a shareholder in respect of those Shares;

- (iii) that person must surrender the certificate for the Shares forfeited to the Company for cancellation;
 - (iv) that person remains liable to the Company for all sums payable by that person under the articles at the date of forfeiture in respect of those Shares, including any interest (whether accrued before or after the date of forfeiture); and
 - (v) the Directors may waive payment of such sums wholly or in part or enforce payment without any allowance for the value of the Shares at the time of forfeiture or for any consideration received on their disposal.
- (h) 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.

20.7 Procedure following forfeiture

- (a) If a forfeited Share is to be disposed of by being transferred, the Company may receive the consideration for the transfer and the Directors may authorise any person to execute the instrument of transfer.
- (b) A statutory declaration by a Director or the company secretary (if any) that the declarant is a Director or the company secretary and that a Share has been forfeited 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 the articles or by law, constitutes a good title to the Share.
- (c) A person to whom a forfeited Share is transferred is not bound to see to the application of the consideration (if any) nor is that person's title to the Share affected by any irregularity in or invalidity of the process leading to the forfeiture or transfer of the Share.
- (d) If the Company sells a forfeited Share, the person who held it prior to its forfeiture is entitled to receive from the Company the proceeds of such sale, net of any commission, and excluding any amount which:
 - (i) was, or would have become, payable; and
 - (ii) had not, when that share was forfeited, been paid by that person in respect of that Share,

but no interest is payable to such a person in respect of such proceeds and the Company is not required to account for any money earned on them.

21. PARTLY PAID SHARES

- 21.1 Model Article 21(1) shall not apply to the Company and shares may be issued other than fully paid.
- 21.2 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.

22. MEANS OF COMMUNICATION TO BE USED

- 22.1 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 (5) 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 (5) 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;
 - (c) if properly addressed and sent or supplied by electronic means, six hours after the document or information was sent or supplied; and
 - (d) if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website.

For the purposes of this article 22, 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.

- 22.2 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.

23. **DIRECTORS' EXPENSES**

Model Article 20 shall be amended by the insertion of the words “(including alternate directors) and the secretary” before the words “properly incur”.

24. **INDEMNITY AND INSURANCE**

24.1 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 costs, charges, losses, expenses and liabilities incurred by him in the actual or purported execution and/or discharge of his duties and/or the exercise or purported exercise of his powers or otherwise in relation to or in connection with his duties, powers or office, including (without prejudice to the generality of the foregoing) any liability incurred by him in relation to any proceedings, whether civil or criminal, which relate to anything done or omitted or alleged to have been done or omitted by him as a Director or other officer, 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,

in each case where the conviction, judgment or refusal of relief by the court is final within the meaning stated in section 234 of the Act;

(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.

- 24.2 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.

25. OBJECTS

The Company's objects are unrestricted.

26. LIABILITY OF SHAREHOLDERS

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

27. DATA PROTECTION

The Company 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 where it has a valid legal basis to do so. 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 appropriate technical and organisational measures to safeguard Personal Data. The Company will retain Personal Data for no longer than is reasonably required. 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 laws. The Personal Data will only be processed and stored within the European Economic Area except to the extent permitted by law.

28. ALTERNATE DIRECTORS

- 28.1 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.

28.2 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.

28.3 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.

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

29. GRATUITIES AND PENSIONS

29.1 The directors may exercise any powers of the Company to give and provide pensions, annuities, gratuities or any other benefits whatsoever to or for past or present directors or employees (or their dependants) of the Company or any subsidiary or associated undertaking (as defined in section 1151(3) of the Act) of the Company and the Directors shall be entitled to retain any benefits received by them or any of them by reason of the exercise of any such powers.