

Registered Number: 10484882

INSTAVOLT LIMITED

(THE "COMPANY")

PRIVATE COMPANY LIMITED BY SHARES

THURSDAY



A20 *A659CL03* 27/04/2017 #347
COMPANIES HOUSE

SHAREHOLDER'S WRITTEN RESOLUTION

CIRCULATED ON 12 DECEMBER 2016

PURSUANT TO CHAPTER 2

OF PART 13 OF THE COMPANIES ACT 2006

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006 (CA 2006), I, the undersigned, being the sole eligible member of the Company entitled to vote on the resolutions on the circulation date, irrevocably agree to resolution 1 of the Company below, as having effect as an ordinary resolution, and resolutions 2 and 3 of the Company below, having effect as special resolutions:

ORDINARY RESOLUTION

1. **THAT**, the 1 ordinary share of £1 each in the issued share capital of the Company be sub-divided into 1000 ordinary shares of £0.001 each in the capital of the Company.

SPECIAL RESOLUTION

2. **THAT**, new articles of association in the form attached to this document be adopted as the articles of association of the Company in substitution for and to the exclusion of all previous articles of association.
3. **THAT**, subject to the passing of resolution 2 and in accordance with section 551 of the CA 2006, the directors of the Company (**Directors**) be generally and unconditionally authorised to allot shares in the Company up to an aggregate nominal amount of £3,500,010 comprising 9,000 ordinary shares of £0.001 each, 85,000 A ordinary shares of £0.001 each and 3,499,915 preference shares of £1.00 each, provided that this authority shall, unless renewed, varied or revoked by the Company, expire on the fifth anniversary of this resolution save that the Company may, before such expiry, make an offer or agreement which would or might require shares to be allotted and the Directors may allot shares in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired.

I, the undersigned, was at the time the resolution was circulated entitled to vote on the resolutions and irrevocably agree to the resolutions.

Signed

Date 12 December 2016

EXPLANATORY NOTES FOR SHAREHOLDERS:

1. If you agree to the resolution, please indicate your agreement by signing and dating this document where indicated above and returning it to the Company.
2. Once you have indicated your agreement to the resolution, you may not revoke your agreement.

3. Unless, by the date at the end of the 28 day period beginning on the circulation date, sufficient agreement has been received for the resolution to pass, they will lapse. If you agree to the resolutions, please ensure that your agreement reaches us before or on this date.

COMPANY LIMITED BY SHARES

**ARTICLES OF ASSOCIATION OF
INSTAVOLT LIMITED**

**Private company limited by shares
Incorporated in England and Wales**

(Adopted under the Companies Act 2006 by special resolution passed on 12 December 2016)

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**ARTICLES OF ASSOCIATION
of**

INSTAVOLT LIMITED

(Adopted under the Companies Act 2006 by special resolution on

2016)

1. MODEL ARTICLES

- 1.1 The Model Articles 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.
- 1.2 Model Articles 6(2), 9(4), 11(2), 12 to 14 (inclusive), 22, 26(5), 27 to 29 (inclusive), 44(2), 44(4), 45(d), 48, and 50 to 53 (inclusive) shall not apply to the Company.
- 1.3 Model Article 7(1) shall be amended by the deletion of the words "or a decision taken in accordance with article 8" which shall be replaced with the words "or a decision taken in accordance with Article 23.3 2, and Articles 23.4 to 23.6".

2. DEFINITIONS

In these Articles the following words and expressions shall have the following meanings:

"Accepting Shareholder" shall have the meaning given in Article 16.5;

"Act" means the Companies Act 2006 (as amended from time to time);

"Acting in Concert" has the meaning given to it in The City Code on Takeovers and Mergers published by the Panel on Takeovers and Mergers (as amended from time to time);

"Allocation Notice" shall have the meaning given in Article 15.4;

"Amount Credited as Paid Up" means in respect of any Share the amounts paid up or credited as paid up on that Share including any premium;

"Articles" means these articles of association and a reference to an **Article** is a reference to an article in the Articles.

"A Ordinary Shares" means the A ordinary shares of £0.001 each in the share capital of the Company;

"Applicant" shall have the meaning given in Article 15.4;

"Asset Sale" means the disposal by the Company of all or substantially all of its undertaking and assets (in one or a series of transactions);

"Associate" in relation to any person means:

- (a) any person who is an associate of that person and the question of whether a person is an associate of another is to be determined in accordance with section 435 of the Insolvency Act 1986 and (whether or not an associate as so determined);
- (b) any Member of the same Group,
- (c) any Member of the same Fund Group;

"Auditors" means the auditors of the Company from time to time;

"Bad Leaver" means a Leaver who resigns (other than in response to a fundamental breach of his employment contract), or is dismissed by a Group Company in circumstances where that Group Company is entitled to dismiss that Employee summarily pursuant to his terms of employment or engagement;

"Board" means the board of Directors and any committee of the board constituted for the purpose of taking any action or decision contemplated by these Articles;

"Business Day" means a day on which English clearing banks are ordinarily open for the transaction of normal banking business in the City of London (other than a Saturday or Sunday);

"Called Shareholders" shall have the meaning given in Article 17.1;

"Called Shares" shall have the meaning given in Article 17.2;

"Chairman" shall have the meaning given in Article 21.3;

"Company" means Instavolt Limited (registered number 10484882);

"Conflict" shall have the meaning given in Article 25.1;

"Controlling Interest" in relation to a person means the ownership by that person (either alone or together with any of his Associates or persons Acting in Concert with him) of Shares carrying the right to more than 50 per cent of the total number of votes which may be cast on a poll at a general meeting of the Company;

"CTA 2010" means the Corporation Tax Act 2010;

"Date of Adoption" means the date on which these Articles were adopted;

"Deferred Shares" means the deferred shares of £1.00 each in the share capital of the Company;

"Director(s)" means a director or directors of the Company from time to time;

"Drag Along Notice" shall have the meaning given in Article 17.2;

"Drag Along Option" shall have the meaning given in Article 17.1;

"Effective Termination Date" means the earliest of:

- (a) the date that the Company provides written notice to the Employee stating that such Employee shall become a Leaver; or
- (b) the date that an Employee provides written notice to the Company stating that such Employee shall become a Leaver, or
- (c) the date that an Employee became a Leaver;

"Employee" means an individual who is a director of, employed by or who provides consultancy services to, the Company or any member of the Group;

"Employee Shares" in relation to an Employee means all Shares in the Company held by:

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

"Employee Trust" means a trust, the terms of which are approved by Investor Consent, whose beneficiaries are the Employees;

"Encumbrance" means any mortgage, charge, security, interest, lien, pledge, assignment by way of security, equity, claim, right of pre-emption, option, covenant, restriction, reservation, lease, trust, order, decree, judgment, title defect (including without limitation any retention of title claim), conflicting claim of ownership or any other encumbrance of any nature whatsoever (whether or not perfected other than liens arising by operation of law);

"Equity Incentive Plan" means an equity incentive plan, the terms of which have been approved in writing by an Investor Majority subject to and in accordance with any shareholders' agreement to which they are party;

"Equity Shareholders" means the registered holders of Equity Shares;

"Equity Shares" means the A Ordinary Shares and the Ordinary Shares;

"Excess Securities" shall have the meaning given in Article 10.3.2,

"Excluded Person" means:

- (a) any person who gives or is deemed to have given a Transfer Notice pursuant to these Articles, and
- (b) any employee, consultant or director of a Group Company who has given, or been given, notice to terminate his contract of employment with any Group Company;

"Exit" means a Share Sale, an Asset Sale or an IPO;

"Expert Valuer" is as determined in accordance with Article 15.10;

"Fair Value" is as determined in accordance with Article 15.11;

"Family Trust" means a trust, excluding a trust arising under a testamentary disposition or on intestacy, under which:

- (a) no beneficial interest in the trust property is vested or permitted to be vested in any person other than the settlor or any Privileged Relations of the settlor; and
- (b) no power of control over any trust property is or is capable of being exercised by, or is subject to the consent of, any person other than the settlor, any Privileged Relations of the settlor or the trustees of the trust;

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

"Good Leaver" means a Leaver who is not a Bad Leaver or any other person whom the Board with Investor Director Consent determines should be treated as a Good Leaver;

"Group" means the Company and its Subsidiary Undertaking(s) (if any) from time to time and **"Group Company"** and **"member of the Group"** shall be construed accordingly;

"Investor Director Consent" means the prior written consent of either of the Investor Directors;

"Investor" means REEIF II Luxembourg S.A.R.L and its Permitted Transferees;

"Investor Directors" means such Directors of the Company nominated by the Investor under Article 21.1;

"Investor Majority" means the holder(s) of more than 50% of the A Ordinary Shares from time to time,

"Investor Consent" means the prior written consent of the Investor Majority which, for so long as the Investor constitutes an Investor Majority, may be given by a duly authorised representative of the manager of the Investor or by any Investor Director;

"IPO" means the admission of all or any of the Equity Shares or securities representing those shares (including without limitation American depositary receipts, American depositary shares and/or other instruments) to or the grant of permission by any like authority for the same to be traded or quoted on Nasdaq or on the Official List of the United Kingdom Listing Authority or on the AIM Market operated by the London Stock Exchange Plc or any other recognised investment exchange (as defined in section 285 of the Financial Services and Markets Act 2000);

"ITEPA" means Income Tax (Earnings and Pensions) Act 2003;

"Issue Price" means the Amount Credited as Paid Up on a Share;

"Leaver" means any Employee:

- (a) whose contract of employment or of consultancy or directorship with the Company or any Group Company terminates for any reason; and
 - (b) who in any such case does not continue as an employee, consultant of or to the Company or another Group Company,
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provided that for the purposes of these Articles if Timothy Payne continues as a director pursuant to Article 21.2 after termination of his employment or consultancy he shall be a Leaver;

"Loan Note Instrument" means the instrument of the Company constituting up to £8,500,000 in principal amount of secured loan notes repayable in 2027;

"Loan Notes" means, as the context requires, any or all of the notes constituted pursuant to the Loan Note Instrument;

"a Member of the same Fund Group" means if the Shareholder is a fund, partnership, company, syndicate or other entity whose business is managed by a Fund Manager (an **"Investment Fund"**):

- (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 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 fund managed by that Fund Manager which is or whose nominee is the transferor;
- (c) any Parent Undertaking or Subsidiary Undertaking of that Fund Manager, or any Subsidiary Undertaking of any Parent Undertaking of that Fund Manager; or
- (d) any trustee, nominee or custodian of such Investment Fund or of any transferee under (a) to (c) above and vice versa;

"a Member of the same Group" means as regards any company, a company which is from time to time a Parent Undertaking or a Subsidiary Undertaking of that company or a Subsidiary Undertaking of any such Parent Undertaking;

"Model Articles" means the model articles for private companies limited by shares contained in Schedule 1 of the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the date of adoption of these Articles and reference to a numbered Model Article is a reference to that article of the Model Articles;

"Nasdaq" means the Nasdaq National Stock Market of the Nasdaq Stock Market Inc.;

"New Securities" means any shares or other securities convertible into, or carrying the right to subscribe for those shares, issued by the Company after the Date of Adoption;

"New Shareholder" shall have the meaning given in Article 17.9;

"Offer" shall have the meaning given in Article 16.1;

"Offer Period" shall have the meaning given in Article 16.3,

"Ordinary Shareholders" means the holders from time to time of the Ordinary Shares;

"Ordinary Shares" means the ordinary shares of £0.001 each in the capital of the Company;

"Original Shareholder" shall have the meaning given in Article 13.1;

"Other Shareholders" shall have the meaning given in Article 16.1;

"Permitted Transfer" means a transfer of Shares in accordance with Article 13;

"Permitted Transferee" means in relation to:

- (a) a Shareholder who is an individual:
 - (i) any person entitled to Shares in consequence of the death or bankruptcy of an individual Shareholder to any person or trustee to whom such individual Shareholder, if not dead or bankrupt, would be permitted hereunder to transfer the same;
 - (ii) a Privileged Relation aged 18 or over; or
 - (iii) the trustee(s) for the time being of a Family Trust acting in that capacity;
- (b) a Shareholder which is an undertaking (as defined in section 1161(1) of the Act) any Member of the same Group;
- (c) the Investor:
 - (i) any Member of the same Group;
 - (ii) any Member of the same Fund Group;
- (d) a Shareholder which is an Investment Fund:
 - (i) any Member of the same Fund Group as the Investment Fund; or
 - (ii) any unitholder, shareholder, partner, participant in or manager of or adviser to (or an employee of such manager or adviser) the Investment Fund; or
 - (iii) any other Investment Fund managed or advised by the same manager or adviser as the transferring Investment Fund or to any Member of the same Group of such manager or adviser; or
 - (iv) any trustee or nominee of or custodian for the Investment Fund or for any other transferee under sub paragraph (i), (ii) or (iii) of this paragraph (d); or
- (e) a trustee or nominee of or custodian for an Investment Fund to the Investment Fund or to any of the persons referred to in paragraph (i), (ii) or (iii) of paragraph (d);

"Preference Amount" means an amount equal to 100 per cent of the aggregate Issue Price for all the Preference Shares;

"Preference Shareholders" means the holders from time to time of the Preference Shares;

"Preference Shares" means the preference shares of £1.00 each in the capital of the Company;

"Privileged Relation" any spouse or civil partner (but not a former spouse or former civil partner upon the dissolution of the marriage or civil partnership), parent, sibling, child, adopted child or stepchild of the Original Shareholder;

"Proceeds of Sale" means the consideration payable (including any deferred consideration) whether in cash or otherwise to those Shareholders selling Shares under a Share Sale (after the redemption of the Loan Notes);

"Proposed Purchaser" means a proposed purchaser who at the relevant time has made a bona fide offer on arm's length terms,

"Proposed Seller" means any person proposing to transfer any shares in the capital of the Company;

"Proposed Transfer" shall have the meaning given in Article **Error! Reference source not found.**;

"Proposed Sale Date" shall have the meaning given in Article 16.3;

"Proposed Sale Notice" shall have the meaning given in Article 16.3;

"Proposed Sale Shares" shall have the meaning given in Article 16.3;

"Recipient" shall have the meaning given in Article 29.

"Recipient Group Companies" shall have the meaning given in Article 29;

"Relevant Entitlement" shall have the meaning given in Article 10.3;

"Relevant Member" a Shareholder who is an Employee or a Shareholder who shall have acquired shares directly or indirectly from an Employee pursuant to one or more Permitted Transfers (including where such shares were subscribed by such Shareholder and that Shareholder would have been entitled to receive a Permitted Transfer from the Employee);

"Restricted Shares" shall have the meaning given in Article 15 8;

"Sale Shares" has the meaning set out in Article 15.1;

"Seller" has the meaning set out in Article 15.1;

"Selling Shareholders" shall have the meaning given in Article 17 1;

"Sellers' Shares" shall have the meaning given in Article 17.1;

"Shareholder" means any holder of any Shares;

"Shares" means the A Ordinary Shares, Ordinary Shares, Preference Shares and the Deferred Shares and **"Share"** means any one of them;

"Share Sale" means the sale of (or the grant of a right to acquire or to dispose of) any of the shares in the capital of the Company (in one transaction or as a series of transactions) which will result in the purchaser of those shares (or grantee of that right) and persons Acting in Concert with him together acquiring the entire issued share capital of the Company;

"**Special Dividend**" shall have the meaning given in Article 5.1;

"**Specified Price**" shall have the meaning given in Article 16.6.2;

"**Strip Subscription Condition**" means the subscription by each Equity Shareholder for a pro rata number of preference shares, and/or nominal amount of relevant debt securities, such that each Equity Shareholder subscribes equity in the Company and debt securities to be issued by a Group Company in the same proportions in connection with the issue of New Securities;

"**Subsidiary**", "**Subsidiary Undertaking**" and "**Parent Undertaking**" shall have the meanings set out in sections 1159 and 1162 of the Act;

"**Transfer Notice**" shall have the meaning given in Article 15.1; and

"**Transfer Price**" shall have the meaning given in Article 15.1.

3. LIABILITY OF SHAREHOLDERS

The liability of a Shareholder is limited to the amount, if any, unpaid on the Shares held by them.

4. SHARE CAPITAL

- 4.1 In these Articles, unless the context requires otherwise, references to shares of a particular class shall include shares created and/or issued after the Date of Adoption and ranking *pari passu* in all respects (or in all respects except only as to the date from which those shares rank for dividend) with the shares of the relevant class then in issue.
- 4.2 Except as otherwise provided in these Articles, the A Ordinary Shares, the Ordinary Shares, the Preference Shares and the Deferred Shares shall rank *pari passu* in all respects but shall constitute separate classes of shares.
- 4.3 The Company may issue shares which are to be redeemed, or are liable to be redeemed at the option of the Company or the holder, subject to and in accordance with the terms of these Articles.
- 4.4 The Company shall be hereby deemed to have irrevocable authority at any time to appoint any Director to execute on behalf of the holders of Deferred Shares a transfer thereof (and/or an agreement to transfer the same) to such person as the Company may determine as custodian thereof and/or to purchase the same (in accordance with the provisions of the Act) in any such case for a price not more than an aggregate sum of £1 for all such Deferred Shares without obtaining the sanction of the holder or holders thereof and pending such transfer and/or purchase to retain the certificate for such Deferred Shares.
- 4.5 Any Shareholder may by written notice, prior to any payment or other distribution due to it pursuant to Articles 5, 6 and/or 7, instruct the Company to pay or allocate such payment or other distribution to any other person (subject to the Board satisfying itself as to such person's identity)

5. DIVIDENDS

- 5.1 Subject to redemption in full of the Loan Notes, the Preference Shares as a class shall carry the right to a preferred dividend ("**Special Dividend**") entitling them to be paid, in priority to

any general dividend that may be declared from time to time by the Directors, in an aggregate amount of not more than the Preference Amount and pro rata and pari passu among the holders of the Preference Shares, save as expressly agreed otherwise by the Preference Shareholders in writing.

- 5.2 Subject to Article 5.1, every dividend shall be distributed amongst the holders of the A Ordinary Shares and Ordinary Shares (pari passu as if the Shares constituted one class of Share) pro rata according to the numbers of such Shares held by them respectively and shall accrue on a daily basis assuming a 365 day year. All dividends are expressed net and shall be paid in cash.
- 5.3 The Deferred Shares shall not entitle the holders of them to receive any dividends or other distributions.
- 5.4 When such amount of Special Dividend has been paid as is equal to the Preference Amount then, at such time, all of the Preference Shares shall automatically convert into Deferred Shares.

6. LIQUIDATION PREFERENCE

On a distribution of assets on a liquidation or a return of capital (other than a conversion, redemption or purchase of Shares) the surplus assets of the Company remaining after payment of its liabilities (including redemption of the Loan Notes) shall be applied as follows (to the extent that the Company is lawfully permitted to do so):

- 6.1 subject to the Loan Notes first being redeemed in full, the Preference Shareholders as a class shall be entitled in respect of their Preference Shares in priority to any amount paid to the holders of Equity Shares in respect of their Equity Shares, an aggregate amount equal to the Preference Amount less an amount equal to the total Special Dividend that has been paid to Preference Shareholders, such aggregate amount to be allocated among and paid to the Preference Shareholders in the proportions in which the aggregate Issue Price paid by each Preference Shareholder for his Preference Shares bears to the aggregate Issue Price paid for all Preference Shares; then
- 6.2 subject to Article 6.3, the balance of the surplus assets (if any) after the payment in Article 6.1, shall be distributed among the holders of Equity Shares pro rata (as if the Equity Shares constituted one and the same class) to the number of Equity Shares held; and
- 6.3 in the event of a winding-up of the Company or other return of capital the holders of Deferred Shares, shall have the right to receive an aggregate sum equal to £1 in respect of all such Deferred Shares, after the payment in respect of each Equity Share of £10,000,000.

7. EXIT PROVISIONS

Share Sale

- 7.1 On a Share Sale, the Proceeds of Sale shall be distributed in the order of priority set out in Article 6 and the Directors shall not register any transfer of Shares if the Proceeds of Sale are not so distributed.

Asset Sale

- 7.2 On an Asset Sale the surplus assets of the Company remaining after payment of its liabilities (including redemption of the Loan Notes) shall be distributed (to the extent that the Company
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is lawfully permitted to do so) in the order of priority set out in Article 6 provided always that if it is not lawful for the Company to distribute its surplus assets in accordance with the provisions of these Articles, the Shareholders shall take any action reasonably required by the Investor (including, but without prejudice to the generality of this Article 7.2, actions that may be necessary to put the Company into voluntary liquidation) so that Article 6 applies.

IPO

- 7.3 On an IPO, immediately prior to, and conditional on, the IPO taking place, such that, subject to the Act, the Company shall redeem the Loan Notes and pay by way of dividend an aggregate amount equal to the Preference Amount less an amount equal to the total Special Dividend that has been paid to the Preference Shareholders, such aggregate amount to be allocated and paid to the Preference Shareholders in the proportions in which the aggregate Issue Price paid for its Preference Shares bears to the aggregate Issue Price paid for all Preference Shares and following such payment all of the Preference Shares shall automatically convert into Deferred Shares.

8. VOTES IN GENERAL MEETING

- 8.1 Each A Ordinary Share and each Ordinary Share shall entitle the holder to receive notice of, to attend, and to vote at, general meetings of the Company and to receive copies of and vote on a proposed written resolution.
- 8.2 Subject to Article 12.9.1.1, Article 15.8 and 15.9:
- 8.2.1 on a show of hands every A Ordinary Shareholder and every Ordinary Shareholder who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or by proxy, shall have one vote;
- 8.2.2 on a poll every A Ordinary Shareholder and every Ordinary Shareholder so present shall have one vote for each A Ordinary Share and Ordinary Share (as the case may be) held by him; and
- 8.2.3 on a written resolution every A Ordinary Shareholder and every Ordinary Shareholder shall have one vote for each A Ordinary Share and Ordinary Share (as the case may be) held by him.
- 8.3 Each Preference Share shall entitle its holder to receive notice of and attend any general meeting of the Company but shall not entitle the holder to vote upon any resolution other than:
- 8.3.1 a resolution for winding up the Company or reducing its share capital; or
- 8.3.2 a resolution directly adversely varying or abrogating any of the special rights attached to the Preference Shares.
- 8.4 No Deferred Share shall entitle its holder to receive notice of or attend any general meeting of the Company nor shall it entitle the holder to vote upon any resolution
- 8.5 A poll may be demanded by the Directors or any person having the right to vote on the resolution. A demand for a poll that is withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made. Polls must be taken immediately and in such manner as the Directors agree
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9. VARIATION OF RIGHTS

- 9.1 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 more than 75 per cent in nominal value of the issued shares of that class save that the special rights attaching to the A Ordinary Shares and Preference Shares may only be varied or abrogated with Investor Consent.
- 9.2 No amendment shall be made to these Articles which would adversely affect the holders of the Ordinary Shares in a disproportionate manner as regards the effect of such amendment on the holders of A Ordinary Shares.

10. ALLOTMENT OF NEW SHARES OR OTHER SECURITIES: PRE-EMPTION

- 10.1 Subject to the remaining provisions of this Article 10, the Directors are generally and unconditionally authorised for the purpose of section 551 of the Act to exercise any power of the Company to:

10.1.1 offer, allot or grant rights to subscribe for;

10.1.2 convert securities into, or

10.1.3 otherwise deal in, or dispose of,

any Shares or any other relevant securities in the Company to any persons, at any times and subject to any terms and conditions as the Directors think proper, provided that:

10.1.4 this authority shall be limited to a maximum nominal amount of Shares equal to £50;

10.1.5 this authority shall only apply insofar as the Company in general meeting has not waived or revoked it;

10.1.6 this authority may only be exercised for a period of five years commencing upon the Date of Adoption, save that the Directors may make an offer or agreement which would or might require relevant securities to be allotted after the expiry of such authority (and the Directors may allot relevant securities in pursuance of an offer or agreement as if such authority had not expired).

- 10.2 In accordance with section 567(1) of the Act, sections 561(1) and 562 of the Act do not apply to an allotment of equity securities made by the Company.

- 10.3 If the Company proposes to allot any New Securities those New Securities shall not be allotted to any person unless the Company has in the first instance offered them to all holders of Equity Shares (other than the holders of Deferred Shares) on the same terms and at the same price as those New Securities are being offered to other persons on a pari passu and pro rata basis to the number of Equity Shares held by those holders (as nearly as may be without involving fractions) disregarding any Deferred Shares ("**Relevant Entitlement**") The offer:

10.3.1 shall be in writing, give details of the number and subscription price of the New Securities and shall stipulate a time not exceeding 14 days within which it must be accepted or in default will lapse;

- 10.3.2 may stipulate that any Shareholder who wishes to subscribe for a number of New Securities in excess of the proportion to which each is entitled shall in their acceptance state the number of excess New Securities ("**Excess Securities**") for which they wish to subscribe; and
 - 10.3.3 may stipulate whether the issue of any New Securities is subject to the Strip Subscription Condition and, if so, shall specify the number of preference shares and/or nominal amount of debt securities that each Equity Shareholder shall be obliged to subscribe pursuant to the Strip Subscription Condition based on his Relevant Entitlement.
- 10.4 Any New Securities not accepted by Shareholders pursuant to the offer made to them in accordance with Article 10.3 shall be used for satisfying any requests for Excess Securities made pursuant to Article 10.3 and in the event that there are insufficient Excess Securities to satisfy such requests, the Excess Securities shall be allotted to the applicants on a pro rata basis to the number of Shares held by the applicants immediately prior to the offer made to Shareholders in accordance with Article 10.3 (as nearly as may be without involving fractions or increasing the number allotted to any Shareholder beyond that applied for by him) and after that allotment, any Excess Securities remaining shall be offered to any other person as the Directors may determine at the same price and on the same terms as the offer to the Shareholders.
- 10.5 Subject to Article 10.3 and to the provisions of section 551 of the Act, any New Securities shall be at the disposal of the Board who may allot, grant options over or otherwise dispose of them to any persons at those times and generally on the terms and conditions they think proper.
- 10.6 The provisions of Articles 10.3 to 10.5 shall not apply to:
- 10.6.1 the issue of any shares in the capital of the Company or grant of a right to subscribe for, or to convert securities into, shares in the capital of the Company to any employee of or consultant to the Company or any of its subsidiaries, in each case in accordance with any Equity Incentive Plan;
 - 10.6.2 New Securities issued or granted in order for the Company to comply with its obligations under these Articles;
 - 10.6.3 New Securities issued in consideration of the acquisition by the Company of any company or business which has been approved in writing by Investor Consent; and
 - 10.6.4 to any person with the approval of the Investor and Ordinary Shareholders.
- 10.7 Where any securities which are Ordinary Shares or A Ordinary Shares in the capital of the Company are issued or transferred to any existing holder of:
- 10.7.1 Ordinary Shares, such securities shall, on and from the time of registration of the allotment or transfer of such shares in the register of Shareholders of the Company, be immediately and automatically be (without resolution of the Shareholders or Directors) designated as Ordinary Shares; and
 - 10.7.2 A Ordinary Shares, such securities shall, on and from the time of registration of the allotment or transfer of such shares in the register of Shareholders of the
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Company, be immediately and automatically be (without resolution of the Shareholders or Directors) designated as A Ordinary Shares.

- 10.8 The Company and any Director, prospective employee or director to whom Shares shall be allotted shall enter into a joint section 431 ITEPA election.

11. LIEN

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

12. TRANSFERS OF SHARES – GENERAL

- 12.1 Subject to the terms of Article 16, the Preference Shares and the A Ordinary Shares shall be freely transferable.

- 12.2 The Ordinary Shares may only be transferred with Investor Consent other than pursuant to:

12.2.1 a Permitted Transfer;

12.2.2 Article **Error! Reference source not found.** (*Proposed Exit*);

12.2.3 Article 16 (*Tag Along*);

12.2.4 Article 17 (*Drag Along*)

- 12.3 In Articles 12 to 17 inclusive, reference to the transfer of a Share includes the transfer or assignment 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.

- 12.4 No Share may be transferred unless the transfer is made in accordance with these Articles.

- 12.5 If a Shareholder transfers or purports to transfer a Share otherwise than in accordance with these Articles he will be deemed immediately to have served a Transfer Notice in respect of all Shares held by him.

- 12.6 Any transfer of a Share by way of sale which is required to be made under Articles 14 to 17 (inclusive) will be deemed to include a warranty that the transferor is the holder and owner of the whole right, title and interest in and to the Share free from all Encumbrances and there exists no agreement or arrangement to create any such Encumbrance.

- 12.7 The Directors may refuse to register a transfer if:

12.7.1 it is a transfer of a share to a bankrupt, a minor or a person of unsound mind;

12.7.2 the transfer is to an Employee, Director or prospective employee or director and such person has not entered in a joint section 431 ITEPA election with the Company.

- 12.8 The Board shall, as a condition to the registration of any transfer of Shares in the Company (whether pursuant to a Permitted Transfer or otherwise), require the transferee to execute and deliver to the Company a deed agreeing to be bound by the terms of any shareholders' agreement or similar document in force between some or all of the shareholders and the Company in any form as the Board may reasonably require (but not so as to oblige the transferee to have any obligations or liabilities greater than those of the proposed transferor under any such agreement or other document) and if any condition is imposed in accordance with this Article 12.8 the transfer may not be registered unless that deed has been executed and delivered to the Company's registered office by the transferee.
- 12.9 To enable the Board to determine whether or not there has been any disposal of Shares in the capital of the Company (or any interest in Shares in the capital of the Company) in breach of these Articles the Board may, and shall if so requested with Investor Director Consent, require any holder or the legal personal representatives of any deceased holder or any person named as transferee in any transfer lodged for registration or any other person who the Board or the Investor Directors may reasonably believe to have information relevant to that purpose, to furnish to the Company that information and evidence the Board may request regarding any matter which they deem relevant to that purpose, including (but not limited to) the names, addresses and interests of all persons respectively having interests in the Shares in the capital of the Company from time to time registered in the holder's name. If the information or evidence is not provided to enable the Board to determine to their reasonable satisfaction that no breach has occurred, or where as a result of the information and evidence the Board are reasonably satisfied that a breach has occurred, the Board shall immediately notify the holder of such Shares in the capital of the Company in writing of that fact and the following shall occur:
- 12.9.1 the relevant Shares shall cease to confer upon the holder of them (including any proxy appointed by the holder) any rights:
- 12.9.1.1 to vote whether on a show of hands or on a poll and whether exercisable at a general meeting of the Company or at any separate meeting of the class in question) provided that such rights shall not cease if as a result of such cessation the Company shall become a Subsidiary of an Investor; or
- 12.9.1.2 to receive dividends or other distributions; or
- 12.9.1.3 otherwise attaching to those Shares or to any further Shares issued in respect of those Shares; and
- 12.9.2 the holder may be required at any time following receipt of the notice to transfer some or all of its Shares to any person(s) at the price that the Board may require by notice in writing to that holder.
- 12.10 The rights referred to in Article 12.9.1 above may be reinstated by the Board subject to Investor Director Consent and shall in any event be reinstated upon the completion of any transfer referred to in Article 12.9.2 above.

13. PERMITTED TRANSFERS

- 13.1 Subject to Article 12.4, a Shareholder ("**Original Shareholder**") may transfer all or any of his or its Shares to a Permitted Transferee without restriction as to price or otherwise.
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- 13.2 Where under the provision of a deceased Shareholder's will or laws as to intestacy, the persons legally or beneficially entitled to any Shares, whether immediately or contingently, are Permitted Transferees of the deceased Shareholder, the legal representative of the deceased Shareholder may transfer any Share to those Permitted Transferees, in each case without restriction as to price or otherwise. Shares previously transferred as permitted by this Article 13.2 may be transferred by the transferee to any other Permitted Transferee of the Original Shareholder without restriction as to price or otherwise.
- 13.3 If a Permitted Transferee who was a Member of the same Group as the Original Shareholder ceases to be a Member of the same Group as the Original Shareholder, the Permitted Transferee must on or before the date on which the Permitted Transferee so ceases, transfer the Shares held by it to the Original Shareholder or a Member of the same Group as the Original Shareholder (which in either case is not in liquidation) without restriction as to price or otherwise failing which it will be deemed to have given a Transfer Notice in respect of those Shares.
- 13.4 If a Permitted Transferee who was a Member of the same Fund Group as the Original Shareholder ceases to be a Member of the same Fund Group, the Permitted Transferee must on or before the date on which the Permitted Transferee so ceases, transfer the Shares held by it to the Original Shareholder or a Member of the same Fund Group as the Original Shareholder (which in either case is not in liquidation) without restriction as to price or otherwise failing which it will be deemed to give a Transfer Notice in respect of such Shares.
- 13.5 On the death (subject to Article 13.2), bankruptcy or sequestration, liquidation, administrator or administrative receivership of a Permitted Transferee (other than a joint holder) his personal representatives or trustee in bankruptcy, or its liquidator, administrator or administrative receiver must within five Business Days after the date of the grant of probate, the making of the bankruptcy or sequestration order or the appointment of the liquidator, administrator or the administrative receiver execute and deliver to the Company a transfer of the Shares held by the Permitted Transferee without restriction as to price or otherwise. The transfer shall be to the Original Shareholder if still living (and not bankrupt or in liquidation) or, if so directed by the Original Shareholder, to any Permitted Transferee of the Original Shareholder. If the transfer is not executed and delivered within five Business Days of such period or if the Original Shareholder has died or is bankrupt or is in liquidation, the personal representative or trustee in bankruptcy or liquidator will be deemed to have given a Transfer Notice.
- 13.6 Where Shares have been transferred under Article 13.1 to any trustee(s) of a Family Trust a transfer of the legal interest in any Share by any trustee(s) of such Family Trust acting in that capacity may transfer Shares to
- 13.6.1 any other or new trustee(s) of that Family Trust acting in that capacity; or
- 13.6.2 to the trustee(s) for the time being of any other Family Trust to which the Shares could have been transferred under Article 13.1; and
- 13.7 Where Shares have been transferred under Article 13.1 to any trustee(s) of a Family Trust) any trustee(s) of a Family Trust acting in that capacity may transfer the entire legal and beneficial interest in any Share to any beneficiary of that trust aged 18 or over who has become absolutely entitled to the Share proposed to be transferred or to any Privileged Relation of the Original Shareholder.
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14. COMPULSORY TRANSFERS – GENERAL

- 14.1 A person entitled to a Share in consequence of the bankruptcy or sequestration of a Shareholder shall be deemed to have given a Transfer Notice in respect of that Share at a time determined by the Directors.
- 14.2 If a Share remains registered in the name of a deceased Shareholder for longer than one year after the date of his death the Board may require the legal personal representatives of that deceased Shareholder either:
- 14.2.1 to effect a Permitted Transfer of such Shares (including for this purpose an election to be registered in respect of the Permitted Transfer); or
 - 14.2.2 to show to the satisfaction of the Board that a Permitted Transfer will be effected before or promptly upon the completion of the administration of the estate of the deceased Shareholder.

If either requirement in this Article 14.2 shall not be fulfilled to the satisfaction of the Board a Transfer Notice shall be deemed to have been given in respect of each such Share save to the extent that, the Board may otherwise determine.

- 14.3 Other than in relation to an Investor, if a Shareholder which is a company or a Permitted Transferee of that Shareholder, either suffers or resolves for the appointment of a liquidator, administrator or administrative receiver over it or any material part of its assets, the relevant Shareholder or Permitted Transferee shall be deemed to have given a Transfer Notice in respect of all the Shares held by the relevant Shareholder and/or such Permitted Transferee save to the extent that, and at a time, the Board may determine.
- 14.4 Subject to Article 14.5, if there is a change in control (as control is defined in section 1124 CTA 2010) of any Shareholder which is a body corporate, it shall be bound at any time to give (or procure the giving in the case of a nominee) a Transfer Notice in respect of all the Shares registered in its and their names and their respective nominees' names save that, in the case of a Permitted Transferee, 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 such Original Shareholder before being required to serve a Transfer Notice.
- 14.5 Article 14.4 shall not apply to a change in control (as control is defined in section 1124 CTA 2010) of the Investor provided that the relevant control in the Investor continues to be held by a Member of the same Fund Group as REEIF II Luxembourg S.A.R.L.

15. COMPULSORY TRANSFERS – EMPLOYEES

- 15.1 If any Employee becomes a Leaver (unless and to the extent that an Investor Majority resolves otherwise) the relevant Employee (or the Relevant Member in respect of such Employee) ("**Seller**") shall be deemed to have given notice in writing ("**Transfer Notice**") in respect of the sale of all the Employee Shares ("**Sale Shares**") on the Effective Termination Date. The price for the Sale Shares shall be such price as has been agreed between the Company and the relevant Employee who is a Leaver pursuant to the terms of any shareholders', investment or employment agreement or similar document(s) and in the absence of any such agreement shall be as follows (the "**Transfer Price**");
- 15.1.1 where the relevant Employee ceases to be an Employee by reason of being a Bad Leaver, the lower of Fair Value and the nominal value of the Employee Shares;
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- 15.1.2 where the relevant Employee ceases to be an Employee by reason of being a Good Leaver, the Fair Value.
- 15.2 The Transfer Notice will constitute the Company as the agent of the Seller for the sale of the Sale Shares.
- 15.3 The Board shall offer the Sale Shares at the Transfer Price in the following order of priority (and in such proportions and giving such deadlines for acceptance of the offer as it shall determine):
- 15.3.1 to a person or persons nominated by an Investor Majority to take the departing Employee's place conditionally upon them commencing employment with the Company; and/or
 - 15.3.2 to another Employee or Employees nominated by the Investor Majority, and/or
 - 15.3.3 to the trustee of an Employee Trust; and/or
 - 15.3.4 to the Company (subject always to the provisions of the Act) and/or
 - 15.3.5 to all Shareholders (other than the Seller, any other Shareholder who is deemed to have given a Transfer Notice pursuant to this clause 15 and/or the holders of Deferred Shares).
- 15.4 The Board shall give written notice of allocation ("**Allocation Notice**") to the Seller and each person including any Shareholder and/or the Company (as applicable) who has accepted the offer set out in Article 15.3, to whom Sale Shares have been allocated ("**Applicant**") specifying the number of Sale Shares allocated to each Applicant and the place and time (being not less than 10 Business Days nor more than 20 Business Days after the date of the Allocation Notice) for completion of the transfer of the Sale Shares (subject always to the provisions of the Act where the Applicant is the Company).
- 15.5 Subject to clauses 15.8 and 15.9, the Seller shall retain any Sale Shares which are not the subject of an Allocation Notice pursuant to this Article 15.
- 15.6 Upon service of an Allocation Notice, the Seller must, against payment of the Transfer Price, transfer the Sale Shares in accordance with the requirements specified in it.
- 15.7 If the Seller fails to comply with the provisions of Article 15.6:
- 15.7.1 any Director, or some other person nominated by a resolution of the Board, may on behalf of the Seller:
 - 15.7.1.1 complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Applicants,
 - 15.7.1.2 receive the Transfer Price and give a good discharge for it; and
 - 15.7.1.3 (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
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- 15.7.2 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 to the Company his certificate or certificates for the relevant Shares (or an indemnity, in a form reasonably satisfactory to the Board, in respect of any lost certificate).
- 15.8 All voting rights attached to Sale Shares held by an Employee (or the Relevant Member in respect of such Employee) ("**Restricted Shares**"), if any, shall at the time he ceases to be an Employee be suspended unless the Board and the Investor Majority notify him otherwise.
- 15.9 Subject to Article 15.8, Restricted Shares shall confer on the holders of Restricted Shares the right to receive a notice of and attend all general meetings of the Company but shall have no right to vote either in person or by proxy in respect of such Restricted Shares. If a holder of Restricted Shares transfers any Restricted Shares in the Company in accordance with these Articles (other than a Permitted Transfer) all voting rights attached to the Restricted Shares so transferred shall upon completion of the transfer (as evidenced by the transferee's name being entered in the Company's register of shareholders) automatically be restored.
- 15.10 In the event that a Fair Value is required to be determined, the Board shall appoint the Auditors ("**Expert Valuers**") to certify the Fair Value of the Sale Shares;
- 15.11 The "**Fair Value**" of the Sale Shares shall be determined by the Expert Valuer on the following assumptions and bases:
- 15.11.1 valuing the Sale Shares as on an arm's-length sale between a willing seller and a willing buyer;
- 15.11.2 if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;
- 15.11.3 that the Sale Shares are capable of being transferred without restriction;
- 15.11.4 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
- 15.11.5 reflect any other factors which the Expert Valuers reasonably believe should be taken into account.
- 15.12 If any difficulty arises in applying any of these assumptions or bases then the Expert Valuers shall resolve that difficulty in whatever manner they shall in their absolute discretion think fit.
- 15.13 The Expert Valuers shall be requested to determine the Fair Value within 20 Business Days of their appointment and to notify the Board of their determination.
- 15.14 The Expert Valuers shall act as experts and not as arbitrators and their determination shall be final and binding on the parties (in the absence of fraud or manifest error).
- 15.15 The Board will give the Expert Valuers access to all accounting records or other relevant documents of the Company subject to them agreeing such confidentiality provisions as the Board may reasonably impose.
- 15.16 The Expert Valuers shall deliver their certificate to the Company. As soon as the Company receives the certificate it shall deliver a copy of it to the Seller.
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15.17 The cost of obtaining the certificate shall be paid by the Company.

16. TAG-ALONG

16.1 Except in the case of Permitted Transfers and transfers pursuant to Articles 13, 14 and 15, the provisions of this Article 16 will apply if one or more Proposed Sellers propose to transfer in one or a series of related transactions any Shares which would, if put into effect, result in any Proposed Purchaser acquiring a Controlling Interest in the Company ("**Proposed Transfer**").

16.2 A Proposed Seller must, before making a Proposed Transfer procure the making by the Proposed Purchaser of an offer ("**Offer**") to the other Shareholders ("**Other Shareholders**") to acquire all of their Shares for a consideration per share, in respect of each share, the value of which is at least equal to the Specified Price (as defined in Article 16.6.2).

16.3 The Offer must be given by written notice ("**Proposed Sale Notice**") at least 10 Business Days ("**Offer Period**") prior to the proposed sale date ("**Proposed Sale Date**"). The Proposed Sale Notice must set out, to the extent not described in any accompanying documents, the identity of the Proposed Purchaser, the purchase price and other terms and conditions of payment, the Proposed Sale Date and the number of Shares (which, for the avoidance of doubt, shall be all of the Shares held by the Other Shareholders) proposed to be purchased by the Proposed Purchaser ("**Proposed Sale Shares**").

16.4 If any other holder of Shares is not given the rights accorded him by this Article, the Proposed Sellers will not be entitled to complete their sale and the Company will not register any transfer intended to carry that sale into effect.

16.5 If the Offer is accepted by any Other Shareholder(s) ("**Accepting Shareholder(s)**") within the Offer Period, the completion of the Proposed Transfer will be conditional upon the completion of the purchase of all the Shares held by Accepting Shareholders.

16.6 For the purpose of this Article the expression

16.6.1 "**transfer**" and "**purchaser**" shall include the renunciation of a renounceable letter of allotment and the renounee under any such letter of allotment respectively

16.6.2 "**Specified Price**" shall be consideration (in cash or otherwise) for which the Other Shareholders would be entitled to receive in relation to each of their Shares if the total consideration proposed to be paid by the Proposed Purchaser (taking into account the substance of the Proposed Transfer) for the entire issued share capital of the Company were distributed to the Other Shareholders and the Investor in accordance with the provisions of Article 6.

17. DRAG-ALONG

17.1 Except in the case of Permitted Transfers and transfers pursuant to Articles 13, 14 and 15, if an Investor Majority ("**Selling Shareholders**") wish to transfer all their interest in Shares ("**Sellers' Shares**") to a Proposed Purchaser, the Selling Shareholders shall have the option ("**Drag Along Option**") to require all (but not some only) of the other holders of Shares ("**Called Shareholders**") to sell and transfer all their Shares to the Proposed Purchaser or as the Proposed Purchaser shall direct in accordance with the provisions of this Article.

17.2 The Selling Shareholders may exercise the Drag Along Option by giving a written notice to that effect ("**Drag Along Notice**") to the Called Shareholders at any time before the transfer

of the Sellers' Shares to the Proposed Purchaser. A Drag Along Notice shall specify that the Called Shareholders are required to transfer all their Shares ("**Called Shares**") under this Article, the person to whom they are to be transferred, the consideration for which the Called Shares are to be transferred (calculated in accordance with this Article) and the proposed date of transfer.

- 17.3 Drag Along Notices shall be irrevocable but will lapse if for any reason there is not a sale of the Sellers' Shares by the Selling Shareholders to the Proposed Purchaser within 40 Business Days after the date of service of the Drag Along Notice. The Selling Shareholders shall be entitled to serve further Drag Along Notices following the lapse of any particular Drag Along Notice.
 - 17.4 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 Purchaser for the entire issued share capital of the Company were distributed to the holders of the Called Shares and the Sellers' Shares in accordance with the provisions of Article 6.
 - 17.5 No Drag Along Notice may require a Called Shareholder to agree to any terms except those specifically provided for in these Articles and the Drag Along Notice.
 - 17.6 Within ten 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 Shares in favour of the Proposed Purchaser or as the Proposed Purchaser shall direct, together with the relevant share certificate(s) (or a suitable indemnity in lieu thereof) to the Company, provided that the Selling Shareholders do the same. On the expiration of that ten Business Day period the Company shall pay the Called Shareholders, on behalf of the Proposed Purchaser, the amounts they are due pursuant to Article 17.4 to the extent the Proposed Purchaser has put the Company in the requisite funds. The Company's receipt for the amounts due pursuant to Article 17.4 shall be a good discharge to the Proposed Purchaser. The Company shall hold the amounts due to the Called Shareholders pursuant to Article 17.4 in trust for the Called Shareholders without any obligation to pay interest.
 - 17.7 To the extent that the Proposed Purchaser has not, on the expiration of such ten Business Day period, put the Company in funds to pay the amounts due pursuant to Article 17.4, the Called Shareholders shall be entitled to the return of the stock transfer forms and share certificate (or suitable indemnity) for the relevant Shares and the Called Shareholders and Selling Shareholders shall have no further rights or obligations under this Article 17 in respect of the sale of their Shares pursuant to the Drag Along Notice relating to that proposed sale.
 - 17.8 If a Called Shareholder fails to deliver stock transfer forms and share certificates (or suitable indemnity) for its Shares to the Company upon the expiration of that ten Business Day period, the Directors shall, if requested by the Proposed Purchaser, authorise any Director to transfer the Called Shareholder's Shares on the Called Shareholder's behalf to the Proposed Purchaser (or its nominee(s)) to the extent the Proposed Purchaser has, at the expiration of that ten Business Day period, put the Company in funds to pay the amounts due pursuant to Article 17.4 for the Called Shareholder's Shares offered to him. The Board shall then authorise registration of the transfer once appropriate stamp duty has been paid. The defaulting Called Shareholder shall surrender his share certificate for his Shares (or provide a suitable indemnity) to the Company. On surrender, he shall be entitled to the amount due to him pursuant to Article 17.4.
 - 17.9 On any person, following the issue of a Drag Along Notice, becoming a Shareholder of the Company pursuant to the exercise of a pre-existing option to acquire shares in the Company
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or pursuant to the conversion of any convertible security of the Company ("**New Shareholder**"), a Drag Along Notice shall be deemed to have been served on the New Shareholder on the same terms as the previous Drag Along Notice who shall then be bound to sell and transfer all Shares so acquired to the Proposed Purchaser or as the Proposed Purchaser may direct and the provisions of this Article shall apply with the necessary changes to the New Shareholder except that completion of the sale of the Shares shall take place immediately on the Drag Along Notice being deemed served on the New Shareholder.

18. PROXIES

The instrument appointing a proxy and any authority under which it is executed or a copy of such authority certified notarially or in some other way approved by the Directors may:

- 18.1 be deposited at the office or at any other place within the United Kingdom as may be specified in the notice convening the meeting or in any instrument of proxy sent out by the Company in relation to the meeting at any time before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote;
- 18.2 be delivered at the meeting or adjourned meeting at which the person named in the instrument proposes to vote to the Chairman or to the secretary or to any Director, or
- 18.3 in the case of a poll, be delivered at the meeting at which the poll was demanded to the Chairman or to the secretary or to any Director, or at the time and place at which the poll is held to the Chairman or to the secretary or to any Director or scrutineer,

and an instrument of proxy which is not deposited or delivered in a manner so permitted shall be invalid.

19. DIRECTORS' BORROWING POWERS

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

20. NUMBER OF DIRECTORS

Unless and until the Company in general meeting shall otherwise determine the number of Directors shall be not less than four.

21. APPOINTMENT OF DIRECTORS

- 21.1 The Investor and its Permitted Transferees shall be entitled to nominate at least two persons to act as Directors of the Company by notice in writing addressed to the Company from time to time and the other holders of Shares shall not vote their Shares so as to remove any such Director from office. The Investor and its Permitted Transferees shall be entitled to remove its nominated Director(s) so appointed at any time by notice in writing to the Company served at its registered office and appoint other person(s) to act in his place. For the avoidance of doubt, the rights to appoint Investor Directors pursuant to this Article 21.1 shall be in addition to the right of the Investor Majority to appoint a Chairman pursuant to Article 21.3.
 - 21.2 For so long as Timothy Payne holds at least four per cent in nominal amount of the Equity Shares and is an employee of the Company, he shall have the right to be appointed as a director of the Company.
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- 21.3 An Investor Majority shall be entitled (in consultation with the Board) to appoint and maintain in office such natural person as they may from time to time nominate as a Director of the Company to act as an independent non-executive chairman of the Board (and as a member of each and any committee of the Board) ("**Chairman**") and to remove any Chairman so appointed and, upon his removal whether by an Investor Majority or otherwise, to appoint another Chairman in his place. If the Chairman for the time being is unable to attend any meeting of the Board, the Investor Director(s) present at the meeting shall be entitled to appoint an Investor Director to act as chairman at the meeting.
- 21.4 An appointment or removal of a Director under Article 21.1 or the Chairman under Article 21.3 will take effect at and from the time when the notice is received at the registered office of the Company or produced to a meeting of the directors of the Company.
- 21.5 Each Investor Director shall be entitled at his request to be appointed to any committee of the Board established from time to time and to the board of directors of any Subsidiary Undertaking.

22. DISQUALIFICATION OF DIRECTORS

In addition to that provided in Model Article 18, the office of a Director shall also be vacated if he is convicted of a criminal offence (other than a minor motoring offence) and the Directors resolve that his, her or its office be vacated.

23. PROCEEDINGS OF DIRECTORS

- 23.1 Board meetings shall be held at intervals of not more than two months and at least nine board meetings will be held in each calendar year.
- 23.2 To be quorate, any meeting of the Board must include at least one Investor Director appointed pursuant to Article 21.1 and one Director that is not an Investor Director. If such a quorum is not present within an hour from the time appointed for the meeting, or if during a meeting such quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week at the same time and place at which any two Directors shall constitute a quorum.
- 23.3 Decisions of the Directors may be taken:
- 23.3.1 at a Directors' meeting; or
 - 23.3.2 in the form of a Directors' written resolution
- 23.4 Any Director may propose a Directors' written resolution. A Directors' written resolution is proposed by giving notice of the proposed resolution to the Directors.
- 23.5 Notice of a proposed Directors' written resolution must be given in writing to each Director and must indicate:
- 23.5.1 the proposed resolution; and
 - 23.5.2 the time by which it is proposed that the Directors should adopt it.
- 23.6 A proposed Directors' written resolution is adopted when each Director who would be entitled to vote on the matter at a meeting of Directors has signed one or more copies of it. A decision may not be taken in accordance with this Article if the Director(s) who would be

entitled to vote on the matter at a meeting of Directors would not have formed a quorum at such a meeting.

- 23.7 It is immaterial whether any Director signs the resolution before or after the time by which the notice proposed that it should be adopted.
- 23.8 Once a Directors' written resolution has been adopted, it must be treated as if it had been a decision taken at a Directors' meeting in accordance with the Articles.
- 23.9 No business of the Company shall be transacted at a meeting of the Directors unless not less than 24 hours' notice of the meeting has been given to each of the Directors.
- 23.10 Questions arising at a meeting of the Board shall be decided by a majority of votes and the Investor Director(s) present at any meeting of the Board shall, in addition to the Casting Vote, between them have a total number of votes equal to two. An Investor Director will have a casting vote if, in relation to any resolution of the Board, an equal number of votes is cast for and against that resolution and all Investor Directors vote in the same manner ("**Casting Vote**"). Except in the case where the Casting Vote is exercisable, if the numbers of votes for and against a proposal at a meeting are equal, the Chairman or other Director chairing the meeting shall not have a casting vote.
- 23.11 Proceedings of committees of the Board shall be conducted in accordance with the regulations prescribed by the Board (if any). Subject to those regulations, such proceedings shall be conducted in accordance with applicable provisions regulating the proceedings of the Board. Where the Board resolves to delegate any of its powers, authorities and discretions to a committee and such resolution states that the committee shall consist of any one or more Directors, it shall not be necessary to give notice of a meeting of such committee to any Directors other than the Director or Directors who form the committee.
- 23.12 All acts done in good faith by a meeting of the Board, or of a committee of the Board, or by a person acting as a Director, an alternate director or a committee member shall, notwithstanding that it may be discovered afterwards that there was a defect in the appointment of any person so acting or that any of them were disqualified from holding office, or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director, alternate director or committee member and entitled to vote.

24. ALTERNATE DIRECTORS

- 24.1 Any Director ("**appointor**") may appoint as an alternate any other Director, or any other person approved by resolution of the Directors, to:
 - 24.1.1 exercise that Director's powers; and
 - 24.1.2 carry out that Director's responsibilities,in relation to the taking of decisions by the Directors, in the absence of the alternate's appointor
 - 24.2 Any appointment or removal of an alternate must be effected by notice in writing to the Company signed by the appointor, or in any other manner approved by the Directors.
 - 24.3 The notice must:
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- 24.3.1 identify the proposed alternate; and
 - 24.3.2 in the case of a notice of appointment, contain a statement signed by the proposed alternate that the proposed alternate is willing to act as the alternate of the Director giving the notice.
 - 24.4 An alternate director may act as alternate director to more than one Director and has the same rights in relation to any decision of the Directors as the alternate's appointor. An alternate director who is acting as alternate director to more than one director shall be entitled to one vote for each director for which he is acting as alternate.
 - 24.5 Except as the articles specify otherwise, alternate directors:
 - 24.5.1 are deemed for all purposes to be Directors;
 - 24.5.2 are liable for their own acts and omissions;
 - 24.5.3 are subject to the same restrictions as their appointors; and
 - 24.5.4 are not deemed to be agents of or for their appointors,and, in particular (without limitation), each alternate director shall be entitled to receive notice of all meetings of Directors and of all meetings of committees of directors of which his appointor is a member.
 - 24.6 A person who is an alternate director but not a Director:
 - 24.6.1 may be counted as participating for the purposes of determining whether a quorum is present (but only if that person's appointor is not participating) but shall only count once in the quorum if acting as alternate for more than one Director;
 - 24.6.2 may participate in a unanimous decision of the Directors (but only if his appointor is a Director who would be entitled to vote on the matter at a meeting of Directors in relation to that decision, but does not participate); and
 - 24.6.3 shall not be counted as more than one Director for the purposes of articles 24.6.1 and 24.6.2.
 - 24.7 A Director who is also an alternate director is entitled, in the absence of his appointor, to a separate vote on behalf of his appointor, in addition to his own vote on any decision of the Directors (provided that his appointor is would be entitled to vote on the matter at a meeting of directors in relation to that decision), but shall not count as more than one Director for the purposes of determining whether a quorum is present.
 - 24.8 An alternate director may be paid expenses and may be indemnified by the Company to the same extent as his appointor but shall not be entitled to receive any remuneration from the Company for serving as an alternate director except such part of the alternate's appointor's remuneration as the appointor may direct by notice in writing made to the Company.
 - 24.9 An alternate director's appointment as an alternate terminates:
 - 24.9.1 when the alternate's appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;
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- 24.9.2 on the occurrence, in relation to the alternate, of any event which, if it occurred in relation to the alternate's appointor, would result in the termination of the appointor's appointment as a Director;
- 24.9.3 on the death of the alternate's appointor; or
- 24.9.4 when the alternate's appointor's appointment as a Director terminates.

25. DIRECTORS' CONFLICTS OF INTEREST

- 25.1 The Directors may, as provided in this Article 25, authorise any matter or situation proposed to them by any Director which would, if not authorised, involve a Director breaching his duty under section 175 of the Act to avoid conflicts of interest ("**Conflict**").
 - 25.2 Any authorisation of a Conflict will be effective only if
 - 25.2.1 the matter in question is proposed by any Director for consideration at a meeting of the Directors in the same way that any other matter may be proposed to the Directors under the provisions of these Articles or in such other manner as the Directors may determine;
 - 25.2.2 any requirement as to quorum at the meeting of the Directors at which the matter is considered is met without counting the Director in question, and
 - 25.2.3 the matter is agreed to without the Director in question voting or would be agreed to if his vote is not counted.
 - 25.3 Any authorisation of a Conflict may (whether at the time of giving the authorisation or subsequently):
 - 25.3.1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter so authorised;
 - 25.3.2 be subject to such terms and for such duration, or impose such limits or conditions as the Directors determine; and
 - 25.3.3 be terminated or varied by the Directors at any time.
 - 25.4 Anything done by the Director in question in accordance with the terms of the authorisation will not be affected by its subsequent termination or variation.
 - 25.5 In authorising a Conflict the Directors may decide (whether at the time of giving the authorisation or subsequently) that if a Director has obtained any information through his involvement in the Conflict otherwise than as a Director and in respect of which he owes a duty of confidentiality to another person, the Director is under no obligation, if it would amount to a breach of that confidence, to:
 - 25.5.1 disclose such information to the Directors or to any Director or other officer or employee of the Company; or
 - 25.5.2 use or apply any such information in performing his duties as a Director.
 - 25.6 Where the Directors authorise a Conflict they may (whether at the time of giving the authorisation or subsequently) provide, without limitation, that the Director in question
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- 25.6.1 is excluded from discussions (whether at meetings of Directors or otherwise) related to the Conflict;
 - 25.6.2 is not given any documents or other information relating to the Conflict; and
 - 25.6.3 may or may not vote (or may or may not be counted in the quorum) at any future meeting of Directors in relation to any resolution relating to the Conflict.
- 25.7 Where the Directors authorise a Conflict the Director in question:
- 25.7.1 will be obliged to conduct himself in accordance with any terms imposed by the Directors in relation to the Conflict; and
 - 25.7.2 will not infringe any of the duties he owes to the Company by virtue of sections 171 to 177 of the Act if he acts in accordance with any terms, limits and conditions as the Directors impose in respect of its authorisation.
- 25.8 *A Director is not required, by reason of being a Director (or because of his fiduciary and statutory relationship as 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 or by the Company in general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract will be liable to be avoided on such grounds.*
- 26. DIRECTORS – TRANSACTIONS OR OTHER ARRANGEMENTS WITH THE COMPANY**
- 26.1 Subject to sections 177(5) and 177(6) and sections 182(5) and 182(6) of the Act, and declaring the nature and extent of his interest in accordance with the requirements of section 177 or 182 of the Act (as the case may be), a Director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company:
- 26.1.1 may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise, directly or indirectly, interested;
 - 26.1.2 is entitled to vote on a matter at a meeting of the Directors for the purposes of any proposed decision of the Directors (or committee of Directors) in respect of such contract or proposed contract in which he is interested;
 - 26.1.3 may vote at a meeting of the Directors, or of a committee of the Directors, or participate in any unanimous decision, in respect of such contract or proposed contract in which he is interested;
 - 26.1.4 may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm will be entitled to remuneration for professional services as if he were not a Director;
 - 26.1.5 may be a Director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is otherwise (directly or indirectly) interested; and
 - 26.1.6 will not be accountable to the Company (except as he may otherwise agree) for any benefit which he, or a person connected with him (as defined in section 252
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of the Act), derives from any such contract, transaction or arrangement or from any such office or employment or from any interest in any such body corporate. No such contract, transaction or arrangement will be liable to be avoided on the grounds of any such interest or benefit nor will the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act.

- 26.2 For the purposes of Article 26, references to proposed decisions and decision making processes include any Directors' meeting or part of a Directors' meeting.
- 26.3 Subject to Article 26.4, if a question arises at a meeting of Directors or of a committee of Directors as to the right of a Director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to an Investor Director whose ruling in relation to any Director, other than himself, is to be final and conclusive.
- 26.4 If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the Chairman the question is to be decided by a decision of the Directors at that meeting, for which purpose the chairman is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.

27. MEANS OF COMMUNICATION TO BE USED

- 27.1 Anything to be sent or supplied by or to the Company under these Articles may be sent or supplied in any way in which the Act provides for documents or information which are authorised or required by any of its provisions to be sent or supplied by or to the Company.
- 27.2 Any notice, Document or other information will be deemed served on or delivered to the intended recipient:
- 27.2.1 if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted (or five Business Days after posting either to an address outside the United Kingdom or from outside the United Kingdom to an address within the United Kingdom if (in each case) sent by reputable international courier addressed to the intended recipient;
 - 27.2.2 if properly addressed and delivered by hand, when it was given or left at the appropriate address;
 - 27.2.3 if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied; and
 - 27.2.4 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
- 27.3 For the purposes of Article 27.2, no account will be taken of any part of a day that is not a Business Day
- 27.4 In proving that any notice, document or other information was properly addressed, it will be sufficient to show that the notice, document or other information was delivered to an address permitted for the purpose by the Act.
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27.5 Subject to these Articles, any notice or document to be sent or supplied to a Director in connection with the taking of decisions by Directors may also be sent or supplied by the means by which that Director has asked to be sent or supplied with such notices or documents for the time being.

27.6 A Director may agree with the Company that notices or documents sent to that Director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours.

28. INDEMNITIES AND INSURANCE

28.1 Subject to the provisions of the Act, but without prejudice to any indemnity to which the person concerned may otherwise be entitled, every Director, alternate director, secretary or other officer of the Company (excluding the Auditors, unless and to the extent that the Board determines otherwise) shall be entitled to be indemnified out of the assets of the Company against all costs, charges, losses, damages and liabilities, incurred by him in the actual or purported execution or discharge of his duties or exercise of his powers or otherwise in relation to such duties, including (but without limitation) any liability incurred in defending any proceedings, whether criminal or civil, which relate to anything done or omitted or alleged to have been done or omitted by him as an officer or employee of the Company and in which judgment is given in his favour or in which he is acquitted or in connection with any application under section 205 of the Act in which relief is granted to him by any court of competent jurisdiction or which are otherwise disposed of without any finding or admission of any material breach of duty on his part.

28.2 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.

28.3 In this Article 28:

28.3.1 **"a relevant officer"** means any director or other officer or former director or other officer of the Company or an Associate of the Company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act));

28.3.2 **"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, any Associate of the Company or any pension fund or employees' share scheme of the Company or an Associate of the Company.

29. DATA PROTECTION

Each of the shareholders and directors of the Company (from time to time) consent to the processing of their personal data by the Company, its shareholders and directors (each a **"Recipient"**) for the purpose of due diligence exercises, compliance with applicable laws, regulations and procedures and the exchange of information among themselves. A Recipient may process the personal data either electronically or manually. The personal data which may be processed under this Article shall include any information which may have a bearing on the prudence or commercial merits of investing, or disposing of any shares (or other investment or security) in the Company. Other than as required by law, court order or other regulatory authority, that personal data may not be disclosed by a Recipient or any other person except to a Member of the same Group (**"Recipient Group Companies"**) and to employees, directors and professional advisers of that Recipient or the Recipient Group Companies and funds managed by any of the Recipient Group Companies. Each of the

Company's shareholders and directors (from time to time) consent to the transfer of relevant personal data to persons acting on behalf of the Recipient and to the offices of any Recipient both within and outside the European Economic Area for the purposes stated above, where it is necessary or desirable to do so.

30. SECRETARY

The Board may appoint any person who is willing to act as the secretary for such term, at such remuneration and upon such conditions as they may think fit and from time to time remove such person and, if the Board so decide, appoint a replacement, in each case by a decision of the Board.