

Written Resolution of the Company
pursuant to Section 288 of the Companies Act 2006

The following resolutions were duly passed as special resolutions, by way of written resolution under Chapter 2 of Part 13 of the Companies Act 2006.

1. **THAT**, the draft articles of association attached to this resolution (**New Articles**) be adopted as the articles of association of the Company in substitution for, and to the exclusion of, the existing articles of association.
2. **THAT**, subject to the passing of resolution 1 and in accordance with article 13.4 of the New Articles, the directors be generally empowered to allot shares in the Company or grant rights to subscribe for or to convert any security into shares in the Company (**Rights**) for a period of 5 years from the date of the passing of this resolution for up to an aggregate nominal amount of £6,682.53 of A Ordinary Shares and £11,525.32 of Ordinary Shares as if the pre-emption rights contained in article 13.4 of the New Articles do not apply to any such allotment or grant of Rights, and any rights of pre-emption in connection therewith be and are hereby waived.

Director

SATURDAY



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COMPANIES HOUSE

Company number 09721622

**THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF
WRISK LIMITED**

(Adopted by special resolution passed on 25 August 2017)

INTRODUCTION

1. INTERPRETATION

1.1 The following definitions and rules of interpretation apply in these Articles:

Act: the Companies Act 2006;

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);

Additional Investors: the persons whose names and addresses are set out in Schedule 7 to the Investment and Shareholders' Agreement;

Additional Investors' Director: has the meaning given in article 5.2;

Adoption Date: the date of adoption of these Articles;

A Ordinary Shares: the A Ordinary shares of £0.01 each in the capital of the Company;

Articles: the Company's articles of association for the time being in force;

Available Profits: profits available for distribution within the meaning of part 23 of the Act;

Bad Leaver: an Employee who becomes a Departing Employee in circumstances where he is dismissed for Cause;

Bonus Issue or Reorganisation: means any return of capital, bonus issue of shares or other securities of the Company by way of capitalisation of profits or reserves or any consolidation or sub-division or redenomination or any repurchase or redemption of shares or any variation in the subscription price;

Business Day: a day other than a Saturday, Sunday or public holiday in England when banks in London are open for business;

Cause: means i) the lawful termination of a person's contract of employment or consultancy without notice or payment in lieu of notice as a consequence of that person's misconduct or as otherwise permitted pursuant to the terms of a person's contract of employment or consultancy; and/or ii) that person's fair dismissal pursuant to section 98(2)(a) (capability) or 98(2)(b) (conduct) of the Employment Rights Act 1996;



Chairman: means the chairman of the Company from time to time;

Company: means Whisk Limited (Company number 09721622);

Company's Lien: has the meaning given to it in article 25.1;

connected: has the meaning given in section 252 of the Act;

Connected Person: means any person with whom any relevant person is connected (as determined in accordance with the provisions of section 1122 CTA);

Controlling Interest: an interest in Shares conferring on the holder or holders control of the Company within the meaning of section 1124 of CTA;

CTA: means the Corporation Tax Act 2010;

Deemed Transfer Notice: a Transfer Notice which is deemed to have been served by any of the provisions of these Articles;

Deferred Shares: the deferred share of £0.01 each in the capital of the Company;

Departing Employee: an Employee who ceases to be a director or employee of, or consultant to, any Group Company and who does not continue as, or become, a director or employee of, or consultant to, any Group Company;

Directors: the directors of the Company from time to time;

Disposal: the disposal by the Company of all, or a substantial part of, its business and assets;

Eligible Director: means a Director who would be entitled to vote on the matter at a meeting of Directors (but excluding any Director whose vote is not to be counted in respect of the particular matter);

Employee: an individual who is, or has been, a director and/or an employee of, or who does provide or has provided consultancy services to, any Group Company;

Equity Shares: the A Ordinary Shares and the Ordinary Shares;

Exit: a Share Sale, a Disposal or a Listing;

Fair Value: has the meaning given in article 17.2;

Family Trust: as regards any particular Shareholder who is an individual (or deceased or former Shareholder who is an individual) any trust (whether arising under a settlement, declaration of trust or other instrument by whomsoever or wheresoever made, or under a testamentary disposition or on an intestacy) under which no immediate beneficial interest in any of the Shares in question is for the time being vested in any person other than the particular Shareholder and/or any of the Privileged Relations of that Shareholder (and so that for this purpose a person shall be considered to be beneficially interested in a Share if such Share or the income thereof is liable to be transferred or paid or applied or appointed to or for the benefit of any such person or any voting or other rights attaching thereto are exercisable by or as directed by any such person pursuant to the terms of the

relevant trusts or in consequence of an exercise of a power or discretion conferred thereby on any person or persons);

Financial Year: an accounting reference period (as defined in section 391 of the Act) of the Company;

Founder: each of Nigel Barton and Darius Kumana;

Founder Director: has the meaning given in article 5.3;

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

Good Leaver: an Employee who becomes a Departing Employee and is not a Bad Leaver or a Grey Leaver or as otherwise determined by the Board (including Investor and Additional Investors' Director Consent);

Grey Leaver: an Employee who becomes a Departing Employee as a consequence of such person's resignation as an Employee, save for in circumstances which constitute a constructive, wrongful and/or unfair dismissal (save where that unfair dismissal is as a result of a procedural defect);

Group: the Company, any subsidiary or any holding company from time to time of the Company, and any subsidiary from time to time of a holding company of the Company from time to time and **Group Company** shall be construed accordingly;

holding company: has the meaning given in article 1.12;

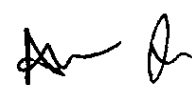
Independent Expert: the accountants for the time being of the Company or, if they decline the instruction, an independent firm of accountants jointly appointed by the Company and the Seller (or, for the purposes of article 17, by the Lead Investor) or, in the absence of agreement between the Company and the Seller (or the Lead Investor, as the case may be) on the identity of the expert within 10 Business Days of the expiry of the 20 Business Day period referred to in article 17.1, an independent firm of accountants appointed by the President, for the time being, of the Institute of Chartered Accountants of England and Wales (in each case acting as an expert and not as an arbitrator);

Investment and Shareholders' Agreement: the investment and shareholders' agreement dated on or around the Adoption Date between, amongst others, the Company and the Investors (as the same may have been varied, supplemented, adhered to or superseded in accordance with its terms (or these Articles) for the time being);

Investor: each of the Lead Investor, the Additional Investors and any other person to whom any of them transfer their Shares and any other person who becomes a party to the Investment and Shareholders' Agreement as an Investor and is named therein as an Investor;

Investor Majority Consent: the prior written consent in writing of each of the Lead Investor, Hiscox plc and QIC Asset Management Limited;

Investor Director: has the meaning given in article 5.1;



Investor and Additional Investors' Director Consent: the consent of each of the Investor Director and the Additional Investors' Director;

Issue Price: in respect of any Share, the subscription price paid (or agreed to be paid) in respect of that Share, including any share premium;

ITA: means the Income Tax Act 2007;

Lead Investor: means OC;

Lien Enforcement Notice: means a notice in writing which complies with the requirements of article 26.2;

Listing: the successful application and admission of all or any of the Shares, or securities representing such Shares (including American depositary receipts, American depositary shares and/or other instruments) to the Official List of the Financial Conduct Authority or on the AIM market operated by the London Stock Exchange plc, or the Nasdaq National Stock Market of the Nasdaq Stock Market Inc., or to any recognised investment exchange (as defined in section 285 of the Financial Services and Markets Act 2000);

Loan Note Instrument: an instrument of the Company constituting unsecured convertible loan notes up to a maximum nominal amount of £1,500,000 dated 30 March 2017;

Member of the Same Group: as regards any company, a company which is from time to time a holding company or a subsidiary of that company or a subsidiary of any such holding company;

Member of the Same Fund Group: if the Shareholder is a fund, partnership, company, syndicate or other entity whose business is managed or advised by a Fund Manager (an **Investment Fund**) or a nominee holding the legal title to the Shares of that person:

(a) any participant or partner in or member of any such Investment Fund or the holders of any unit trust which is a participant or partner in or member of any Investment Fund (but only in connection with the dissolution of the Investment Fund or any distribution of assets of the Investment Fund pursuant to the operation of the Investment Fund in the ordinary course of business);

(b) any Investment Fund managed or advised by that Fund Manager or a Fund Manager which is a Member of the Same Group as that Fund Manager;

(c) any trustee, nominee holding the legal title to the Shares or custodian of such Investment Fund and vice versa;

(d) the Fund Manager of that Investment Fund or a Fund Manager of any other Investment Fund which is a Member of the Same Fund Group as that Investment Fund (or a nominee holding the legal title to the Shares of any such Fund Manager) and vice versa; or

(e) any Member of the same Group as that Fund Manager;

Model Articles: 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;

OC: means Oxford Capital Partners LLP or any other entity that succeeds OC as manager of the Oxford Funds from time to time;

Oxford Funds: means any funds whether constituted as approved or unapproved EIS funds, limited partnerships, limited liability partnerships or otherwise in each case managed or advised by OC that have an interest in Shares from time to time or, as the context requires, in the future invests in Shares;

Ordinary Shares: the ordinary shares of £0.01 each in the capital of the Company;

Original Shareholder: has the meaning given in article 15.1;

Permitted Transfer: a transfer of Shares made in accordance with article 15;

Permitted Transferee: in relation to:

(a) a Shareholder who is an individual, any of his Privileged Relations or the trustee(s) of a Family Trust;

(b) a Shareholder which is a company, a Member of the Same Group as that company; and

(c) an Investor, to (i) a Member of the Same Fund Group as that Investor, or (ii) a Member of the Same Group as that Investor, or (iii) any nominee holding the legal title to the Shares of that Investor (or any nominee holding the legal title to the Shares of a Member of the Same Fund Group as that Investor);

Privileged Relation: in relation to a Shareholder who is an individual (or a deceased or former Shareholder who is an individual) means a spouse, civil partner (as defined in the Civil Partnerships Act 2004), child or grandchild (including step or adopted or illegitimate child and their issue);

Relevant Period: means the period of time from the Date of Adoption to the date falling four years from the Adoption Date;

Relevant Securities: any Shares or other securities convertible into, or carrying the right to subscribe for Shares, issued by the Company after the Adoption Date, other than:

(a) the grant of any options under a Share Option Plan (and the issue of Shares on the exercise of any such options) up to a maximum aggregate amount at any time equal to 20% of the total issued Shares at that time;

(b) in order for the Company to comply with its obligations under these Articles and/or the Investment and Shareholders' Agreement and/or the Loan Note Instrument; and

(c) any Shares or other securities issued in consideration of the acquisition by the Company of any company or business which has been approved by Investor Majority Consent;



Relevant Shares: in relation to an Employee means all Shares held by:

- (a) the Employee in question; and
- (b) any Permitted Transferee of that Employee (other than those Shares held by those persons that the Lead Investor declares itself satisfied were not acquired directly or indirectly from the Employee or by reason of his/her relationship with the Employee),

and including any Shares acquired by any such person after the date the relevant Transfer Notice is deemed given but before completion of the transfer of Shares pursuant to the relevant Transfer Notice;

Restricted Shares: has the meaning given in article 18.8;

Sale Proceeds: means the consideration payable (including any deferred and/or contingent consideration) whether in cash or otherwise to those Shareholders selling Shares under a Share Sale (less any fees and expenses payable by the selling Shareholders under that Share Sale);

Sale Shares: has the meaning given in article 16.2(a);

Seller: has the meaning given in article 16.2;

Shareholder: a holder for the time being of any Share or Shares, but excluding any member holding Shares in treasury;

Share Option Scheme: any share option scheme of the Company which the Lead Investor (with Investor and Additional Investors' Director Consent) identifies in writing as being a Share Option Scheme for the purposes of these Articles;

Shares: shares (of any class) in the capital of the Company and **Share** shall be construed accordingly;

Share Sale: the sale of (or the grant of a right to acquire or to dispose of) any Shares (in one transaction or as a series of transactions) which would, if completed, result in the buyer of those Shares (or grantee of that right) and persons acting in concert with him together acquiring a Controlling Interest, except where the identities of the shareholders in the buyer and the proportion of shares of the buyer held by each of them following completion of the sale are the same as the identities of the Shareholders and their respective shareholdings in the Company immediately before the sale;

subsidiary: has the meaning given in article 1.12;

Termination Date: (a) where employment ceases by virtue of notice given by the employer to the employee, the date on which such notice expires;

(b) where a contract of employment is terminated by the employer and a payment is made in lieu of notice, the date on which notice of termination was served;

(c) where an Employee dies, the date of his death;

(d) where the Employee concerned is a director but not an employee, the date on which his service agreement (or other terms of appointment) with the relevant Group Company is terminated; or

(e) in any other case, the date on which the employment or holding of office is terminated;

Transfer Notice: has the meaning given in article 16.2;

Transfer Price: has the meaning given in article 17;

Unvested Shares: means:

(a) prior to the date being one year following the Date of Adoption in the case of the Vesting Shares, 100 per cent of such Vesting Shares (the **At Risk Shares**); and

(b) thereafter, until expiry of the Relevant Period, in relation to the Founder in question, such number of his At Risk Shares as shall be equal to all his At Risk Shares multiplied by the following percentage (rounded up to two decimal places):

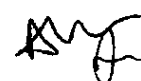
$$100 - (2.7778 \times NM),$$

where NM = number of full calendar months from the Date of Adoption to the Effective Termination Date provided that if there is a change in control (as control is defined in section 1124 of the CTA) of the Company all At Risk Shares shall no longer be Unvested Shares;

Vesting Shares: means in relation to a Founder 50% of his Relevant Shares;

Writing or written: the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise, save that, in relation to a Transfer Notice (or Deemed Transfer Notice), "writing" or "written" shall not include the sending or supply of notices, documents or information in electronic form (other than by fax).

- 1.2 Headings in these Articles shall not affect the interpretation of these Articles.
- 1.3 References to a person includes a natural person, corporate or unincorporated body (whether or not having separate legal personality).
- 1.4 Unless the context otherwise requires, words in the singular shall include the plural and the plural shall include the singular.
- 1.5 Unless the context otherwise requires, a reference to one gender shall include a reference to the other genders.
- 1.6 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 Adoption Date).
- 1.7 A reference in these Articles to:
 - (a) an **Article** is a reference to the relevant numbered article of these Articles; and



(b) a **model article** is a reference to the relevant article,

unless expressly provided otherwise.

1.8 A reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time. A reference to a statute or statutory provision shall include all subordinate legislation made from time to time under that statute or statutory provision.

1.9 Any words following the terms **including, include, in particular, for example** or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms.

1.10 Where the context permits, **other** and **otherwise** are illustrative and shall not limit the sense of the words preceding them.

1.11 A reference in these Articles to a holder, or the holder(s), of Shares, Equity Shares or any class of Shares as the case may be shall, in each case, be deemed to exclude any member holding Shares in treasury.

1.12 A reference to a **holding company** or a **subsidiary** means a holding company or a subsidiary (as the case may be) as defined in section 1159 of the Act and for the purposes only of the membership requirement contained in sections 1159(1)(b) and (c), a company shall be treated as a member of another company even if its shares in that other company are registered in the name of:

(a) another person (or its nominee), by way of security or in connection with the taking of security; or

(b) its nominee.

In the case of a limited liability partnership which is a subsidiary of a company or another limited liability partnership, section 1159 of the Act shall be amended so that: (a) references in sections 1159(1)(a) and (c) to voting rights are to the members' rights to vote on all or substantially all matters which are decided by a vote of the members of the limited liability partnership; and (b) the reference in section 1159(1)(b) to the right to appoint or remove a majority of its board of directors is to the right to appoint or remove members holding a majority of the voting rights.

1.13 If any person fails to respond to the Company for the purposes of giving its consent under the terms of these Articles within ten Business Days of receiving written notice from the Company to do so, he shall be deemed to have consented to the matter in question.

2. ADOPTION OF THE 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 8(2), 9(4), 10(3), 11(2), 13, 14, 17(2), 17(3), 19, 21, 26(5), 27, 28, 29, 30(5) to (7) (inclusive), 44(4), 51, 52 and 53 shall not apply to the Company.
- 2.3 Model article 20 shall be amended by the insertion of the words "and the secretary" before the words "properly incur".
- 2.4 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".
- 2.5 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".

DIRECTORS

3. NUMBER OF DIRECTORS

Unless otherwise determined by ordinary resolution, the number of Directors shall not be less than two and shall be no more than five.

4. PROCEEDINGS OF DIRECTORS

- 4.1 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 4.2 (subject to article 4.3 and article 4.4).
- 4.2 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.
- 4.3 A decision taken in accordance with article 4.2 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.
- 4.4 A decision may not be taken in accordance with article 4.2 if the Eligible Directors would not have formed a quorum at a Directors' meeting to vote on the matter in accordance with article 4.6 and article 4.7.
- 4.5 Meetings of the Directors shall take place at least 8 times in each year, with a period of not more than 60 days between any two meetings. Any Director may call a meeting of the Directors, or authorise the company secretary (if any) to give such notice. At least 2 Business Days' advance notice of each such meeting shall be given to each Director (except with prior Investor and Additional Investors' Director Consent, when meetings of the Directors may take place less frequently or on shorter notice).
- 4.6 The quorum for any meeting (or, where specified below, part of a meeting) of the Directors shall be two Eligible Directors, which must include the Investor Director in office for the time being, unless:
- (a) there is no Investor Director in office for the time being; or
 - (b) such Investor Director has, in respect of any particular meeting (or part of a meeting), otherwise agreed ahead of such meeting; or



- (c) such Investor Director is not, in respect of any particular meeting (or part of a meeting), an Eligible Director.

in which case, subject to article 4.7, the quorum for such meeting (or part of the meeting, as the case may be) shall be any two Eligible Directors. If the necessary quorum 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 such 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.

- 4.7 For the purposes of any meeting (or part of a meeting) held pursuant to article 7 to authorise a Conflict (as defined in article 7.1), if there is only one Eligible Director in office other than the conflicted Director(s), the quorum for such meeting (or part of a meeting) shall be one Eligible Director.
- 4.8 If the number of Directors in office for the time being is less than two, the Director 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.
- 4.9 Questions arising at any meeting of the Directors shall be decided by a majority of votes. If there is an equality of votes, the Chairman (or other chairman of the meeting) shall not have a second or casting vote.
- 4.10 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.

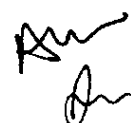
5. DIRECTORS AND OBSERVERS

- 5.1 The Lead Investor shall from time to time have the right to appoint by notice in writing addressed to the Company, and to maintain in office one person as a Director (an **Investor Director**) and to remove any such Investor Director and to appoint a replacement.
- 5.2 The Additional Investors (acting by a majority by reference to the number of Shares held between them) shall from time to time have the right to appoint by notice in writing addressed to the Company, and to maintain in office one person as a Director (an **Additional Investors' Director**) and to remove any such Additional Investors Director and to appoint a replacement (acting by a majority by reference to the number of Shares held between them).
- 5.3 The Founders (acting by a majority by reference to the number of Shares held between them) shall from time to time have the right to appoint by notice in writing addressed to the Company, and to maintain in office one person as a Director (a **Founder Director**) and to remove any such Founder Director and to appoint a replacement (acting by a majority by reference to the number of Shares held between them).
- 5.4 Any appointment or removal of:

- (a) an Investor Director made in accordance with article 5.1;
- (b) an Additional Investors' Director made in accordance with article 5.2; or
- (c) a Founder Director made in accordance with article 5.3,

shall take immediate effect upon receipt (or deemed receipt) by the Company of such notice in writing, or the production of such notice at a meeting of the Directors or, if later, the date (if any) specified in such notice.

- 5.5 An Investor Director shall be entitled to be appointed to any committee of the Directors established from time to time. On the receipt of the request in writing of his appointor(s), the Company shall procure that an Investor Director shall be appointed as a director of any other Group Company, to the extent specified in such request (but such Investor Director shall not be entitled to any additional fee).
- 5.6 An Additional Investors' Director shall be entitled to be appointed to any committee of the Directors established from time to time. On the receipt of the request in writing of his appointor(s), the Company shall procure that an Additional Investors' Director shall be appointed as a director of any other Group Company, to the extent specified in such request (but such Additional Investors' Director shall not be entitled to any additional fee).
- 5.7 A Founder Director shall be entitled to be appointed to any committee of the Directors established from time to time. On the receipt of the request in writing of his appointor(s), the Company shall procure that a Founder Director shall be appointed as a director of any other Group Company, to the extent specified in such request (but such Founder Director shall not be entitled to any additional fee).
- 5.8 If the Lead Investor has not appointed an Investor Director, the Lead Investor shall be entitled to appoint one person to attend meetings of the Board or the board of any member of the Group or any committee of the Board or any committee of the board of any member of the Group (the **Lead Investor Observer**). The Lead Investor Observer shall be entitled to reasonable notice of such meetings and shall be entitled to speak but shall not be entitled to vote thereat.
- 5.9 If the Additional Investors have not appointed an Additional Investors' Director, the Additional Investors (acting by a majority by reference to the number of Shares held between them) shall be entitled to appoint one person to attend meetings of the Board or the board of any member of the Group or any committee of the Board or any committee of the board of any member of the Group (the **Additional Investors Observer**). The Additional Investors Observer shall be entitled to reasonable notice of such meetings and shall be entitled to speak but shall not be entitled to vote thereat.
- 5.10 If the Founders have not appointed a Founder Director, the Founders (acting by a majority by reference to the number of Shares held between them) shall be entitled to appoint one person to attend meetings of the Board or the board of any member of the Group or any committee of the Board or any committee of the board of any member of the Group (the **Founder Observer**). The Founder



Observer shall be entitled to reasonable notice of such meetings and shall be entitled to speak but shall not be entitled to vote thereat.

- 5.11 The reasonable expenses of each Investor Director, Additional Investors' Director and Founder Director shall be payable by the Company but, save for as set out in the Investment and Shareholders' Agreement, no other fees shall be payable to them by the Company.
- 5.12 The Founders and the Lead Investor may agree to appoint any person as an independent director (**Independent Director**) and may remove and replace any such Independent Director.
- 5.13 If there is no Chairman in office for the time being, or the Chairman is unable to attend any meeting of the Directors, the Directors present at the meeting must appoint another Director present at the meeting to chair the meeting and the appointment of the chairman of the meeting must be the first business of the meeting.

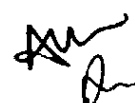
6. TRANSACTIONS OR OTHER ARRANGEMENTS WITH THE COMPANY

Subject to sections 177(5) and 177(6) and sections 182(5) and 182(6) of the Act and provided he has declared the nature and extent of his interest in accordance with the requirements of the Act, a Director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company:

- (a) may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested;
- (b) shall be an Eligible Director for the purposes of any proposed decision of the Directors (or committee of the Directors) in respect of such existing or proposed transaction or arrangement in which he is interested;
- (c) shall be entitled to vote at a meeting of Directors (or of a committee of the Directors) or participate in any unanimous decision, in respect of such existing or proposed transaction or arrangement in which he is interested;
- (d) may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a Director;
- (e) may be a Director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is otherwise (directly or indirectly) interested; and
- (f) shall not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or a person connected with him) derives from any such transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act.

7. DIRECTORS' CONFLICTS

- 7.1 The Directors may, in accordance with the requirements set out in this article 7, authorise any matter or situation proposed to them by any Director which would, if not authorised, involve a Director (an **Interested Director**) breaching his duty under section 175 of the Act to avoid conflicts of interest (**Conflict**).
- 7.2 Any authorisation under this article 7 will be effective only if:
- (a) to the extent permitted by the Act, the matter in question shall have been proposed by any Director for consideration in the same way that any other matter may be proposed to the Directors under the provisions of these Articles or in such other manner as the Directors may determine;
 - (b) any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director; and
 - (c) the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's vote had not been counted.
- 7.3 Any authorisation of a Conflict under this article 7 may (whether at the time of giving the authorisation or subsequently):
- (a) extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;
 - (b) provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the Directors or otherwise) related to the Conflict;
 - (c) subject to Investor Majority Consent, provide that the Interested Director shall or shall not be an Eligible Director in respect of any future decision of the Directors in relation to any resolution related to the Conflict;
 - (d) impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the Directors think fit;
 - (e) provide that, where the Interested Director obtains, or has obtained (through his involvement in the Conflict and otherwise than through his position as a Director of the Company) information that is confidential to a third party, he will not be obliged to disclose that information to the Company, or to use it in relation to the Company's affairs where to do so would amount to a breach of that confidence; and
 - (f) permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any meeting of the Directors and be excused from reviewing papers prepared by, or for, the Directors to the extent they relate to such matters.
- 7.4 Where the Directors authorise a Conflict, the Interested Director will be obliged to conduct himself in accordance with any terms and conditions imposed by the Directors in relation to the Conflict.



- 7.5 The Directors may revoke or vary such authorisation at any time, but this will not affect anything done by the Interested Director, prior to such revocation or variation, in accordance with the terms of such authorisation.
- 7.6 A Director, notwithstanding his office, may be a Director or other officer of, employed by, or otherwise interested (including by the holding of shares) in his appointor(s) (or any Permitted Transferee of such appointor(s)) and no authorisation under article 7.1 shall be necessary in respect of any such interest.
- 7.7 The Investor Director, the Additional Investors' Director and the Founder Director shall each be entitled from time to time to disclose to his appointor (and to any Permitted Transferee of such appointor) such information concerning the business and affairs of the Company as he shall at his discretion see fit.
- 7.8 A Director is not required, by reason of being a Director (or because of the fiduciary relationship established by reason of being a Director), to account to the Company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the Directors in accordance with these Articles or by the Company in general meeting (subject in each case to any terms and conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.

SHARES AND DISTRIBUTIONS

8. DIVIDENDS

- 8.1 In respect of any Financial Year, the Available Profits of the Company shall be used to pay dividends as set out in this article 8.
- 8.2 Any Available Profits which the Company may determine, with Investor Majority Consent, to distribute in respect of any Financial Year; will be distributed:
- (a) first, in paying to the holders of the Deferred Shares, if any, a total of £1.00 for the entire class of Deferred Shares (which payment shall be deemed satisfied by payment to any one holder of Deferred Shares);
 - (b) second, in paying a sum equal to £X plus £100 (where X is an amount equal to the aggregate Issue Price of the A Ordinary Shares in issue at the relevant time) to be distributed as to 0.0001% to the holders of the Ordinary Shares pro-rata according to the number of Ordinary Shares held by them and as to the balance to the holders of the A Ordinary Shares such that each holder of A Ordinary Shares receives in respect of each A Ordinary Share held the Issue Price of that A Ordinary Share; and
 - (c) thereafter, in distributing the balance among the holders of the Equity Shares pro rata to the number of Equity Shares held, as if they all constituted shares of the same class,

PROVIDED ALWAYS THAT this article 8 is subject to the limits in article 9.2.

- 8.3 Subject to the Act, the Directors may pay interim dividends provided that:
- (a) the Available Profits of the Company justify the payment; and

- (b) the Company obtains Investor Majority Consent to any such interim dividend.

8.4 Every dividend shall accrue on a daily basis assuming a 365 day year. All dividends are expressed net and shall be paid in cash.

9. LIQUIDATION PREFERENCE


9.1 On a return of assets on liquidation, capital reduction or otherwise (other than a conversion or purchase of Shares), the assets of the Company remaining after the payment of its liabilities shall be applied (to the extent that the Company is lawfully able to do so) in the following order of priority:

- (a) first, in paying to the holders of the Deferred Shares, if any, a total of £1.00 for the entire class of Deferred Shares (which payment shall be deemed satisfied by payment to any one holder of Deferred Shares);
- (b) second, in paying a sum equal to £X plus £100 (where X is an amount equal to the aggregate Issue Price of all the A Ordinary Shares in issue at the relevant time) to be distributed as to 0.0001% to the holders of the Ordinary Shares pro-rata according to the number of Ordinary Shares held by them and as to the balance to the holders of the A Ordinary Shares such that each holder of A Ordinary Shares receives in respect of each A Ordinary Share held the Issue Price at that A Ordinary Share;
- (c) thereafter, in distributing the balance among the holders of the Equity Shares pro rata to the number of Equity Shares held, as if they all constituted shares of the same class,

PROVIDED ALWAYS THAT this article 9.1 is subject to the limits in article 9.2.

9.2 The following provisions shall apply to Corporate Shareholders and their Connected Persons:

- (a) the limitations in this article 9.2 shall apply to:
 - (i) any Shareholder that is a "company" for the purpose of the independence requirement in section 296(2) of ITA (a **Corporate Shareholder**); and
 - (ii) any Shareholder that is a Connected Person in relation to that Corporate Shareholder (a **Relevant Connected Person**);
- (b) at any time, on a liquidation or other return of capital event (including the redemption or repurchase of Shares) the aggregate amount payable to any Corporate Shareholder and all of its Relevant Connected Persons shall not exceed 50% of the assets of the Company available for distribution amongst the participators (as defined in section 454 of CTA) of the Company at that time;
- (c) at any time, on a distribution of any profits of the Company by way of dividend or otherwise (including on the redemption or repurchase of Shares) no distribution shall be made to any Corporate Shareholder and all of its Relevant Connected Persons if, and to the extent that, the aggregate amount that would (but for this article 9.2(c)) be payable to that Corporate



Shareholder and its Relevant Connected Persons would exceed 50% of the total amount of the profits of the Company available for distribution at that time; and

- (d) at any time the aggregate number of votes attaching to all the Shares held by any Corporate Shareholder and all of its Relevant Connected Persons shall be restricted to the lower of:
 - (i) 49.99% of the votes attaching to all Shares; and
 - (ii) the total number of votes that would have been conferred on such Shareholders if this article 9.2(d) did not apply.


10. EXIT PROVISIONS

- 10.1 On a Share Sale, the Sale Proceeds shall be distributed in the order of priority set out in article 9, provided that the limits in article 9.2 shall not apply. The Directors shall not register any transfer of Shares if the Sale Proceeds are not distributed in that manner (save in respect of any Shares not sold in connection with that Share Sale) provided that, if the Sale Proceeds are not settled in their entirety upon completion of the Share Sale:
 - (a) the Directors may register the transfer of the relevant Shares, provided that the Sale Proceeds due on the date of completion of the Share Sale have been distributed in the order of priority set out in article 9; and
 - (b) each Shareholder shall take any reasonable action (to the extent lawful and within its control) required by the Lead Investor to ensure that the balance of the Sale Proceeds are distributed in the order of priority set out in article 9.
- 10.2 On a Disposal, 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 article 9, provided always that if it is not lawful for the Company to distribute its surplus assets in accordance with the provisions of these Articles, each Shareholder shall (to the extent lawful and within its control) take any reasonable action required by the Lead Investor (including, but without prejudice to the generality of this article 10.2, such action as may be necessary to put the Company into voluntary liquidation so that article 9 applies).
- 10.3 Immediately before a Listing, the Company shall issue to each holder for the time being of A Ordinary Shares, by way of automatic capitalisation of reserves, such number of Ordinary Shares which shall result in that holder holding, when aggregated with its existing shareholding (and following every issue of Ordinary Shares to Shareholders pursuant to this article 10.3), the same proportion of the total number of Equity Shares in issue as the proportion that its entitlement to the surplus assets of the Company under article 9 (including by way of arrears and accruals of dividend) bears to the total of the surplus assets available for distribution to the Shareholders under article 9.
- 10.4 All Ordinary Shares to be issued in accordance with article 10.3 shall be paid up by the automatic capitalisation of any amount standing to the credit of the share premium account or any other available reserve of the Company as determined

by the Directors and shall be credited as fully paid at par. Such a capitalisation shall be automatic and shall not require any action on the part of the Shareholders and the Directors shall allot the Ordinary Shares arising on the capitalisation to the Shareholders entitled to them in accordance with article 10.3. If and to the extent that the Company is not lawfully permitted to carry out the capitalisation required by article 10.3 in full (whether by virtue of the Act or otherwise), the entitlement of each holder of A Ordinary Shares to such an issue of Ordinary Shares shall be reduced in the same proportion that its holding of A Ordinary Shares bears to the total number of A Ordinary Shares then in issue and each such holder shall be entitled to subscribe in cash at par for the balance of that number of additional Ordinary Shares as would otherwise have been issued pursuant to article 10.3. The Shareholders shall procure (so far as they are lawfully able) that the Directors shall have sufficient authorisations required to issue the Ordinary Shares which may fall to be issued under article 10.3 or this article 10.4.

11. VARIATION OF CLASS RIGHTS

- 11.1 Whenever the share capital of the Company is divided into different classes of Shares, the special rights attached to any such class may only 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% in nominal value of the issued Shares of that class (excluding any holder(s) of Restricted Shares), save that the special rights attached to the A Ordinary Shares may only be varied or abrogated with the written consent of both the Lead Investor and Hiscox plc.
- 11.2 Without prejudice to the generality of article 11.1, the special rights attaching to the A Ordinary Shares shall be deemed to be varied by the occurrence of any of the following events:
- (a) the amendment or repeal of any provision of, or addition of any provision to, the constitution of any Group Company;
 - (b) the alteration in any manner (including, without limitation, by an increase, reduction, sub-division, consolidation, re-classification or a change in any of the rights attached) of any of the issued share capital or other securities of any Group Company or the creation by any Group Company of any shares or other securities (save as expressly provided otherwise in these Articles), but excluding in each case the issue of any shares or other securities on the exercise of any option, warrant or other right to acquire or subscribe for shares or other securities referred to in article 11.2(c);
 - (c) the grant of any option, warrant or other right to acquire or subscribe for shares in or other securities of any Group Company (save pursuant to a Share Option Scheme and/or Loan Note Instrument);
 - (d) the approval of any merger, liquidation, dissolution or acquisition of any Group Company or the sale of all or a substantial part of the business, undertaking or assets of any Group Company;



- (e) the purchase by any Group Company of any Shares (other than pursuant to an authority granted under section 693A of the Act) or the redemption of any shares or other securities of any Group Company;
- (f) the acquisition by any Group Company of any shares or other securities, or any option, warrant or other right to acquire or subscribe for any of the same, in any entity (whether or not incorporated);
- (g) save as expressly provided otherwise in these Articles, the application by capitalisation of any sum in or towards paying up any shares or other securities of any Group Company, or any other reduction of any amount standing from time to time to the credit of the share premium account or capital redemption reserve of any Group Company;
- (h) the entering into by any Group Company of a voluntary winding up;
- (i) the transferring of any profits to reserves or otherwise (save in the ordinary course of business) and the taking of any action (excluding payment of dividends) which may reduce the amount of the profits of any Group Company available for distribution;
- (j) the appointment or removal of any director of any Group Company, other than the appointment or removal of an Investor Director or the Additional Investors' Director made in accordance with article 5 and save as provided by law;
- (k) the redenomination of any of the issued share capital of any Group Company; and
- (l) any Group Company incurring any obligation (whether or not conditional) to do any of the foregoing.

11.3 The creation of a new class of Shares which has preferential rights to one or more existing classes of Shares shall not, except as provided in article 11.2, constitute a variation of the rights of those existing classes of Shares.

12. CONVERSION OF A ORDINARY SHARES

12.1 All of the A Ordinary Shares shall automatically convert into Ordinary Shares on the date of a Listing.

12.2 In the case of a conversion pursuant to Article 12.1, at least 10 Business Days before the date of the Listing each holder of the relevant A Ordinary Shares converted or to be converted shall deliver the certificate(s) (or an indemnity in a form reasonably satisfactory to the Directors for any lost share certificate) for the A Ordinary Shares being converted (together with such other evidence (if any) as the Directors may reasonably require to prove good title to those Shares) to the Company at its registered office for the time being.

12.3 Where conversion of any A Ordinary Share is mandatory on the occurrence of a Listing, that conversion shall only be effective immediately before such Listing. If such Listing does not become effective, or does not take place, such conversion shall be deemed not to have occurred.

12.4 On conversion pursuant to this article 12 the relevant A Ordinary Shares shall (without any further authority than that contained in these Articles) stand converted into Ordinary Shares on the basis of one Ordinary Share for each A Ordinary Share held (subject to adjustment to take account of any sub-division, consolidation or re-classification of either the A Ordinary Shares or the Ordinary Shares at any time before a conversion in accordance with this article 12) and the Ordinary Shares resulting from the conversion shall rank pari passu in all respects with the existing issued Ordinary Shares.

12.5 Forthwith following a conversion pursuant to this article 12, the Company shall enter the holder(s) of the converted A Ordinary Shares in the register of Shareholders of the Company as the holder(s) of the appropriate number of Ordinary Shares and, subject to the relevant holder of A Ordinary Shares delivering the relevant share certificate(s) (or indemnity or other evidence) in respect of the A Ordinary Shares in accordance with article 12.2, the Company shall, within 10 Business Days of conversion, forward a definitive share certificate for the appropriate number of fully paid Ordinary Shares to such holder of converted A Ordinary Shares, by post to his address as shown in the Company's register of Shareholders, at his own risk and free of charge.

13. PRE-EMPTION RIGHTS ON THE ISSUE OF FURTHER SHARES

13.1 Subject to the remaining provisions of this article 13, the Directors are generally and unconditionally authorised, for the purposes of section 551 of the Act, to exercise any power of the Company to:

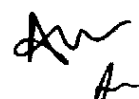
- (a) offer or allot;
- (b) grant rights to subscribe for or to convert any security into; and
- (c) otherwise deal in, or dispose of,

any Shares (or any options, warrants, conversion rights and all other rights to acquire or subscribe for Shares) to any person, at any time and subject to any terms and conditions as the Directors think proper.

13.2 The authority referred to in article 13.1:

- (a) shall be limited to a maximum nominal amount of £6,682.53 of A Ordinary Shares and £11,525.32 of Ordinary Shares;
- (b) shall only apply insofar as the Company has not, subject to these Articles, renewed, waived or revoked it by ordinary resolution; and
- (c) may only be exercised for a period of five years from the Adoption Date save that, subject to these Articles, the Directors may make an offer or agreement which would, or might, require any Shares to be allotted after the expiry of such authority (and the Directors may allot Shares in pursuance of an offer or agreement as if such authority had not expired).

13.3 In accordance with section 567(1) of the Act, sections 561 and 562 of the Act shall not apply to an allotment of equity securities (as defined in section 560(1) of the Act) made by the Company.



13.4 Unless otherwise agreed by special resolution if the Company proposes to allot any Relevant Securities, those Relevant Securities shall not be allotted to any person unless the Company has first offered them to the holders (on the date of the offer) of the Equity Shares (each an **Offeree**) on a *pari passu* basis (as if they constituted Shares of the same class) and in the respective proportions that the number of Equity Shares held by each such holder bears to the total number of Equity Shares held by all such holders (as nearly as possible without involving fractions) and on the same terms, and at the same price, as those Relevant Securities are being, or are to be, offered to any other person.

13.5 An offer made under article 13.4 shall:

- (a) be in writing and give details of the number, class and subscription price (including any share premium) of the Relevant Securities being offered;
- (b) remain open for a period of at least 10 Business Days from the date of service of the offer; and
- (c) stipulate that any Offeree who wishes to subscribe for a number of Relevant Securities in excess of the number to which he is entitled under article 13.4 shall, in his acceptance, state the number of excess Relevant Securities (**Excess Securities**) for which he wishes to subscribe.

13.6 If, on the expiry of an offer made in accordance with article 13.4, the total number of Relevant Securities applied for is less than the total number of Relevant Securities so offered, the Directors shall allot the Relevant Securities to the Offerees in accordance with their applications, subject to a maximum of each Offeree's proportionate entitlement.

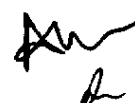
13.7 Any Relevant Securities not accepted by Offerees pursuant to an offer made in accordance with article 13.4 shall be used to satisfy any requests for Excess Securities made pursuant to article 13.5(c). If there are insufficient Excess Securities to satisfy such requests, the Excess Securities shall be allotted to the applicants in the respective proportions that the number of Equity Shares held by each such applicant bears to the total number of such Equity Shares held by all applicants (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 those allotments, any Excess Securities shall, subject to article 13.7, be offered to any other person(s) as the Directors may, with Investor and Additional Investors' Director Consent, determine, at the same price and on the same terms as the offer to the Shareholders.

13.8 No Shares shall be allotted to any current or prospective employee or director of any Group Company unless such person shall first have entered into a joint election with the relevant Group Company under section 431 of the Income Tax (Earnings and Pensions) Act 2003.

14. TRANSFERS OF SHARES: GENERAL

14.1 In these Articles, reference to the transfer of a Share includes the transfer, assignment or other disposal of a beneficial or other interest in that Share, or the creation of a trust or encumbrance over that Share, and reference to a Share includes a beneficial or other interest in a Share.

- 14.2 No Share shall be transferred, and the Directors shall refuse to register a transfer of any Share, unless it is made in accordance with these Articles. The Directors shall register any duly stamped transfer made in accordance with these Articles, unless they suspect that the proposed transfer may be fraudulent.
- 14.3 Notwithstanding any other provision of these Articles, a Founder may not without Investor and Additional Investors' Director Consent sell, transfer or dispose of any of his Shares, or any interest in them, prior to a Share Sale, Disposal or Listing except as permitted under article 15 or required under articles 18 and 21.
- 14.4 If a Shareholder transfers (or purports to transfer) a Share other than in accordance with these Articles, he shall, save with Investor Majority Consent to the contrary, be deemed to have immediately served a Transfer Notice in respect of all Shares held by him.
- 14.5 To enable the Directors to determine whether or not there has been any transfer (or purported transfer) of Shares the Directors may, and shall if so requested by an Investor Director, require:
- (a) any holder (or the legal representatives of a deceased holder); or
 - (b) any person named as a transferee in a transfer lodged for registration; or
 - (c) such other person as the Directors or an Investor Director may reasonably believe to have information relevant to that purpose,
- to provide the Company with any information and evidence that the Directors think fit regarding any matter which they deem relevant to that purpose.
- 14.6 If any such information or evidence referred to in article 14.5 is not provided to enable the Directors to determine to their reasonable satisfaction that no breach has occurred, or that as a result of the information and evidence provided the Directors are reasonably satisfied that a breach has occurred, the Directors shall immediately notify the holder of such Shares of that fact in writing and, if the holder fails to remedy that situation to the reasonable satisfaction of the Directors within 10 Business Days of receipt of such written notice, then, unless otherwise directed in writing by the Lead Investor:
- (a) the relevant Shares shall cease to confer on the holder of them any rights:
 - (i) to vote (whether on a show of hands, on a poll or otherwise and whether in person, by proxy or otherwise), including in respect of any resolution of any class of Shares;
 - (ii) to receive dividends or other distributions otherwise attaching to those Shares; or
 - (iii) to participate in any future issue of Shares issued in respect of those Shares; and
 - (b) the Directors may, by notice in writing to the relevant holder, determine that a Transfer Notice shall be deemed to have been given in respect of some or all of his Shares with effect from the date of service of the notice (or such later date as may be specified in such notice).



The Directors may (with Investor and Additional Investors' Director Consent) reinstate the rights referred to in article 14.6(a) at any time and, in any event, such rights shall be reinstated in respect of any Shares transferred pursuant to article 14.6(b) on completion of such transfer.

14.7 Unless expressly provided otherwise in these Articles, if a Transfer Notice is deemed to have been given under these Articles, the Deemed Transfer Notice shall be treated as having specified that:

- (a) it does not contain a Minimum Transfer Condition; and
- (b) the Seller wishes to transfer all the Shares held by him (including any Shares acquired after the date the relevant Transfer Notice is deemed given but before completion of the transfer of Shares pursuant to the relevant Transfer Notice).

14.8 Any Transfer Notice (but not an Offer Notice (as defined in article 19) or a Drag Along Notice (as defined in article 21)) served in respect of the transfer of any Share which has not completed before the date of service of a Deemed Transfer Notice shall (save with Investor Majority Consent to the contrary) automatically be revoked by the service of a Deemed Transfer Notice.

15. PERMITTED TRANSFERS OF SHARES

15.1 A Shareholder (the **Original Shareholder**) may transfer all or any of his or its Shares to a Permitted Transferee.

15.2 Where Shares are held by the trustee(s) of a Family Trust, the trustee(s) may transfer Shares to:

- (a) the Original Shareholder;
- (b) any Privileged Relation(s) of the Original Shareholder;
- (c) subject to article 15.3, the trustee(s) of another Family Trust of which the Original Shareholder is the Settlor; or
- (d) subject to article 15.3, to the new (or remaining) trustee(s) upon a change of trustee(s) of a Family Trust,

without any price or other restriction.

15.3 A transfer of Shares may only be made to the trustee(s) of a Family Trust if the Directors are satisfied:

- (a) with the terms of the trust instrument and, in particular, with the powers of the trustee(s);
- (b) with the identity of the proposed trustee(s);
- (c) that the proposed transfer will not result in more than 50% of 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 that Family Trust are to be paid by the Company.

- 15.4 If the Original Shareholder is a company, and a Permitted Transfer has been made, the Permitted Transferee shall, within 5 Business Days of ceasing to be a Member of the Same Group as the Original Shareholder, transfer the Shares held by it to:
- (a) the Original Shareholder; or
 - (b) a Member of the Same Group as the Original Shareholder,
- (which in either case is not in liquidation), without any price or other restriction. If the Permitted Transferee fails to make a transfer in accordance with this article 15.4, a Transfer Notice shall be deemed to have been given in respect of such Shares on the expiry of the period set out in this article 15.4.
- 15.5 If the Original Shareholder is an Investment Fund (or nominee holding the legal title to the Shares of such person) and a Permitted Transfer has been made, the Permitted Transferee shall, within 5 Business Days of ceasing to be a Member of the Same Fund Group as the Original Shareholder, transfer the Shares held by it to:
- (a) the Original Shareholder; or
 - (b) a Member of the Same Fund Group as the Original Shareholder,
- (which in either case is not in liquidation), without any price or other restriction. If the Permitted Transferee fails to make a transfer in accordance with this article 15.5, a Transfer Notice shall be deemed to have been given in respect of such Shares on the expiry of the period set out in this article 15.5.
- 15.6 If the Original Shareholder is an individual and a Permitted Transfer has been made to a Privileged Relation of the Original Shareholder, the Permitted Transferee (or the transmittee(s) of any such person), shall within 5 Business Days of ceasing to be a Privileged Relation of the Original Shareholder (whether by reason of death, divorce or otherwise) either:
- (a) execute and deliver to the Company a transfer of the Shares held by him to the Original Shareholder (or to any Permitted Transferee of the Original Shareholder) for such consideration as may be agreed between them; or
 - (b) give a Transfer Notice to the Company in accordance with article 16,
- failing which a Transfer Notice shall be deemed to have been given in respect of such Shares on the expiry of the period set out in this article 15.6. This article 15.6 shall not apply to a transmittee of a Permitted Transferee if that transmittee is also a Permitted Transferee of the Original Shareholder, to the extent that such transmittee is legally or beneficially entitled to those Shares.
- 15.7 Notwithstanding any other provision of this article 15, a transfer of any Shares approved by the Directors (acting with Investor and Additional Investors' Director Consent) may be made without any price or other restriction and any such transfer shall be registered by the Directors.

16. PRE-EMPTION RIGHTS ON THE TRANSFER OF SHARES

- 16.1 Except where the provisions of article 15, article 19, article 20 or article 21 apply, any transfer of Shares by a Shareholder shall be subject to the pre-emption rights in this article 16.
- 16.2 A Shareholder who wishes to transfer Shares (a **Seller**) shall, before transferring or agreeing to transfer any Shares, give notice in writing (a **Transfer Notice**) to the Company specifying:
- (a) subject to article 14.7(b), the number of Shares he wishes to transfer (**Sale Shares**);
 - (b) the name of the proposed transferee, if any;
 - (c) subject to article 18.6, the price per Sale Share (in cash), if any, at which he wishes to transfer the Sale Shares (the **Proposed Sale Price**); and
 - (d) subject to article 14.7(a), whether the Transfer Notice is conditional on all or a specific number of the Sale Shares being sold (a **Minimum Transfer Condition**).
- 16.3 Except in the case of a Deemed Transfer Notice (which may not be withdrawn), where the Transfer Price of the Sale Shares comprised within a Transfer Notice is to be the Fair Value and such Fair Value less than the Proposed Sale Price the Seller may, within 5 Business Days of receipt of notification of the Fair Value, withdraw the Transfer Notice. Otherwise, a Transfer Notice may only be withdrawn with Investor Majority Consent.
- 16.4 A Transfer Notice (or Deemed Transfer Notice) constitutes the Company the agent of the Seller for the sale of the Sale Shares at the Transfer Price.
- 16.5 As soon as practicable following the later of:
- (a) receipt of a Transfer Notice (or in the case of a Deemed Transfer Notice, the date such notice is deemed to be served); and
 - (b) the determination of the Transfer Price,
- the Directors shall (unless the Transfer Notice is withdrawn in accordance with article 16.3) offer the Sale Shares for sale in the manner set out in the remaining provisions of this article 16 at the Transfer Price. Each offer shall be in writing and shall give details of the number and Transfer Price of the Sale Shares offered.
- 16.6 The Company shall, subject to article 18, offer the Sale Shares to the Shareholders in proportion (as nearly as possible) to the number of Shares held by them as set out in article 16.8 to article 16.14 (inclusive).
- 16.7 An offer of Sale Shares made in accordance with article 16.6 shall remain open for acceptance for a period from the date of the offer to the date 10 Business Days after the offer (both dates inclusive). Any Sale Shares not allocated within that period shall be dealt with in accordance with article 16.8 and article 16.9.
- 16.8 Subject to article 16.7, the Directors shall offer the Sale Shares as referred to in article 16.6 to the Shareholders (other than the Seller), inviting them to apply in

writing within the period from the date of the offer to the date 10 Business Days after the offer (both dates inclusive) (the **Offer Period**) for the maximum number of Sale Shares they wish to buy.

16.9 If:

- (a) at the end of the Offer Period, the number of Sale Shares applied for is equal to or exceeds the number of Sale Shares, the Directors shall allocate the Sale Shares to each Shareholder who has applied for Sale Shares in the proportion which his existing holding of Shares bears to the total number of Shares being offered held by all Shareholders (other than the Seller). Fractional entitlements shall be rounded down to the nearest whole number (save where such rounding would result in not all Sale Shares being allocated, in which case, the allocation of any such fractional entitlements shall be determined by the Directors (acting with Investor and Additional Investors' Director Consent)). No allocation shall be made to a Shareholder of more than the maximum number of Sale Shares which he has stated he is willing to buy;
- (b) not all Sale Shares are allocated following allocations in accordance with article 16.9(a), but there are applications for Sale Shares that have not been satisfied, the Directors shall allocate the remaining Sale Shares to such applicants in accordance with the procedure set out in article 16.9(a). The procedure set out in this article 16.9(b) shall apply on any number of consecutive occasions until either all Sale Shares have been allocated or all applications for Sale Shares have been satisfied; and
- (c) at the end of the Offer Period, the total number of Sale Shares applied for is less than the number of Sale Shares, the Directors shall allocate the Sale Shares to the Shareholders in accordance with their applications. The balance (the **Surplus Shares**) shall, subject to article 16.10, be offered to any other person in accordance with article 16.14.

16.10 Where the Transfer Notice contains a Minimum Transfer Condition:

- (a) any allocation made under article 16.7 to article 16.9 (inclusive) shall be conditional on the fulfilment of the Minimum Transfer Condition; and
- (b) if the total number of Sale Shares applied for under article 16.7 to article 16.9 (inclusive) is less than the number of Sale Shares, the Board shall notify the Seller and all those Shareholders to whom Sale Shares have been conditionally allocated stating that the condition has not been met and that the relevant Transfer Notice has lapsed with immediate effect.

16.11 Where either:

- (a) the Transfer Notice does not contain a Minimum Transfer Condition; or
- (b) allocations have been made in respect of all the Sale Shares,

the Directors shall, when no further offers or allocations are required to be made under article 16.7 to article 16.9 (inclusive), give notice in writing of the allocations of Sale Shares (an **Allocation Notice**) to the Seller and each Shareholder to whom Sale Shares have been allocated (each an **Applicant**). The Allocation



Notice shall specify the number of Sale Shares allocated to each Applicant and the place and time for completion of the transfer of the Sale Shares (which shall be at least 5 Business Days, but not more than 20 Business Days, after the date of the Allocation Notice).

- 16.12 On the date specified for completion in the Allocation Notice, the Seller shall, against payment from an Applicant, transfer the Sale Shares allocated to such Applicant, in accordance with any requirements specified in the Allocation Notice.
- 16.13 If the Seller fails to comply with article 16.12:
- (a) the Chairman (or, failing him, any other Director or some other person nominated by a resolution of the Directors) may, as agent on behalf of the Seller:
 - (i) complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Applicants;
 - (ii) receive the Transfer Price and give a good discharge for it (and no Applicant shall be obliged to see to the distribution of the Transfer Price); and
 - (iii) (subject to the transfer being duly stamped) enter the Applicants in the register of Shareholders as the holders of the Shares purchased by them; and
 - (b) the Company shall pay the Transfer Price into a separate bank account in the Company's name on trust (but without interest) for the Seller until he has delivered his certificate(s) for the relevant Shares (or an indemnity, in a form reasonably satisfactory to the Directors, in respect of any lost certificate, together with such other evidence (if any) as the Board may reasonably require to prove good title to those Shares) to the Company.
- 16.14 Where a Transfer Notice lapses pursuant to article 16.10(b) or an Allocation Notice does not relate to all the Sale Shares, then, subject to article 16.15, the Seller may, at any time during the 40 Business Days following the date of lapse of the Transfer Notice, or the date of service of the Allocation Notice as the case may be, transfer the Sale Shares (in the case of a lapsed offer) or the Surplus Shares (as the case may be) to any person at a price at least equal to the Transfer Price. The sale of the Sale Shares (following the lapse of a Transfer Notice) in accordance with this article 16.14 shall continue to be subject to any Minimum Transfer Condition.
- 16.15 The Seller's right to transfer Shares under article 16.14 does not apply if the Directors reasonably consider that:
- (a) the transferee is a person (or a nominee for a person) whom the Lead Investor (with Investor and Additional Investors' Director Consent) determines to be a competitor (or a Member of the Same Group as a competitor) of the business of any Group Company;
 - (b) the sale of the Sale Shares is not bona fide or the price is subject to a deduction, rebate or allowance to the transferee; or

- (c) the Seller has failed or refused to promptly provide information available to him and reasonably requested to enable it to form the opinion referred to in article 16.15(b).

17. VALUATION

- 17.1 The Transfer Price for each Sale Share the subject of a Transfer Notice (or Deemed Transfer Notice) shall, save where expressly provided otherwise in these Articles, be the price per Sale Share (in cash) agreed between the Directors (any Director with whom the Seller is connected not voting), acting with Investor and Additional Investors' Director Consent, and the Seller or, in default of agreement within 20 Business Days of the date of service of the Transfer Notice (or, in the case of a Deemed Transfer Notice, the date on which the board of Directors first has actual knowledge of the facts giving rise to such deemed service), the Fair Value of each Sale Share.
- 17.2 The Fair Value shall be the price per Sale Share determined by the Independent Expert on the following bases and assumptions:
 - (a) valuing the Sale Shares as on an arm's-length sale between a willing seller and a willing buyer as at the date the Transfer Notice was served (or deemed served);
 - (b) if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;
 - (c) that the Sale Shares are capable of being transferred without restriction;
 - (d) valuing the Sale Shares as a rateable proportion of the total value of all the issued Shares without any premium or discount being attributable to the percentage of the issued share capital of the Company which they represent; and
 - (e) reflecting any other factors which the Independent Expert reasonably believes should be taken into account.
- 17.3 If any difficulty arises in applying any of these assumptions or bases then the Independent Expert shall resolve that difficulty in whatever manner it shall in its absolute discretion think fit.
- 17.4 The Directors will give the Independent Expert access to all accounting records or other relevant documents of the Group, subject to it agreeing such confidentiality provisions as the Directors may reasonably impose.
- 17.5 The Independent Expert shall act as expert and not as arbitrator and its determination shall be final and binding on the parties (in the absence of fraud or manifest error).
- 17.6 The Independent Expert shall be requested to determine the Fair Value within 20 Business Days of its appointment and to deliver its certificate to the Company. Forthwith upon receipt, the Company shall deliver a copy of the certificate to the Seller.
- 17.7 The cost of obtaining the Independent Expert's certificate shall be borne by the parties equally or in such other proportions as the Independent Expert directs.

18. COMPULSORY TRANSFERS

- 18.1 A person entitled to a Share in consequence of the bankruptcy of a Shareholder (or equivalent procedure in any jurisdiction outside England and Wales) shall be deemed to have given a Transfer notice in respect of that Share at such time as the Directors (acting with Investor and Additional Investors' Director Consent) may determine.
- 18.2 *If a Shareholder which is a body corporate either suffers or resolves to appoint a liquidator, administrator or administrative receiver over it, or any material part of its assets (other than a voluntary liquidation for the purpose of a bona fide scheme of solvent amalgamation or reconstruction) or suffers or takes any equivalent action in any jurisdiction outside England and Wales, that Shareholder shall be deemed to have given a Transfer Notice in respect of all Shares held by it at such time as the Directors (acting with Investor and Additional Investors' Director Consent) may determine.*
- 18.3 If there is a change in control (as 'control' is defined in section 1124 of CTA) of any Shareholder which is a company, it shall be bound at any time, if and when required in writing by the Directors to do so, to give (or procure the giving in the case of a nominee) a Transfer Notice in respect of all the Shares registered in its name (or the name of its nominee(s)) save that, where that Shareholder acquired Shares as a Permitted Transferee of an Original Shareholder, it shall first be permitted to transfer those Shares back to the Original Shareholder from whom it received its Shares or to any other Permitted Transferee of that Original Shareholder before being required to serve a Transfer Notice. This article 18.3 shall not apply to a Shareholder that is an Investor.
- 18.4 If an Employee (other than a Founder) becomes a Departing Employee a Transfer Notice shall, unless the Directors otherwise direct (acting with Investor and Additional Investors' Director Consent) in writing in respect of any particular Relevant Shares prior to or within 40 Business Days after the relevant Termination Date, be deemed to have been served on the relevant Termination Date in respect of such number of Relevant Shares as is specified in article 18.5 (a **Compulsory Employee Transfer**) and any Transfer Notice served in respect of any of such Relevant Shares before the date such Employee becomes a Departing Employee shall automatically lapse.
- 18.5 The number of Relevant Shares in respect of a Compulsory Employee Transfer shall be all Relevant Shares.
- 18.6 Notwithstanding any other provisions of these Articles, the Transfer Price in respect of a Compulsory Employee Transfer shall, where the Departing Employee is:
- (a) a Bad Leaver, be restricted to a maximum of the lower of the aggregate Issue Price of such Sale Shares and the aggregate Fair Value of such Sale Shares; and
 - (b) a Good Leaver, be the aggregate Fair Value of such Sale Shares.
- 18.7 Notwithstanding the provisions of article 18.6, the Lead Investor (with Investor and Additional Investors' Director Consent) may, by notice in writing served on the

Company and the relevant Seller(s), direct that some higher (but not lower) Transfer Price shall apply to any or all Sale Shares which would otherwise be subject to article 18.6.

18.8 Forthwith upon a Transfer Notice being deemed to be served under article 18 the Relevant Shares (**Restricted Shares**) shall cease to confer on the holder of them any rights:

- (a) to vote (whether on a show of hands, on a poll or otherwise and whether in person, by proxy or otherwise), including in respect of any resolution of any class of Shares;
- (b) to receive dividends or other distributions otherwise attaching to those Shares; or
- (c) to participate in any future issue of Shares issued in respect of those Shares.

The Directors may (with Investor and Additional Investors' Director Consent) reinstate the rights referred to in article 18.8 at any time and, in any event, such rights shall be reinstated in respect of any Shares transferred pursuant to article 18 on completion of such transfer.

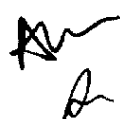
18.9 If a Founder becomes a Departing Employee then prior to or within 40 Business Days after the relevant Termination Date the Board (with Investor and Additional Investors' Director Consent) may determine and notify in writing to the Founder concerned that a certain number of Shares out of all those Relevant Shares held by such Departing Employee at the date of such notification (**Leaver Shares**) stand converted into Deferred Shares pursuant to these Articles without any further approvals being required (the **Conversion**), which will be calculated as follows in this article 18.9:

- (a) where a Founder is a Bad Leaver, 100% of his Vesting Shares; and
- (b) where a Founder is a Grey Leaver or a Good leaver within the Relevant Period 100% of his Unvested Shares.

18.10 Where a Founder is a Grey Leaver within the Relevant Period, a Transfer Notice shall, unless the Directors otherwise direct (acting with Investor and Additional Investors' Director Consent) in writing in respect of any of his Vesting Shares which are not Unvested Shares (the **Vested Shares**) prior to or within 40 Business Days after the relevant Termination Date, be deemed to have been served on the relevant Termination Date in respect of 100% of the Vested Shares (a **Compulsory Founder Transfer**) and any Transfer Notice served in respect of any of such Relevant Shares before the date such Founder becomes a Grey Leaver shall automatically lapse.

18.11 Notwithstanding any other provisions of these Articles, the Transfer Price in respect of a Compulsory Founder Transfer shall be the aggregate Fair Value of such Sale Shares.

18.12 Notwithstanding the provisions of Article 16, if a Transfer Notice is served pursuant to this Article 18 then the Shares subject to such notice will be offered



first (subject to Investor Majority Consent) to the Company then if any are not sold to the Oxford Funds and then, if any remain unsold, in accordance with Article 16.

19. MANDATORY OFFER ON CHANGE OF CONTROL

19.1 In the event that a proposed transfer of Shares (other than a transfer of Shares made pursuant to article 15 or article 18, but after the operation of the pre-emption procedure set out in article 16), whether made as one or as a series of transactions (a **Proposed Transfer**) would, if completed, result in any person other than an existing Shareholder (the **Buyer**), together with any person acting in concert with the Buyer, acquiring a Controlling Interest, the remaining provisions of this article 19 shall apply.

19.2 The Company shall procure that, prior to the completion of the Proposed Transfer, the Buyer shall make an offer (the **Offer**) to each Shareholder and, in respect of all Equity Shares held in treasury, the Company (each an **Offeree**) on the date of the Offer, to buy all of the Equity Shares held by such Offerees on the date of the Offer for a consideration in cash per Equity Share (the **Offer Price**) which is equal to the highest price per Equity Share offered, paid or to be paid by the Buyer, or any person acting in concert with the Buyer, for any Equity Shares in connection with the Proposed Transfer.

19.3 The Offer shall be made by notice in writing (an **Offer Notice**) addressed to each Offeree on the date of the Offer at least 10 Business Days (the **Offer Period**) before the date fixed for completion of the Proposed Transfer (the **Sale Date**). The Offer Notice shall specify:

- (a) the identity of the Buyer (and any person(s) acting in concert with the Buyer);
- (b) the Offer Price and any other terms and conditions of the Offer;
- (c) the Sale Date; and
- (d) the number of Equity Shares which would be held by the Buyer (and persons acting in concert with the Buyer) on completion of the Proposed Transfer.

19.4 The completion of the Proposed Transfer shall be conditional in all respects on:

- (a) the making of an Offer in accordance with this article 19;
- (b) the completion of the transfer of any Equity Shares by any Offeree (each an **Accepting Offeree**) who accepts the Offer within the Offer Period; and
- (c) the total consideration paid by the Buyer in respect of the Proposed Transfer being distributed in accordance with the provisions of article 10,

and the Directors shall refuse to register any Proposed Transfer made in breach of this article 19.4.

19.5 The Proposed Transfer is, but the purchase of Shares from Accepting Offerees pursuant to an Offer made under this article 19 shall not be, subject to the pre-emption provisions of article 16.

20. CO-SALE RIGHT

20.1 No transfer (other than a transfer of Shares made pursuant to article 15 or article 18, but after the operation of the pre-emption procedure set out in article 16) of any of the Shares relating to a Founder may be made or validly registered unless the relevant Founder and any Permitted Transferee of that Founder (each a **Selling Founder**) shall have observed the following procedures of this article 20 unless an Investor Majority Consent has determined that this article 20 shall not apply to such transfer.

20.2 After the Selling Founder has gone through the pre-emption process set out in article 16, the Selling Founder shall give to each holder of Equity Shares who has not taken up their pre-emptive rights under article 16 (an **Equity Holder**) not less than 15 Business Days' notice in advance of the proposed sale (a **Co-Sale Notice**). The Co-Sale Notice shall specify:

- (a) the identity of the proposed purchaser (the **Co-Sale Buyer**);
- (b) the price per share which the Co-Sale Buyer is proposing to pay;
- (c) the manner in which the consideration is to be paid;
- (d) the number of Equity Shares which the Selling Founder proposes to sell; and
- (e) the address where the counter-notice should be sent.

For the purposes of this article 20, it is acknowledged that Shares of different classes will be transferable at different prices, such price per class of Share being a sum equal to that to which they would be entitled if the consideration payable by the Co-Sale Buyer to the Selling Founder were used to determine the valuation of the entire issued share capital of the Company and such valuation was then allocated as between the Shares in accordance with articles 9 and 10.

20.3 Each Equity Holder shall be entitled within 5 Business Days after receipt of the Co-Sale Notice, to notify the Selling Founder that they wish to sell a certain number of Equity Shares held by them at the proposed sale price, by sending a counter-notice which shall specify the number of Equity Shares which such Equity Holder wishes to sell. The maximum number of shares which an Equity Holder can sell under this procedure shall be:

$$\left(\frac{X}{Y} \right) \times Z$$

where:

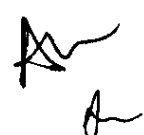
X = is the number of Equity Shares held by the Equity Holder;

Y = is the total number of Equity Shares held by the Equity Shareholders; and

Z = is the number of Equity Shares the Selling Founder proposes to sell.

20.4 Any Equity Holder who does not send a counter-notice within such 5 Business Day period shall be deemed to have specified that they wish to sell no Shares.

20.5 Following the expiry of 5 Business Days from the date the Equity Holders receive the Co-Sale Notice, the Selling Founder shall be entitled to sell to the Co-Sale



Buyer on the terms notified to the Equity Holders a number of Shares not exceeding the number specified in the Co-Sale Notice less any shares which Equity Holders have indicated they wish to sell, provided that at the same time the Co-Sale Buyer (or another person) purchases from the Equity Holders the number of shares they have respectively indicated they wish to sell on terms no less favourable than those obtained by the Selling Founder from the Co-Sale Buyer.

20.6 No sale by the Selling Founder shall be made pursuant to any Co-Sale Notice more than three months after service of that Co-Sale Notice.

20.7 Sales made in accordance with this article 20 shall not be subject to article 16.

21. DRAG ALONG

21.1 Subject to article 21.5, if Shareholders (which must include the Lead Investor, Hiscox plc and QIC Asset Management Limited) together holding more than 50% of the issued share capital of the Company (the **Selling Shareholders**) wish to transfer all of their interest in Equity Shares (**Sellers' Shares**) to a bona fide purchaser on arm's-length terms (**Proposed Buyer**), the Selling Shareholders shall have the option (**Drag Along Option**) to require all the other holders of Equity Shares on the date of the request, including the Company in respect of Equity Shares held in treasury, if any (**Called Shareholders**) to sell and transfer all their interest in Equity Shares to the Proposed Buyer (or as the Proposed Buyer may direct) in accordance with the provisions of this article 21.

21.2 The Selling Shareholders may exercise the Drag Along Option by giving notice in writing to that effect (a **Drag Along Notice**), at any time before the completion of the transfer of the Sellers' Shares, to the Proposed Buyer and each Called Shareholder. A Drag Along Notice shall specify:

- (a) that the Called Shareholders are required to transfer all their Equity Shares (**Called Shares**) pursuant to this article 21;
- (b) the identity of the Proposed Buyer (and, if relevant, the transferee(s) nominated by the Proposed Buyer);
- (c) the consideration payable for the Called Shares calculated in accordance with article 21.4;
- (d) the proposed date of completion of transfer of the Called Shares.

21.3 Once given, a Drag Along Notice may not be revoked save with the prior consent of the Directors, acting with Investor and Additional Investors' Director Consent. However, a Drag Along Notice shall lapse if, for any reason, the Selling Shareholders have not completed the transfer of all the Sellers' Shares to the Proposed Buyer (or as the Proposed Buyer may direct) within 60 Business Days of serving the Drag Along Notice. The Selling Shareholders may serve further Drag Along Notices following the lapse of any particular Drag Along Notice.

21.4 The consideration (in cash or otherwise) for which the Called Shareholders shall be obliged to sell each of the Called Shares shall be that to which they would be entitled if the total consideration proposed to be paid by the Proposed Buyer were distributed to the holders of the Called Shares and the Sellers' Shares in accordance with the provisions of article 10.

- 21.5 No Drag Along Notice shall require a Called Shareholder to agree to any terms except those specifically set out in this article 21.
- 21.6 Completion of the sale and purchase of the Called Shares shall take place on the same date as, and conditional upon the completion of, the sale and purchase of the Sellers' Shares unless:
- (a) all of the Called Shareholders and the Selling Shareholders otherwise agree; or
 - (b) that date is less than 3 Business Days after the date of service of the Drag Along Notice, in which case completion of the sale and purchase of the Called Shares shall take place 5 Business Days after the date of service of the Drag Along Notice.
- 21.7 Within 3 Business Days of the Selling Shareholders serving a Drag Along Notice on the Called Shareholders, the Called Shareholders shall deliver stock transfer forms for their Equity Shares in favour of the Proposed Buyer (or as the Proposed Buyer may direct), together with the share certificate(s) in respect of those Equity Shares (or a suitable indemnity in respect thereof) to the Company. On the expiration of that 3 Business Day period the Company shall pay the Called Shareholders, on behalf of the Proposed Buyer, the amounts they are respectively due pursuant to article 21.4 to the extent the Proposed Buyer has put the Company in the requisite funds. The Company's receipt for the amounts due pursuant to article 21.4 shall be a good discharge to the Proposed Buyer. The Company shall hold the amounts due to the Called Shareholders pursuant to article 21.4 in trust for the Called Shareholders without any obligation to pay interest.
- 21.8 To the extent that the Proposed Buyer has not, on the expiration of the 3 Business Day period, put the Company in funds to pay the amounts due pursuant to article 21.4, the Called Shareholders shall be entitled to the return of the stock transfer forms and share certificate(s) (or suitable indemnity) for the relevant Equity Shares and the Called Shareholders shall have no further rights or obligations under this article 21 in respect of their Equity Shares.
- 21.9 If any Called Shareholder fails to deliver to the Company a duly executed stock transfer form (or forms) in respect of the Called Shares held by him (together with the share certificate(s) in respect of those Called Shares (or a suitable indemnity in respect thereof)) the defaulting Called Shareholder shall be deemed to have appointed any person nominated for the purpose by the Selling Shareholders to be his agent to execute and deliver all necessary transfers on his behalf, against receipt by the Company (on trust for such holder) of the consideration payable for the Called Shares. After the Proposed Buyer (or person(s) nominated by the Proposed Buyer) has been registered as the holder of any such Called Shares, the validity of such proceedings shall not be questioned by any person. Failure to produce a share certificate shall not impede the registration of any transfer of Shares under this article 21.
- 21.10 Upon any person, following the issue of a Drag Along Notice, becoming a Shareholder (or increasing an existing shareholding) including, without limitation, pursuant to the exercise of any option, warrant or other right to acquire or



subscribe for, or to convert any security into, Equity Shares, whether or not pursuant to a Share Option Scheme (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 then be bound to sell and transfer all such Equity Shares acquired by him to the Proposed Buyer (or as the Proposed Buyer may direct) and the provisions of this article 21 shall apply mutatis mutandis to the New Shareholder, save that completion of the sale of such Equity Shares shall take place forthwith upon the later of the Drag Along Notice being deemed served on the New Shareholder and the date of completion of the sale of the Called Shares. References in this article 21.10 to a person becoming a Shareholder (or increasing an existing shareholding) shall include the Company, in respect of the acquisition of any of its own Equity Shares.

- 21.11 A transfer of Called Shares to a Proposed Buyer (or as the Proposed Buyer may direct) pursuant to a sale in respect of which a Drag Along Notice has been duly served shall not be subject to the pre-emption provisions of article 16.
- 21.12 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.

DECISION-MAKING BY SHAREHOLDERS

22. GENERAL MEETINGS

- 22.1 No business other than, subject to article 22.2, the appointment of the chairman of the meeting is to be transacted at a general meeting unless a quorum is present at the commencement of the meeting and also when that business is voted on.
- 22.2 The Chairman shall chair general meetings. If there is no Chairman in office for the time being, or the Chairman is unable to attend any general meeting, the Directors present (or, if no Directors are present, the meeting) must appoint another Director present at the meeting (or, if no Directors are present, a Shareholder) to chair the meeting and the appointment of the chairman of the meeting must be the first business of the meeting.

23. VOTING

- 23.1 Subject to any other provisions in these Articles concerning voting rights, each Share in the Company shall carry the right to receive notice of and to attend, speak and vote at all general meetings of the Company, PROVIDED ALWAYS THAT this article 23.1 is subject to article 9.2.
- 23.2 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.
- 23.3 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 the Articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is 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.

24. PURCHASE OF OWN SHARES

24.1 Subject to the Act but without prejudice to any other provision of these Articles (including, without limitation, article 11.2(e)), the Company may with Investor Majority Consent purchase its own shares in accordance with Chapter 4 of Part 18 of the Act, including (without limitation) out of capital up to any amount in a financial year not exceeding the lower of:

- (a) £15,000; and
- (b) the nominal value of 5% of the Company's fully paid share capital at the beginning of each Financial Year.

24.2 The provisions of articles 13.3 to 13.7 (inclusive) shall apply to a sale or transfer of Shares held in treasury pursuant to article 24.2(b) save that, for the purposes of this article 24.2:

- (a) reference in article 13.1 to an allotment shall include the sale or transfer of Shares; and
- (b) reference in the definition of "Relevant Securities" to Shares "issued after the Adoption Date" shall include Shares to be sold or transferred by the Company,

that immediately before the sale or transfer were, in each case, held by the Company as treasury shares

25. COMPANY'S LIEN OVER SHARES

25.1 The Company has a lien (the **Company's Lien**) over every Share which is registered in the name of a person indebted or under any liability to the Company, whether he is the sole registered holder of the Share or one of several joint holders, for all monies payable by him (either alone or jointly with any other person) to the Company, whether payable immediately or at some time in the future.

25.2 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.

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



26. ENFORCEMENT OF THE COMPANY'S LIEN

26.1 Subject to the provisions of this article 26, if:

- (a) a Lien Enforcement Notice has been given in respect of a Share; and
 - (b) 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.

26.2 A Lien Enforcement Notice:

- (a) may only be given in respect of a Share which is subject to the Company's Lien and in respect of a sum payable to the Company for which the due date for payment has passed;
- (b) must specify the Share concerned;
- (c) 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);
- (d) must be addressed either to the holder of the Share or to a transmittee of that holder; and
- (e) must state the Company's intention to sell the Share if the notice is not complied with.

26.3 Where Shares are sold under this article 26:

- (a) 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
- (b) 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.

26.4 The net proceeds of any such sale (after payment of the costs of sale and any other costs of enforcing the Company's Lien) must be applied:

- (a) 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
- (b) 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.

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

- (c) is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share; and
- (d) subject to compliance with any other formalities of transfer required by the Articles or by law, constitutes a good title to the Share.

ADMINISTRATIVE ARRANGEMENTS

27. MEANS OF COMMUNICATION TO BE USED

27.1 Subject to article 27.3, any notice, document or other information shall be deemed served on, or delivered to, the intended recipient:

- (a) if delivered by hand, on signature of a delivery receipt or at the time the notice, document or other information is left at the address; or
- (b) if sent by fax, at the time of transmission; or
- (c) if sent by pre-paid first class post, recorded delivery or special delivery to an address in the United Kingdom, at 9.00 am on the second Business Day after posting; or
- (d) if sent by pre-paid airmail to an address outside the country from which it is sent, at 9.00 am on the fifth Business Day after posting; or
- (e) if sent by reputable international overnight courier to an address outside the country from which it is sent, on signature of a delivery receipt or at the time the notice, document or other information is left at the address; or
- (f) if sent or supplied by email, one hour after the notice, document or information was sent or supplied; or
- (g) 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; and
- (h) if deemed receipt under the previous paragraphs of this article 27.1 would occur outside business hours (meaning 9.00 am to 5.30 pm Monday to Friday on a day that is not a public holiday in the place of deemed receipt), at 9.00 on the day when business next starts in the place of deemed receipt. For the purposes of this article, all references to time are to local time in the place of deemed receipt.

27.2 To prove service, it is sufficient to prove that:

- (a) if delivered by hand or by reputable international overnight courier, the notice was delivered to the correct address; or
- (b) if sent by fax, a transmission report was received confirming that the notice was successfully transmitted to the correct fax number; or
- (c) if sent by post or by airmail, the envelope containing the notice was properly addressed, paid for and posted; or

- (d) if sent by email, the notice was properly addressed and sent to the email address of the recipient.
- 27.3 A Transfer Notice (or Deemed Transfer Notice) may not be served or delivered in electronic form (other than by fax), or by means of a website.
- 27.4 *In proving that any notice, document or information was properly addressed, it will suffice to show that the notice, document or information was addressed to an address permitted for the purpose by the Act.*
- 28. INDEMNITY AND INSURANCE**
- 28.1 Subject to article 28.2, but without prejudice to any indemnity to which a Relevant Officer is otherwise entitled:
 - (a) each Relevant Officer shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a Relevant Officer in the actual or purported execution and/or discharge of his duties, or in relation thereto including (in each case) any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted, or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part, or in connection with any application in which the court grants him, in his capacity as a Relevant Officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company's (or other Group Company's) affairs; and
 - (b) the Company may provide any Relevant Officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in article 28.1 and otherwise may take any action to enable such Relevant Officer to avoid incurring such expenditure.
- 28.2 This article 28 does not authorise any indemnity which would be prohibited or rendered void by any provision of the Act or by any other provision of law.
- 28.3 The Directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any Relevant Officer in respect of any Relevant Loss.
- 28.4 In this article 28:
 - (a) Relevant Loss means any loss or liability which has been or may be incurred by a Relevant Officer in connection with that Relevant Officer's duties or powers in relation to the Company (or other Group Company) or any pension fund or employees' share scheme of the Company (or other Group Company); and
 - (b) Relevant Officer means any director or other officer or former director or other officer of any Group Company, but excluding in each case any person engaged by a Group Company as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor.

29. DEFERRED SHARES

- 29.1 The Deferred Shares (if any) shall not entitle the holders of them to receive notice of, to attend, to speak or to vote at any general meeting of the Company nor to receive or vote on, or otherwise constitute an eligible member for the purposes of, proposed written resolutions of the Company.
- 29.2 Subject to the Act, any Deferred Shares may be redeemed by the Company at any time at its option for £1.00 for all the Deferred Shares registered in the name of any holder(s) without obtaining the sanction of the holder(s).
- 29.3 The allotment or issue of Deferred Shares or the conversion or re-designation of shares into Deferred Shares shall be deemed to confer irrevocable authority on the Company at any time after their allotment, issue, conversion or re-designation, without obtaining the sanction of such holder(s), to:
- (a) appoint any person to execute any transfer (or any agreement to transfer) such Deferred Shares to such person(s) as the Company may determine (as nominee or custodian thereof or otherwise); and/or
 - (b) give, on behalf of such holder, consent to the cancellation of such Deferred Shares; and/or
 - (c) purchase such Deferred Shares in accordance with the Act,
- in any such case (i) for a price being not more than an aggregate sum of £1.00 for all the Deferred Shares registered in the name of such holder(s) and (ii) with the Company having authority pending such transfer, cancellation and/or purchase to retain the certificates (if any) in respect thereof.
- 29.4 No Deferred Share may be transferred without the prior consent of the Board (acting with Investor and Additional Investors' Director Consent).

