

THE COMPANIES ACT 2006
COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION
OF
THELOGICALLY LIMITED

(Approved by special resolution on 10 October 2022)

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THE COMPANIES ACT 2006
(Company Number: 10850644)
COMPANY LIMITED BY SHARES
NEW
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OF
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(adopted by a special resolution passed on 10 October 2022)

1 INTRODUCTION

1.1 The model Articles for private companies limited by shares contained or incorporated in Schedule 1 to the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the date of adoption of these Articles ("Model Articles") shall apply to the Company, save insofar as they are varied or excluded by, or are inconsistent with, the following Articles.

1.2 In these Articles and the Model Articles any reference to any statutory provision shall be deemed to include a reference to each and every statutory amendment, modification, re-enactment and extension thereof for the time being in force.

1.3 In these Articles:

- (a) Article headings are used for convenience only and shall not affect the construction or interpretation of these Articles;
- (b) words denoting the singular include the plural and vice versa and reference to one gender includes the other gender and neuter and vice versa;
- (c) 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 of the Model Articles shall not apply to the Company;
- (d) reference to 'Issued Shares' of any class shall exclude any Shares of that class held as Treasury Shares from time to time, unless stated otherwise; and
- (e) reference to the 'holders' of Shares or a class of Share shall exclude the Company holding Treasury Shares from time to time, unless stated otherwise.

1.4 In respect of any actions or matters requiring or seeking the acceptance, approval, agreement, consent or words having similar effect of an Investor Director under these Articles, if at any time an Investor has a right to appoint an Investor Director, but that Investor Director has not been appointed or an Investor Director declares in writing to the Company and the Investors that he considers that providing such consent gives rise or may give rise to a conflict of interest to his duties as a Director, such action or matter shall require the consent of the relevant appointing Investor.

- 1.5 Where there is reference to Series A Preferred Shares under these Articles, this reference shall be treated, where appropriate in the context, on an as-converted basis if the Conversion Ratio has been adjusted.

2 DEFINITIONS

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

"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).

"Actions" shall have the meaning given in Article 6.3.

"Anti-Dilution Shares" shall have the meaning given in Article 10.1.

"Arrears" means, in relation to any Share, all arrears of any dividend or other sums payable in respect of that Share, whether or not earned or declared and irrespective of whether or not the Company has had at any time sufficient Available Profits to pay such dividend or sums, together with all interest and other amounts payable on that Share.

"Asset Sale" means the disposal by the Company of all or substantially all of its undertaking and assets (where disposal may include, without limitation, the grant by the Company of an exclusive licence of intellectual property not entered into in the ordinary course of business).

"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; and
- (c) any Member of the same Fund Group.

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

"Available Profits" means profits available for distribution within the meaning of part 23 of the Act.

"Bad Leaver" means in the case of (a) any Employee not being Lyric or Sir Hossein Yassaie, ceases to be an Employee in any circumstance where that Employee would not be a Good Leaver; or (b) Lyric and/or Sir Hossein Yassaie if either of them:

- a) ceases to be an Employee as a consequence of the lawful termination of his contract of employment, consultancy or non-executive letter of appointment (as the case may be) as a consequence of his gross misconduct or serious or repeated breach of his contract of employment, consultancy or non-executive letter of appointment and which would entitle the relevant Group Company at the time it became aware of such events to dismiss him summarily or terminate his contract of services immediately or non-executive letter of appointment immediately; and/or
- b) while an Employee, or thereafter, commits a material breach of the restrictive covenants and/or confidentiality undertakings in either his employment, consultancy agreement or non-executive letter of appointment with the relevant Group Company and/or the Subscription and Shareholders' Agreement; and/or
- c) commits an act prior to the Termination Date that constitutes gross misconduct or a serious or repeated breach of his employment or consultancy agreement or non-executive letter of appointment and which gives a right to the relevant Group Company to dismiss him summarily or terminate his contract of services or non-executive letter of appointment immediately prior to the Termination Date and the Company has notified Lyric in writing within six months of the Effective Termination Date that such act constitutes him being deemed a Bad Leaver, notwithstanding that Lyric or Sir Hossein Yassaie (as the case may be) may cease to be an Employee as a consequence of another event.

"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.

"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 (other than a capitalisation issue in substitution for or as an alternative to a cash dividend which is made available to the Series A Shareholders) or any consolidation or subdivision or any repurchase or redemption of shares (other than Series A Preferred Shares) or any variation in the subscription price or conversion rate applicable to any other outstanding shares of the Company in each case other than shares issued as a result of the events set out in Article 13.7.

"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).

"Chief Executive Officer" shall have the meaning given on the Subscription and Shareholders' Agreement.

"Civil Partner" means in relation to a Shareholder, a civil partner (as defined in the Civil Partnership Act 2004) of the Shareholder.

"Company" means TheLogically Limited.

"Company's Lien" has the meaning given in Article 37.1.

"Conditions" has the meaning given in Article 9.1.

"Controlling Interest" means an interest in shares giving to the holder or holders control of the Company within the meaning of section 1124 of the CTA 2010.

"Conversion Date" has the meanings given in Article 9.1 and Article 9.2 (as applicable).

"CTA 2010" means the Corporation Tax Act 2010.

"Date of Adoption" means 2022.

"Deferred Conversion Date" means the date on which the Employee Shares convert into Deferred Shares pursuant to Article 19.1.

"Deferred Shares" means the deferred shares of £1 each in the capital of the Company from time to time.

"Designated Body" means British Business Bank and/or a United Kingdom Government department or body and/or the Local Enterprise Partnerships and/or Local Government Authority whether alone or together with a right to direct NPIF to transfer its assets.

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

"Early Leaver" means Lyric where he voluntarily ceases to be an Employee for whatever reason (other than for the reasons described in limbs (a) to (d) of the definition of Good Leaver) within the period of 36 months beginning on the Date of Adoption, except for when he is a Bad Leaver.

"Effective Termination Date" means the date on which the Employee gave or was given notice to terminate their employment or consultancy agreement.

"electronic address" has the same meaning as in section 333 of the Act.

"electronic form" and "electronic means" have the same meaning as in section 1168 of the Act.

"Eligible Director" means a Director who would be entitled to vote on a matter had it been proposed as a resolution at a meeting of the Directors.

"Employee" means an individual who is employed by or who has been engaged by a Group Company to provide consultancy services to the Company or any member of the Group or has entered into a non-executive letter of appointment including, without limitation, Lyric on the Date of Adoption and Sir Hossein Yassaie whilst providing services under a non-executive letter of appointment.

"Employee 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 and which were not acquired directly or indirectly from the Employee or by reason of that person's relationship with the Employee,

other than any Shares that Lyric holds as a result of exercising option(s) under any Share Option Plan;

"Encumbrance" shall have the meaning given in the Subscription and Shareholders' Agreement.

"Equity Securities" has the meaning given in sections 560(1) to (3) inclusive of the Act and for the avoidance of doubt an allotment of Equity Securities includes a transfer of shares which immediately before such transfer were held by the Company as Treasury Shares.

"Equity Shares" means the Ordinary Shares and the Series A Preferred Shares from time to time.

"Exercising Investor" means any Investor who exercises its rights to acquire Anti-Dilution Shares in accordance with Article 10.1.

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

"Expert Valuer" is as determined in accordance with Article 17.2.

"Fair Value" is as determined in accordance with Article 17.

"Family Trusts" means, as regards any particular individual member or deceased or former individual member, trusts (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 individual and/or Privileged Relations of that individual. and so that for this purpose a person shall be considered to be beneficially interested in a share if such share or the income thereof is liable to be transferred or paid or applied or appointed to or for the benefit of such person or any voting or other rights attaching thereto are exercisable by or as directed by such person pursuant to the terms of the relevant trusts or in consequence of an exercise of a power or discretion conferred thereby on any person or persons.

"Financial Year" has the meaning set out in section 390 of the Act;

"Fractional Holders" has the meaning given in Article 9.9.

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

"Good Leaver " means,

(a) in the case of Lyric, ceasing to be an Employee for any reason or in any circumstances where not a Bad Leaver or an Early Leaver (and not subsequently designated a Bad Leaver in accordance with limb (b) of the definition of Bad Leaver after ceasing to be an Employee), or is otherwise designated by the Board (with Investor Majority Consent) to be a Good Leaver; or

(b) in the case of any other Employee, a person who ceases to be an Employee who is either:

- a) suffering from a physical or mental deterioration which is sufficiently serious to prevent him from following his normal employment or which seriously prejudices his earning capacity; or
- b) dismissed where such dismissal is found by a tribunal or court to have been unfair (other than for procedural reasons) and there is no right of appeal or is no longer a right of appeal from such tribunal or court; or
- c) dismissed where such dismissal is made by the Company in the form of redundancy; or
- d) dies; or

(c) in the case of Sir Hossein Yassaie, ceasing to be an Employee for any reason or in any circumstances where not a Bad Leaver (and not subsequently designated a Bad Leaver in accordance with limb (b) of the definition of Bad Leaver after ceasing to be an Employee), or is otherwise designated by the Board (with Investor Majority Consent) to be a Good Leaver.

"Group" means the Company and its Subsidiary Undertaking(s) (if any) and any Holding Company of the Company and/or any such Subsidiary Undertakings from time to time and 'Group Company' shall be construed accordingly.

"hard-copy form" has the same meaning as in section 1168 of the Act.

"Holding Company" means a newly formed holding company, pursuant to which the membership, pro rata shareholdings and classes of shares comprised in such holding company matches that of the Company (excluding Treasury Shares) immediately prior to the transfer of the issued share capital of the Company to such holding company.

"Independent Director" means the Director of the Company nominated pursuant to Article 28.6.

"Investor" and "Investors" shall have the meaning given in the Subscription and Shareholders' Agreement.

"Investor Director Consent" shall have the meaning given in the Subscription and Shareholders' Agreement.

"Investor Directors" means each Director appointed pursuant to Articles 28.1 or 28.2.

"Investor Majority" shall have the meaning given in the Subscription and Shareholders' Agreement.

"Investor Majority Consent" means the prior written consent of the Investor Majority.

"IPO" means the admission of all or any of the Shares or securities representing those shares (including without limitation depositary interests, American depositary receipts, American depositary shares and/or other instruments) on NASDAQ or the Official List of the United Kingdom Listing Authority or the AIM Market operated by

the London Stock Exchange Plc or any other recognised investment exchange (as defined in section 285 of the Financial Services and Markets Act 2000).

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

"Leaver's Percentage" means in relation to and for the purposes of determining the number of Employee Shares that are required (pursuant to Article 19) to be transferred as a result of Lyric ceasing to be an Employee by reason of being an Early Leaver within the period commencing on the Date of Adoption and ending on the Effective Termination Date, the percentage (rounded to the nearest two decimal places) as calculated using the formula below:

$$50 - ((1/36 \times 50) \times NM),$$

where NM = number of full calendar months from the Date of Adoption to the Effective Termination Date such that the Leaver's Percentage shall be zero on the first day of the 37th month after the Date of Adoption and thereafter

"Lien Enforcement Notice" has the meaning given in Article 37.4(a).

"Lyric" means Lyric Jain, the current Chief Executive Officer on the Date of Adoption.

"Lyric Conditions" shall have the meaning given in the Subscription and Shareholders' Agreement.

"Lyric Consent" means the prior written consent of Lyric.

"Lyric Director" means the Director appointed by Lyric pursuant to Article 28.5.

"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") or is a nominee of that Investment Fund or that Fund Manager in respect of that 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 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;
- (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 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.

"NASDAQ" means the NASDAQ Stock Market of the NASDAQ OMX Group Inc..

"NPIF" shall have the meaning given in the Subscription and Shareholders' Agreement.

"NPIF Convertible Loan" shall have the meaning given in the Subscription and Shareholders' Agreement.

"New Parent Company" has the meaning set out in the definition of Share Exchange in this Article 2.

"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 (other than shares or securities issued as a result of the events set out in Article 13.7) excluding for the avoidance of doubt any Treasury Shares transferred by the Company after the Date of Adoption.

"Offer " has the meaning set out in Article 20.2.

"Offer by Way of Rights" has the meaning set out in Article 9.11.

"Offer Period" has the meaning set out in Article 16.7.1.

"Offside" shall have the meaning given in the Subscription and Shareholders' Agreement.

"Ordinary Shareholders" means the holders from time to time of the Ordinary Shares (but excludes the Company holding Treasury Shares).

"Ordinary Shares" means the ordinary shares of £1 each in the capital of the Company from time to time.

"Original Shareholder" has the meaning set out in Article 15.2.

"Permitted Transfer" means a transfer of Shares in accordance with Articles 15 or 41.

"Permitted Transferee" means:

- (a) in relation to a Shareholder who is an individual, any of his Privileged Relations, Trustees or Qualifying Companies;
- (b) in relation to a Shareholder which is an undertaking (as defined in section 1161(1) of the Act), any Member of the same Group;
- (c) in relation to a Shareholder which is an Investment Fund, any Member of the same Fund Group;
- (d) in relation to an Investor:
 - (i) any Member of the same Group;
 - (ii) any member of the same Fund Group;

- (iii) any nominee of that Investor;
- (e) in relation to NPIF, a Designated Body; and
- (f) in relation to RTL Investments Limited, to Trustees or Qualifying Companies of the shareholders of RTL Investments Limited at the Date of Adoption (where any references to "Shareholder" in the definition of "Trustees" or "Qualifying Companies" shall be deemed to refer to the members of RTL Investments Limited).

"Preference Amount" means in respect of:

- (a) the New Shares (as defined in the Subscription and Shareholders' Agreement) £127.83 per share;
- (b) the Series A Preferred Shares issued upon conversion of the NPIF Convertible Loan £115.047 per share;
- (c) the Series A Preferred Shares issued upon conversion of the XTX Convertible Loan £115.047 per share; and
- (d) all other Series A Preferred Shares held by XTX and NPIF on the Date of Adoption not being those referred to in paragraphs (b) and (c) of this definition £38.61 per share

save that, in each case, the Preference Amount of an Anti-Dilution Share shall be zero

"Priority Rights" means the rights of Shareholders to purchase Shares contained in a Transfer Notice in the priority stipulated in Article 16.6(a) or Article 19.13 (as the case may be).

"Privileged Relation" in relation to a Shareholder who is an individual member or deceased or former member means a spouse, Civil Partner, child or grandchild (including step or adopted or illegitimate child and their issue).

"Proceeds of Sale" 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, costs and expenses payable in respect of such Share Sale as approved by an Investor Majority.

"Proposed Exit" has the meaning given in Article 6.3.

"Proposed Purchaser" means a proposed purchaser who is not a Shareholder or an Associate of a Shareholder and at the relevant time has made an offer on arm's length terms.

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

"Qualifying Company" means a company in which a Shareholder or Trustee(s) holds the entire issued share capital and over which that Shareholder or Trustee(s) exercises control (within the meaning of section 1124 of the CTA 2010).

"Qualifying IPO" means an IPO where Investor Majority Consent has been given.

"Qualifying Person" has the meaning given in section 318(3) of the Act.

"Relevant Date" shall have the meaning given in the Subscription and Shareholders' Agreement.

"Relevant Period" means 36 months from the Date of Adoption.

"Relevant Interest" has the meaning set out in Article 31.6.

"Restricted Shares" has the meaning set out in Article 19.11.

"Relevant Shareholder" means a Shareholder or previous Shareholder at the Date of Adoption who holds (or he/it and his/its Permitted Transferees hold) at least 75% of the Equity Shares held by them on the Date of Adoption.

"Sale Shares" has the meaning set out in Article 16.2(a).

"Seller" has the meaning set out in Article 16.2.

"Series A Shareholders" means the holders of the Series A Preferred Shares (but excludes the Company holding Treasury Shares).

"Series A Preferred Shares" means the Series A Preferred Shares of £1 each in the capital of the Company from time to time.

"Share Exchange" means the exchange by the Shareholders of all of the shares in the capital of the Company for shares in the capital of a newly formed company with no trading history ("New Parent Company") that will be the sole owner of the Company, in such a way that, immediately after the Share Exchange, each Shareholder will have the same pro rata shareholding, number and class of shares in the New Parent Company as he did before the Share Exchange in the Company (so far as is reasonably practical whilst complying with the legal requirements of the relevant jurisdiction of the New Parent Company).

"Shareholder" means any holder of any Shares (but excludes the Company holding Treasury Shares).

"Share Option Plan" shall have the meaning given to that term in the Subscription and Shareholders' Agreement or such other plan that has been approved by the Board with Investor Majority Consent.

"Shares" means the Ordinary Shares, the Deferred Shares and the Series A Preferred Shares from time to time.

"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 a Controlling Interest in the Company, except where following completion of the sale the shareholders and the proportion of shares held by each of them are the same as the shareholders and their shareholdings in the Company immediately prior to the sale.

"Sir Hossein Yassaie" means Sir Hossein Yassaie Heatherwood, Nightingales Lane, Chalfont St Giles, Bucks, HP8 4RS.

"Starting Price" means in respect of:

- (a) the New Shares (as defined in the Subscription and Shareholders' Agreement) £ 127.83 per share;
- (b) the shares issued upon conversion of the NPIF Convertible Loan £115.047 per share;
- (c) the shares issued upon conversion of the XTX Convertible Loan £115.047 per share;
- (d) all other Series A Preferred Shares held by XTX and NPIF on the Date of Adoption not being those referred to in paragraphs (b) and (c) of this definition £38.61 per share

save that in each case the Starting Price of an Anti-Dilution Share shall be zero

(in each case if applicable, adjusted as referred to in Article 10.3).

"Subscription and Shareholders' Agreement" means the subscription and shareholders' agreement dated on or around the Date of Adoption between, amongst others, the Company and the Investors as may be amended or varied from time to time in accordance with its terms.

"Subsidiary, Subsidiary Undertaking and Parent Undertaking" have the respective meanings set out in sections 1159 and 1162 of the Act.

"Termination Date" means the date on which Lyric ceases to be an Employee.

"Transfer Notice" shall have the meaning given in Article 16.2.

"Transfer Price" shall have the meaning given in Article 16.2(c).

"Treasury Shares" means shares in the capital of the Company held by the Company as treasury shares from time to time within the meaning set out in section 724(5) of the Act.

"Trustees" in relation to a Shareholder means the trustee or the trustees of a Family Trust.

"Vitruvian" means VIP IV Bonsai GP Limited (in its capacity as general partner for and on behalf of VIP IV Bonsai LP), or its Permitted Transferees.

"Vitruvian Director" means an Investor Director appointed by Vitruvian pursuant to Article 28.2

"XTX" means XTX Investments UK Limited.

"XTX Convertible Loan" shall have the meaning given in the Subscription and Shareholders' Agreement.

3 SHARE CAPITAL

- 3.1 In these Articles, unless the context requires otherwise, references to shares of a particular class shall include shares allotted 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.
- 3.2 Except as otherwise provided in these Articles, the Series A Preferred Shares and the Ordinary Shares shall rank pari passu in all respects but shall constitute separate classes of shares.
- 3.3 The words 'and the directors may determine the terms, conditions and manner of redemption of any such shares' shall be deleted from Article 22(2) of the Model Articles.
- 3.4 Subject to Investor Majority Consent and the Act, the Company may purchase its own Shares to the extent permitted by section 692(1ZA) of the Act.
- 3.5 Paragraph (c) of article 24(2) of the Model Articles shall be amended by the replacement of the words "that the shares are fully paid; and" with the words "the amount paid up on them; and".
- 3.6 In Article 25(2) of the Model Articles, the words 'payment of a reasonable fee as the directors decide' in paragraph (c) shall be deleted and replaced by the words 'payment of the expenses reasonably incurred by the Company in investigating evidence as the directors may determine'.
- 3.7 For the avoidance of doubt, the Company shall not exercise any right in respect of any Treasury Shares, including without limitation any right to:
 - (a) receive notice of or attend or vote at any general meeting of the Company;
 - (b) receive or vote on any proposed written resolution; or
 - (c) receive a dividend or other distribution,save as otherwise permitted by section 726(4) of the Act.

4 DIVIDENDS

- 4.1 In respect of any Financial Year, the Company's Available Profits will be applied as set out in this Article 4.
- 4.2 Any Available Profits which the Company may determine, with the consent of the Investor Majority and for so long as the Lyric Conditions are met, Lyric, to distribute in respect of any Financial Year; will be distributed among the holders of the Equity Shares (pari passu as if the Shares constituted one class of shares) pro rata to their respective holdings of Shares.

- 4.3 Subject to the Act and these Articles, the Board may, provided the consent of the Investor Majority and for so long as Lyric is a Relevant Shareholder, Lyric is given, pay interim dividends if justified by the Available Profits in respect of the relevant period.
- 4.4 Every dividend shall accrue on a daily basis assuming a 365-day year. All dividends are expressed net and shall be paid in cash.
- 4.5 If:
- (a) a Share is subject to the Company's Lien; and
 - (b) the Directors are entitled to issue a Lien Enforcement Notice in respect of it,
- they may, instead of issuing a Lien Enforcement Notice, deduct from any dividend or other sum payable in respect of the Share any sum of money which is payable to the Company by the holder of that Share to the extent that they are entitled to require payment under a Lien Enforcement Notice. Money so deducted shall be used to pay any of the sums payable in respect of that Share and/or used to discharge any other indebtedness owing from the holder of that Share to the Company, as the Board may decide. The Company shall notify the distribution recipient in writing of:
- (c) the fact and sum of any such deduction;
 - (d) any non-payment of a dividend or other sum payable in respect of a Share resulting from any such deduction; and
 - (e) how the money deducted has been applied.
- 4.6 Article 31(1) of the Model Articles shall be amended by:
- (a) the replacement of the words 'either in writing or as the directors may otherwise decide' at the end of paragraphs (a), (b) and (c) of that Article 31(1) with the words 'in writing'; and
 - (b) the replacement of the words 'either in writing or by such other means as the directors decide' from the end of paragraph (d) of that Article 31(1) with the words 'in writing'.

5 LIQUIDATION PREFERENCE

On a distribution of assets or 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 any Arrears ("Surplus Assets") shall be applied (to the extent that the Company is lawfully permitted to do so):

- (a) first, in paying to each of the Series A Shareholders, in priority to any other classes of Shares, an amount per Series A Preferred Share held equal to the higher of:
 - (i) its Preference Amount (provided that, if there are insufficient surplus assets to pay the amounts per share equal to the Preference Amount, the Surplus Assets shall be distributed to the Series A Preferred

Shareholders pro rata to the amounts paid up on the Series A Preferred Shares held by them); and

- (ii) the amount per Share that would be received if the Surplus Assets were 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;
- (b) second, 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); and
- (c) third, in distributing the balance of the Surplus Assets (if any) among the holders of Ordinary Shares pro rata to the number of Ordinary Shares held.

6 EXIT PROVISIONS

6.1 On a Share Sale the Proceeds of Sale shall be distributed in the order of priority set out in Article 5 and the Directors shall not register any transfer of Shares if the Proceeds of Sale are not so distributed save in respect of any Shares not sold in connection with that Share Sale, provided that if the Proceeds of Sale are not settled in their entirety upon completion of the Share Sale:

- (a) the Directors shall not be prohibited from registering the transfer of the relevant Shares, so long as the Proceeds of Sale that are settled have been distributed in the order of priority set out in Article 5; and
- (b) the Shareholders shall exercise all rights that they may have to ensure the Company takes all required actions to ensure that the Proceeds of Sale in their entirety are distributed in the order of priority set out in Article 5.

In the event that the Proceeds of Sale are distributed on more than one occasion (for any deferred or contingent consideration or otherwise), the consideration so distributed on any further occasion shall be paid by continuing the distribution from the previous distribution of consideration in the order of priority set out in Article 5.

6.2 On an Asset Sale, the surplus assets of the Company remaining after payment of its liabilities shall be distributed (to the extent that the Company is lawfully permitted to do so) in the order of priority set out in Article 5, 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 an Investor Majority (including, but without prejudice to the generality of this Article 6.2, actions that may be necessary to put the Company into voluntary liquidation) so that Article 5 as applied to the distribution of surplus assets applies.

6.3 In the event of an Exit approved by the Selling Shareholders (as defined in Article 22.1) in accordance with the terms of these Articles ("Proposed Exit"), all Shareholders shall consent to, vote for, raise no objections to and waive any applicable rights in connection with the Proposed Exit ("Actions"). The Shareholders shall be required to take all Actions with respect to the Proposed Exit as are required by the Board to facilitate the Proposed Exit. If any Shareholder fails to comply with the provisions of this Article, the Company shall be constituted the agent of each defaulting Shareholder for taking such Actions as are necessary to

effect the Proposed Exit, the Directors may authorise an officer or member to execute and deliver on behalf of such defaulting Shareholder the necessary documents, and the Company may receive any purchase money due to the defaulting Shareholder in trust for each of the defaulting Shareholders.

7 VOTES IN GENERAL MEETING AND WRITTEN RESOLUTIONS

- 7.1 Subject as provided in Article 19, the Equity Shares shall confer on each holder of Equity Shares the right to receive notice of and to attend, speak and vote at all general meetings of the Company and to receive and vote on proposed written resolutions of the Company.
- 7.2 The Deferred Shares (if any) shall not entitle the holders of them to receive notice of or to attend, speak or 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.
- 7.3 Where Shares confer a right to vote, on a show of hands each holder of such shares 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, and on a poll each such holder so present shall have one vote for each Share held by him.
- 7.4 No voting rights attached to a share which is nil paid or partly paid may be exercised:
- (a) at any general meeting, at any adjournment of it or at any poll called at or in relation to it; or
 - (b) on any proposed written resolution,

unless all of the amounts payable to the Company in respect of that share have been paid.

8 CONSOLIDATION OF SHARES

- 8.1 Whenever as a result of a consolidation of Shares any Shareholders would become entitled to a fraction of a Share, the Directors may, on behalf of those Shareholders, sell the Shares representing the fractions for the best price reasonably obtainable first (subject to the provisions of the Act) to the Company, and then to any Shareholder, and distribute the net proceeds of sale in due proportion among those Shareholders, and the Directors may authorise any person to execute an instrument of transfer of the Shares to, or in accordance with the directions of, the purchaser. The transferee shall not be bound to see to the application of the purchase money nor shall his title to the Shares be affected by any irregularity in or invalidity of the proceedings in reference to the sale.
- 8.2 When the Company subdivides or consolidates all or any of its Shares, the Company may, subject to the Act, these Articles and any agreement between the Shareholders, by ordinary resolution determine that, as between the Shares resulting from the subdivision or consolidation, any of them may have any preference or advantage or be subject to any restriction as compared with the others.

9 CONVERSION OF SERIES A PREFERRED SHARES

9.1 Any holder of Series A Preferred Shares shall be entitled, by notice in writing to the Company, to require conversion into Ordinary Shares of all of the Series A Preferred Shares held by them at any time, and those Series A Preferred Shares shall convert automatically on the date of such notice ("Conversion Date"), provided that the holder may, in such notice, state that conversion of its Series A Preferred Shares into Ordinary Shares is conditional upon the occurrence of one or more events ("Conditions").

9.2 All of the Series A Preferred Shares shall automatically convert into Ordinary Shares:

- (a) on the date of a notice given by the Investor Majority (which date shall be treated as the Conversion Date); or
- (b) immediately upon the occurrence of a Qualifying IPO.

9.3 In the case of:

- (a) Articles 9.1 and 9.2(a), not more than five Business Days after the Conversion Date; or
- (b) in the case of Article 9.2(b), at least five Business Days prior to the occurrence of a Qualifying IPO,

each holder of the relevant Series A Preferred Shares shall deliver the certificate (or an indemnity for lost certificate in a form acceptable to the Board) in respect of the Series A Preferred Shares being converted to the Company at its registered office for the time being.

9.4 Where conversion is mandatory on the occurrence of a Qualifying IPO, that conversion will be effective only immediately prior to and conditional upon such Qualifying IPO (and "Conversion Date" shall be construed accordingly) and, if such Qualifying IPO does not become effective or does not take place, such conversion shall not occur and shall be deemed not to have occurred. In the event of a conversion under Article 9.1, if the Conditions have not been satisfied or waived by the relevant holder by the Conversion Date such conversion shall not occur and shall be deemed not to have occurred.

9.5 On the Conversion Date, the relevant Series A Preferred Shares shall without further authority than is contained in these Articles stand converted into Ordinary Shares on the basis of one Ordinary Share for each Series A Preferred Share held, and the Ordinary Shares resulting from that conversion shall in all other respects rank *pari passu* with the existing issued Ordinary Shares.

9.6 The Company shall on the Conversion Date enter the holder of the converted Series A Preferred Shares on the register of members of the Company as the holder of the appropriate number of Ordinary Shares and, subject to the relevant holder delivering his certificate(s) (or an indemnity for lost certificate in a form acceptable to the Board) in respect of the Series A Preferred Shares in accordance with this Article, the Company shall within ten Business Days of the Conversion Date forward to such holder of Series A Preferred Shares by post to his address shown in the register of

members, free of charge, a definitive certificate for the appropriate number of Ordinary Shares.

- 9.7 On the Conversion Date (or as soon afterwards as it is possible to calculate the amount payable), the Company will, if it has sufficient Available Profits, pay to the holders of the Series A Preferred Shares falling to be converted a dividend equal to all Arrears and accruals of dividends in relation to those Series A Preferred Shares to be calculated on a daily basis down to and including the day immediately preceding the Conversion Date. If the Company has insufficient Available Profits to pay all such Arrears and accruals of dividends in full then it will pay the same to the extent that it is lawfully able to do so and any Arrears and accruals of dividends that remain outstanding shall continue to be a debt due from and immediately payable by the Company to the prior holders of Series A Preferred Shares.
- 9.8 The Conversion Ratio shall from time to time be adjusted in accordance with the provisions of this Article:
- (a) if Series A Preferred Shares remain capable of being converted into new Ordinary Shares and there is a consolidation and/or subdivision of Ordinary Shares, the Conversion Ratio shall be adjusted by an amount which in the opinion of the Board (with Investor Director Consent) is fair and reasonable to maintain the right to convert so as to ensure that each Series A Ordinary Shareholder is in no better or worse position as a result of such consolidation or subdivision, such adjustment to become effective immediately after such consolidation or subdivision; and
 - (b) if Series A Preferred Shares remain capable of being converted into Ordinary Shares, on an allotment of fully-paid Ordinary Shares pursuant to a capitalisation of profits or reserves to holders of Ordinary Shares, the Conversion Ratio shall be adjusted by an amount which in the opinion of the Board (with Investor Director Consent) is fair and reasonable to maintain the right to convert so as to ensure that each Series A Ordinary Shareholder is in no better or worse position as a result of such capitalisation of profits or reserves, such adjustment to become effective as at the record date for such issue.
- 9.9 If any Series A Ordinary Shareholder becomes entitled to any fraction of an Ordinary Share as a result of conversion ("Fractional Holders"), the Directors may (in their absolute discretion) deal with these fractions as they think fit on behalf of the Fractional Holders. In particular, the Directors may aggregate and sell the fractions for the best price reasonably obtainable first (subject to the provisions of the Act) to the Company and then to any Shareholder, and distribute the net proceeds of sale in due proportions among the Fractional Holders or may ignore fractions or accrue the benefit of such fractions to the Company rather than the Fractional Holder. For the purposes of completing any such sale of fractions, the chairman of the Company or, failing him, the secretary will be deemed to have been appointed the Fractional Holder's agent for the purpose of the sale.
- 9.10 If a doubt or dispute arises concerning an adjustment of the Conversion Ratio in accordance with Article 9.8, or if so requested by an Investor Majority, the Board shall refer the matter for determination to the Auditors, who shall make available to all Shareholders their report, whose certificate as to the amount of the adjustment is, in

the absence of manifest error, conclusive and binding on all concerned, and whose costs shall be met by the Company.

- 9.11 If Series A Preferred Shares remain capable of being converted into new Ordinary Shares and Ordinary Shares are offered by the Company by way of rights to holders of Ordinary Shares (an "Offer by Way of Rights"), the Company shall, on the making of each such offer, make a like offer to each Series A Shareholder as if, immediately before the record date for the Offer by Way of Rights, his Series A Preferred Shares had been converted into fully-paid Ordinary Shares at the then applicable Conversion Rate.

10 ANTI-DILUTION PROTECTION

- 10.1 If New Securities are issued by the Company at a price per New Security which equates to less than the Starting Price of any Series A Preferred Share (a "Qualifying Issue") (which in the event that the New Security is not issued for cash shall be a price certified by the Auditors acting as experts and not as arbitrators as being in their opinion the current cash value of the new consideration for the allotment of the New Securities) then the Company shall, unless the Investor Majority shall have specifically waived the rights of all (but not some only) of the holders of Series A Preferred Shares, issue to each holder of Series A Preferred Shares whose Starting Price is greater than the price of the Qualifying Issue (and calculated separately where there may be more than one subset of Preference Shares with different Starting Prices affected) ("Exercising Investor") a number of new Series A Preferred Shares determined by applying the following formula (and rounding the product, N, down to the nearest whole share), subject to adjustment as certified in accordance with Article 10.3 ("Anti-Dilution Shares"):

$$N = \left(\left(\frac{SIP}{WA} \right) \times Z \right) - Z$$

where:

N = the number of Anti-Dilution Shares to be issued to the Exercising Investor;

$$WA = \frac{(SIP \times ESC) + (QISP \times NS)}{(ESC + NS)}$$

SIP = the Starting Price;

ESC = the number of Equity Shares in issue plus the aggregate number of shares in respect of which options to subscribe have been granted, or which are subject to convertible securities (including but not limited to warrants) in each case immediately prior to the Qualifying Issue but excluding any such Shares which are comprised in the Qualifying Issue (and where the number of shares subject to convertible securities is not then determinable, the number of shares to be used shall be the number of shares which the Board determines is the best estimate of the number of shares which the convertible securities will ultimately convert).;

QISP = the lowest per share price of the New Securities issued pursuant to the Qualifying Issue;

NS = the number of New Securities issued pursuant to the Qualifying Issue; and

Z = the number of Series A Preferred Shares held by the Exercising Investor prior to the Qualifying Issue.

10.2 The Anti-Dilution Shares shall:

- (a) be paid up by the automatic capitalisation of available reserves of the Company, unless and to the extent that the same shall be impossible or unlawful or a majority of the Exercising Investors shall agree otherwise, in which event the Exercising Investors shall be entitled to subscribe for the Anti-Dilution Shares in cash at par (being the par value approved in advance by Investor Director Consent), and the entitlement of such Exercising Investors to Anti-Dilution Shares shall be increased by adjustment to the formula set out in Article 10.1 so that the Exercising Investors shall be in no worse position than if they had not so subscribed at par. In the event of any dispute between the Company and any Exercising Investor as to the effect of Article 10.1 or this Article 10.2, the matter shall be referred (at the cost of the Company) to the Auditors for certification of the number of Anti-Dilution Shares to be issued. The Auditor's certification of the matter shall, in the absence of manifest error, be final and binding on the Company and the Exercising Investor; and,
- (b) subject to the payment of any cash payable pursuant to Article 10.2(a) (if applicable), be issued, credited fully paid up in cash and ranking pari passu in all respects with the existing Series A Preferred Shares, within five Business Days of the expiry of the offer made by the Company to the Exercising Investors pursuant to Article 10.2(a).

10.3 In the event of any Bonus Issue or Reorganisation, the Starting Price shall also be subject to adjustment on such basis as may be agreed by the Company with the Investor Majority within 10 Business Days after any Bonus Issue or Reorganisation. If the Company and the Investor Majority cannot agree such adjustment it shall be referred to the Auditors whose determination shall, in the absence of manifest error, be final and binding on the Company and each of the Shareholders. The costs of the Auditors shall be borne by the Company.

10.4 For the purposes of this Article 10 any Shares held as Treasury Shares by the Company shall be disregarded when calculating the number of Anti-Dilution Shares to be issued.

10.5 The provisions of this Article 10 shall not apply to share issues:

- (a) on conversion of any Series A Preferred Shares into Ordinary Shares, or as a dividend, scrip dividend, capitalisation of profits or distribution on the Series A Preferred Shares, approved by Investor Majority Consent;
- (b) by way of a rights issue on any Series A Preferred Shares approved by Investor Majority Consent;

- (c) pursuant to a subdivision of shares or reorganisation of subdivisions of the share capital of the Company approved by Investor Majority Consent; or
 - (d) pursuant to any options to purchase Ordinary Shares held by employees, consultants or directors under the Share Option Plan and/or any other plan or incentive scheme approved by the Board with Investor Majority Consent.
- 10.6 If an Exercising Investor holds Series A Preferred Shares that have been issued at different Starting Prices (each holding of Series A Ordinary Shares issued at a particular Starting Price (being a "Separately Priced Subset")), the calculation of the number of Anti-Dilution Shares that the Exercising Investor is entitled to in accordance with the provisions of Article 10 above shall be applied in respect of each Separately Priced Subset without double counting on the basis that when calculating the number of Anti Dilution Shares in accordance with Article 10.1, Z shall be the number of Series A Preferred Shares held by the Exercising Investor prior to the Qualifying Issue in respect of that Separately Priced Subset.

11 DEFERRED SHARES

- 11.1 Subject to the Act, any Deferred Shares may be purchased by the Company at any time at its option for the aggregate sum of one penny for all the Deferred Shares registered in the name of any holder(s) without obtaining the sanction of the holder(s).
- 11.2 The allotment or issue of Deferred Shares or the conversion or redesignation of shares into Deferred Shares shall be deemed to confer irrevocable authority on the Company at any time after their allotment, issue, conversion or redesignation, without obtaining the sanction of such holder(s), to:
- (a) appoint any person to execute any transfer (or any agreement to transfer) of such Deferred Shares to such person(s) as the Company may determine (as nominee or custodian thereof or otherwise), including (subject to the Act) to the Company itself, in any such case for a price being not more than an aggregate sum of one penny for all the Deferred Shares registered in the name of such holder(s); and/or
 - (b) receive the consideration for such a transfer or purchase (and give a good discharge for it) and hold the same on trust for the transferor(s); and/or
 - (c) give, on behalf of such holder(s), consent to the cancellation of such Deferred Shares; and/or
 - (d) retain the certificate(s) (if any) in respect of such Deferred Shares pending the transfer, cancellation and/or purchase thereof.

- 11.3 No Deferred Share may be transferred without the prior consent of the Board.

12 VARIATION OF RIGHTS

- 12.1 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 Series A Preferred Shares may only be varied or abrogated with Investor Majority Consent.

- 12.2 The creation of a new class of shares which has preferential rights to one or more existing classes of shares shall not constitute a variation of the rights of those existing classes of shares.

13 ALLOTMENT OF NEW SHARES OR OTHER SECURITIES: PRE-EMPTION

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

(a) allot Shares; or

(b) grant rights to subscribe for or convert any securities into Shares,

to any persons, at any times and subject to any terms and conditions as the Directors think proper, provided that:

- (i) this authority shall be limited to a maximum nominal amount of 137,862 Series A Preferred Shares;
- (ii) this authority shall only apply insofar as the Company has not by resolution waived or revoked it;
- (iii) this authority may only be exercised for a period of three months commencing upon the Date of Adoption, save that the Directors may make an offer or agreement which would or might require Shares to be allotted or rights granted to subscribe for or convert any security into Shares after the expiry of such authority (and the Directors may allot Shares or grant such rights in pursuance of an offer or agreement as if such authority had not expired).
- (iv) this authority is in substitution for all subsisting authorities to the extent unused.

- 13.2 Sections 561(1) and 562(1) to (5) (inclusive) of the Act do not apply to an allotment of Equity Securities made by the Company.

- 13.3 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 ("Subscribers") 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 (as if the Equity Shares constituted one and the same class) held by those holders (as nearly as may be without involving fractions). The offer:

- (a) shall be in writing, be open for acceptance from the date of the offer to the date ten Business Days after the date of the offer (inclusive) ("Subscription Period") and give details of the number and subscription price of the New Securities; and

- (b) shall stipulate that any Subscriber 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 for which they wish to subscribe.
- 13.4 If, at the end of the Subscription Period, the number of New Securities applied for is equal to or exceeds the number of New Securities, the New Securities shall be allotted to the Subscribers who have applied for New Securities on a pro rata basis to the number of Equity Shares held by such Subscribers, which procedure shall be repeated until all New Securities have been allotted (as nearly as may be without involving fractions or increasing the number allotted to any Subscriber beyond that applied for by him).
- 13.5 If, at the end of the Subscription Period, the number of New Securities applied for is less than the number of New Securities, the New Securities shall be allotted to the Subscribers in accordance with their applications and any remaining New Securities 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 Subscribers.
- 13.6 Subject to the requirements of Articles 13.3 to 13.5 (inclusive) 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, provided that the allotment or grant to that person must be approved by Investor Majority Consent.
- 13.7 The provisions of Articles 13.3 to 13.5 (inclusive) shall not apply to:
 - (a) options to purchase Ordinary Shares held by employees, consultants or directors under the Share Option Plan and/or any other plan or incentive scheme approved by the Board with Investor Majority Consent;
 - (b) New Securities issued or granted in order for the Company to comply with its obligations under these Articles including, but not limited to, the Anti-Dilution Shares;
 - (c) New Securities issued which a special resolution and an Investor Majority have agreed in writing, and where the Lyric Conditions are satisfied Lyric Consent has been given, should be issued without complying with the procedure set out in this Article 13;
 - (d) New Securities issued in consideration of the acquisition on arm's length terms and not to an Investor or any person connected with an Investor (as defined in Section 252 of the Act) by the Company of any company or business which has been approved in writing by the Board with Investor Majority Consent and, where the Lyric Conditions are satisfied, with Lyric Consent (where required); and
 - (e) Shares or options for Shares issued or granted to the Investors in accordance with the terms of the Subscription and Shareholders' Agreement.

- 13.8 Any New Securities offered under this Article 13 to an Investor may be accepted in full or part only by a Member of the same Fund Group as that Investor or a Member of the same Group as that Investor in accordance with the terms of this Article 13.
- 13.9 No Shares shall be allotted (nor any Treasury Shares be transferred) to any Employee, Director, prospective Employee or prospective director of the Company who in the opinion of the Board is subject to taxation in the United Kingdom unless such person has entered into a joint section 431 ITEPA election with the Company if so required by the Company.

14 TRANSFERS OF SHARES – GENERAL

- 14.1 In Articles 14 to 22 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.
- 14.2 No Share may be transferred unless the transfer is made in accordance with these Articles.
- 14.3 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.
- 14.4 Any transfer of a Share by way of sale which is required to be made under Articles 16 to 22 (inclusive) will be deemed to include a warranty that the transferor sells with full title guarantee.
- 14.5 Unless express provision is made in these Articles to the contrary, no Ordinary Shares held by any Employee shall be transferred without Investor Majority Consent.
- 14.6 The Directors may refuse to register a transfer if:
- (a) it is a transfer of a Share to a bankrupt, a minor or a person of unsound mind;
 - (b) the transfer is to an Employee, Director or prospective Employee or prospective director of the Company who, in the opinion of the Board, is subject to taxation in the United Kingdom, and such person has not entered into a joint section 431 ITEPA election with the Company;
 - (c) it is a transfer of a Share which is not fully paid:
 - (i) to a person of whom the Directors do not approve; or
 - (ii) on which Share the Company has a lien;
 - (d) the transfer is not lodged at the registered office or at such other place as the Directors may appoint;
 - (e) the transfer is not accompanied by the certificate for the Shares to which it relates (or an indemnity for lost certificate in a form acceptable to the Board) and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer;

- (f) the transfer is in respect of more than one class of Shares;
- (g) the transfer is in favour of more than four transferees; or
- (h) these Articles otherwise provide that such transfer shall not be registered.

If the Directors refuse to register a transfer, the instrument of transfer must be returned to the transferee with the notice of refusal unless they suspect that the proposed transfer may be fraudulent.

- 14.7 The Directors will, 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 Directors 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 14.7 the transfer may not be registered unless that deed has been executed and delivered to the Company's registered office by the transferee.
- 14.8 To enable the Directors to determine whether or not there has been any disposal of shares in the capital of the Company (or of any interest in shares in the capital of the Company) in breach of these Articles, the Directors may, 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 whom the Directors may reasonably believe to have information relevant to that purpose, to furnish to the Company that information and evidence the Directors 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 Directors to determine to their reasonable satisfaction that no breach has occurred, or where as a result of the information and evidence the Directors are reasonably satisfied that a breach has occurred, the Directors shall immediately notify the holder of such shares in the capital of the Company in writing of that fact and the following shall occur:
- (a) the relevant shares shall cease to confer upon the holder of them (including any proxy appointed by the holder) any rights to vote (whether on a show of hands or on a poll and whether exercisable at a general meeting or on a written resolution of the Company or at any separate meeting or written resolution of the class in question), provided that, at the election of the relevant Investor, such rights shall not cease if as a result of such cessation the Company shall become a Subsidiary of an Investor;
 - (b) the Company shall withhold payment of all dividends or other distributions otherwise attaching to the relevant shares or to any further shares issued in respect of those shares; and
 - (c) 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 Directors may require by notice in writing to that holder.

The rights referred to in Article 14.8(a) and 14.8(b) 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 14.8(c) above.

- 14.9 In any case where the Board requires a Transfer Notice to be given in respect of any Shares, if a Transfer Notice is not duly given within a period of ten Business Days of demand being made, a Transfer Notice shall be deemed to have been given at the expiration of that period.
- 14.10 If a Transfer Notice is required to be given by the Board or is deemed to have been given under these Articles, the Transfer Notice, unless otherwise specified in the Articles, will be treated as having specified that:
- (a) the Transfer Price for the Sale Shares will be as agreed between the Board (including Investor Director Consent) (any director who is a Seller or with whom the Seller is connected (within the meaning of section 252 of the Act) not voting) and the Seller, or, failing agreement within five Business Days after the date on which the Board becomes aware that a Transfer Notice has been deemed to have been given, will be the Fair Value of the Sale Shares;
 - (b) it does not include a Minimum Transfer Condition (as defined in Article 16.2(d); and
 - (c) the Seller wishes to transfer all of the Shares held by it.
- 14.11 Shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the directors, which is executed by or on behalf of:
- (a) the transferor; and
 - (b) (if any of the shares is partly or nil paid) the transferee.

15 PERMITTED TRANSFERS

- 15.1 A Shareholder (who is not a Permitted Transferee) ("Original Shareholder") may transfer all or any of his or its Shares to a Permitted Transferee without restriction as to price or otherwise, save that (i) no Restricted Shares shall be transferred to a Permitted Transferee without Investor Majority Consent; and (ii) any Permitted Transferee is subject to the provisions of these Articles and the Subscription and Shareholders' Agreement as if they were the Original Shareholder.
- 15.2 Shares previously transferred as permitted by Article 15.2 may be transferred by the transferee to any other Permitted Transferee of the Original Shareholder without restriction as to price or otherwise.
- 15.3 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.
- 15.4 If a Permitted Transferee which was a Member of the same Group as the Original Shareholder ceases to be a Member of the same Group as the Original Shareholder

and is not otherwise a Permitted Transferee of the Original Shareholder, the Permitted Transferee must, not later than five Business Days after 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.

- 15.5 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 not later than five Business Days after 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.

- 15.6 Trustees may transfer Shares:

- (a) to a Qualifying Company;
- (b) to the Original Shareholder or to another Permitted Transferee of the Original Shareholder; or
- (c) to the new or remaining trustees upon a change of Trustees,

in each case without restriction as to price or otherwise.

- 15.7 No transfer of Shares may be made to Trustees unless the Board is satisfied:

- (a) with the terms of the trust instrument and in particular with the powers of the trustees;
- (b) with the identity of the proposed trustees;
- (c) that the proposed transfer will not result in 50 per cent or more 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 the Family Trust in question are to be paid by the Company.

- 15.8 If a Permitted Transferee which is a Qualifying Company of the Original Shareholder ceases to be a Qualifying Company of the Original Shareholder, it must, within five Business Days of so ceasing, transfer the Shares held by it to the Original Shareholder (or to any Permitted Transferee of the Original Shareholder) (and may do so without restriction as to price or otherwise), failing which it will be deemed, unless it obtains the approval of the Board (to include Investor Director Consent), to have given a Transfer Notice in respect of such Shares.

- 15.9 If a Permitted Transferee who is a spouse or Civil Partner of the Original Shareholder ceases to be a spouse or Civil Partner of the Original Shareholder, whether by reason of divorce or otherwise, he must, within 15 Business Days of so ceasing 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 16.2,

failing which he shall be deemed to have given a Transfer Notice.

15.10 On the death (subject to Article 15.4), bankruptcy, liquidation, administration 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 order or the appointment of the liquidator, administrator or the administrative receiver (as the case may be) 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, administration or administrative receivership, the personal representative or trustee in bankruptcy or liquidator, administrator or administrative receiver will be deemed to have given a Transfer Notice.

15.11 A transfer of any Shares approved by the Board and by Investor Majority Consent may be made without restriction as to price or otherwise and with any such conditions as may be imposed, and each such transfer shall be registered by the Directors.

15.12 Any Shares may be transferred at any time where there is a sale of the entire issued share capital of the Company to a Holding Company which has been approved by a majority of the Board with Investor Director Consent.

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

16 TRANSFERS OF SHARES SUBJECT TO PRE-EMPTION RIGHTS

16.1 Save where the provisions of Articles 15, 20 and 22 apply, any transfer of Shares by a Shareholder shall be subject to the pre-emption rights contained in this Article 16.

16.2 A Shareholder who wishes to transfer Shares (a "Seller") shall, except as otherwise provided in these Articles, before transferring or agreeing to transfer any Shares give notice in writing (a "Transfer Notice") to the Company specifying:

- (a) the number of Shares which he wishes to transfer ("Sale Shares");
- (b) if he wishes to sell the Sale Shares to a third party, the name of the proposed transferee;
- (c) the price at which he wishes to transfer the Sale Shares; and

- (d) whether the Transfer Notice is conditional on all or a specific number of the Sale Shares being sold to Shareholders (a "Minimum Transfer Condition").

If no cash price is specified by the Seller, the price at which the Sale Shares are to be transferred ("Transfer Price") must be agreed by the Board (including Investor Director Consent). In addition, if the price is not specified in cash, an equivalent cash value price must be agreed between the Seller and the Board (including Investor Director Consent). In both cases, the price will be deemed to be the Fair Value of the Sale Shares if no price is agreed within five Business Days of the Company receiving the Transfer Notice.

16.3 Except with Investor Director Consent or as otherwise specified in these Articles, no Transfer Notice once given or deemed to have been given under these Articles may be withdrawn.

16.4 A 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; and,
- (b) in the case where the Transfer Price has not been agreed, the determination of the Transfer Price under Article 17,

the Board shall offer the Sale Shares for sale to the Shareholders in the manner set out in Article 16.6 and 16.7. Each offer must be in writing and give details of the number and Transfer Price of the Sale Shares offered.

16.6 Priority for offer of Sale Shares

- (a) The Sale Shares shall be offered to the holders of Equity Shares pro-rata to the number of Ordinary Shares held on the basis set out in Article 16.7.

16.7 Transfers: Offer

- (a) The Board shall offer the Sale Shares to the Shareholders (other than the Seller) pursuant to the Priority Rights ("Continuing Shareholders") inviting them to apply in writing within the period from the date of the offer to the date ten Business Days after the offer (inclusive) ("Offer Period") for the maximum number of Sale Shares they wish to buy.
- (b) If the Sale Shares are subject to a Minimum Transfer Condition, then any allocation made under Article 16.6(a) will be conditional on the fulfilment of the Minimum Transfer Condition.
- (c) If, 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 Board shall allocate the Sale Shares to each Continuing Shareholder who has applied for Sale Shares in the proportion (fractional entitlements being rounded to the nearest whole number) which his existing holding of Equity Shares bears to the total number of Equity Shares held by those Continuing Shareholders who have applied for Sale Shares, which procedure shall be repeated until all Sale Shares have

been allocated, but 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.

- (d) If, at the end of the Offer Period, the number of Sale Shares applied for is less than the number of Sale Shares, the Board shall allocate the Sale Shares to the Continuing Shareholders in accordance with their applications and the balance will be dealt with in accordance with Article 16.8(e).

16.8 Completion of transfer of Sale Shares

- (a) If the Transfer Notice includes a Minimum Transfer Condition and the total number of Shares applied for does not meet the Minimum Transfer Condition, the Board shall notify the Seller and all those to whom Sale Shares have been conditionally allocated under Article 16.7 stating that the condition has not been met and that the relevant Transfer Notice has lapsed with immediate effect.

- (b) If:

- (i) the Transfer Notice does not include a Minimum Transfer Condition; or
- (ii) the Transfer Notice does include a Minimum Transfer Condition and allocations have been made in respect of all or the minimum required number of the Sale Shares,

the Board shall, when no further offers are required to be made under Article 16.6(a), and once the requirements of Article 20 have been fulfilled to the extent required, give written notice of allocation (an "Allocation Notice") to the Seller and each Continuing Shareholder to whom Sale Shares have been allocated (an "Applicant") specifying the number of Sale Shares allocated to each Applicant and the place and time (being not less than five Business Days nor more than ten Business Days after the date of the Allocation Notice) for completion of the transfer of the Sale Shares.

- (c) 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.
- (d) If the Seller fails to comply with the provisions of Article 16.8(c):
 - (i) the chairman of the Company or, failing him, one of the directors, or some other person nominated by a resolution of the Board, may on behalf of the Seller:
 - (A) complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Applicants;
 - (B) receive the Transfer Price and give a good discharge for it; and
 - (C) (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

- (ii) the Company shall pay the Transfer Price into a separate bank account in the Company's name on trust (but without interest) or otherwise hold the Transfer Price on trust for the Seller until he has delivered to the Company his certificate or certificates for the relevant Shares (or an indemnity for lost certificate in a form acceptable to the Board).
 - (e) If an Allocation Notice does not relate to all the Sale Shares then, subject to Article 16.8(f), the Seller may, within eight weeks after service of the Allocation Notice, transfer the unallocated Sale Shares to any person at a price at least equal to the Transfer Price.
 - (f) The right of the Seller to transfer Shares under Article 16.8(e) does not apply if the Board is of the opinion on reasonable grounds that:
 - (i) the transferee is a person (or a nominee for a person) who the Board (with Investor Director Consent) determine in their absolute discretion is a competitor with (or an Associate of a competitor with) the business of the Company or with a Subsidiary Undertaking of the Company;
 - (ii) 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
 - (iii) the Seller has failed or refused to provide promptly information available to it or him and reasonably requested by the Board for the purpose of enabling it to form the opinion mentioned above.
- 16.9 Any Sale Shares offered under this Article 16 to an Investor may be accepted in full or part only by a Member of the same Fund Group as that Investor or a Member of the same Group as that Investor in accordance with the terms of this Article 16.

17 VALUATION OF SHARES

- 17.1 If no Transfer Price can be agreed between the Seller and the Board in accordance with provisions of Articles 14.10, 16.2 or otherwise then, on the date of failing agreement, the Board shall either:
- (a) appoint an expert valuer in accordance with Article 17.2 ("Expert Valuer") to certify the Fair Value of the Sale Shares; or
 - (b) (if the Fair Value has been certified by an Expert Valuer within the preceding 12 weeks) specify that the Fair Value of the Sale Shares will be calculated by dividing any Fair Value so certified by the number of Sale Shares to which it related and multiplying such Fair Value by the number of Sale Shares the subject of the Transfer Notice.
- 17.2 The Expert Valuer will be either:
- (a) the Auditors; or
 - (b) (if otherwise agreed by the Board and the Seller) an independent firm of Chartered Accountants to be agreed between the Board and the Seller or

failing agreement not later than the date ten Business Days after the date of service of the Transfer Notice to be nominated by the then President of the Institute of Chartered Accountants in England and Wales on the application of either party and approved by the Company.

- 17.3 The 'Fair Value' of the Sale Shares shall be determined by the Expert Valuer on the following assumptions and bases:
- (a) by valuing the Sale Shares as on an arm's-length sale between a willing seller and a willing buyer;
 - (b) if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;
 - (c) on the assumption that the Sale Shares are capable of being transferred without restriction;
 - (d) by valuing the Sale Shares as a rateable proportion of the total value of all the issued Shares (excluding any Shares held as Treasury Shares) without any premium or discount being attributable to the percentage of the issued share capital of the Company which they represent but taking account of the rights attaching to the Sale Shares but ignoring for this purpose any suspension of voting rights pursuant to Article 19.5; and
 - (e) reflecting any other factors which the Expert Valuer reasonably believes should be taken into account.
- 17.4 If any difficulty arises in applying any of these assumptions or bases then the Expert Valuer shall resolve that difficulty in whatever manner they shall in their absolute discretion think fit.
- 17.5 The Expert Valuer shall be requested to determine the Fair Value within 20 Business Days of their appointment and to notify the Board of their determination.
- 17.6 The Expert Valuer 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).
- 17.7 The Board will give the Expert Valuer access to all accounting records or other relevant documents of the Company subject to their agreeing to such confidentiality provisions as the Board may reasonably impose.
- 17.8 The Expert Valuer 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. Unless the Sale Shares are to be sold under a Transfer Notice which is deemed to have been served, the Seller may, by notice in writing to the Company within five Business Days of the service on him of the copy certificate, cancel the Company's authority to sell the Sale Shares.
- 17.9 The cost of obtaining the certificate shall be paid by the Company, unless:
- (a) the Seller cancels the Company's authority to sell; or

- (b) the Sale Price certified by the Expert Valuer is less than the price (if any) offered by the directors to the Seller for the Sale Share before Expert Valuer was instructed,

in which case the Seller shall bear the cost.

18 COMPULSORY TRANSFERS – GENERAL

18.1 A person entitled to a Share in consequence of the bankruptcy of a Shareholder shall be deemed to have given a Transfer Notice in respect of that Share at a time determined by the Directors.

18.2 If a Share remains registered in the name of a deceased Shareholder for longer than one year after the date of his death the Directors may require the legal personal representatives of that deceased Shareholder either:

- (a) to effect a Permitted Transfer of such Shares (including for this purpose an election to be registered in respect of the Permitted Transfer); or
- (b) to show to the satisfaction of the Directors 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 18.2 shall not be fulfilled to the satisfaction of the Directors, a Transfer Notice shall be deemed to have been given in respect of each such Share save to the extent that the Directors may otherwise determine.

18.3 If a Shareholder which is a company either suffers or resolves for the appointment of a liquidator, administrator or administrative receiver over it or any material part of its assets (other than as part of a bona fide restructuring or reorganisation), the relevant Shareholder (and all its Permitted Transferees) shall be deemed to have given a Transfer Notice in respect of all the shares held by the relevant Shareholder and its Permitted Transferees save to the extent that, and at a time, the Directors may determine.

18.4 If there is a change in control (as control is defined in section 1124 of the CTA 2010) 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 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 before being required to serve a Transfer Notice. This Article 18.4 shall not apply to a member that is an Investor or RTL Investments Limited in circumstances where the shareholders, or ultimate beneficial owners, of RTL Investments Limited remain the same.

19 DEPARTING EMPLOYEES

Further Employees

19.1 Unless the Board and the Investor Majority determine that this Article 19.1 shall not apply, if an Employee (not being Lyric and/or Sir Hossein Yassaie) ("Further

Employees") ceases to be an Employee, all the Employee Shares relating to such Employee shall automatically convert into Deferred Shares (on the basis of one Deferred Share for each Ordinary Share held) on the Effective Termination Date or such later date that the Board becomes aware that the Employee is a Bad Leaver. A Good Leaver shall be entitled to retain their Shares, subject to Articles 19.10 (a) below.

- 19.2 Upon such conversion into Deferred Shares, the Company shall be entitled to enter the holder of the Deferred Shares on the register of members of the Company as the holder of the appropriate number of Deferred Shares as from the Deferred Conversion Date. Upon the Deferred Conversion Date, the Employee (and his Permitted Transferee(s)) shall deliver to the Company at its registered office the shares certificate(s) (to the extent not already in the possession of the Company) (or an indemnity for lost certificate in a form acceptable to the Board) for the Shares so converting.
- 19.3 The Board, with the approval of the Investor Majority, shall be entitled to determine that, in the alternative to Article 19.1, if a Further Employee ceases to be an Employee a Transfer Notice shall be deemed to be given in respect all or some of the Employee Shares which were to convert into Deferred Shares under Article 19.1 on the Effective Termination Date.
- 19.4 In the circumstances described in Article 19.3, the Transfer Price shall be as follows:
- (a) where the relevant Further 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 Share; and
 - (b) where the relevant Further Employee ceases to be an Employee by reason of being a Good Leaver, the Fair Value.

For the purposes of this Article 19.4, Fair Value shall be as agreed between the Board (including Investor Director Consent) and the relevant Further Employee, or failing agreement within five Business Days of seeking to agree such price, shall be as determined in accordance with Article 17.

Lyric and Sir Hossein Yassaie Bad Leaver

- 19.5 If Lyric and/or Sir Hossein Yassaie ceases to be an Employee by reason of being a Bad Leaver (or otherwise becomes a Bad Leaver in accordance with limb (b) of the definition of Bad Leaver after ceasing to be an Employee), a Transfer Notice shall be deemed to be given in respect all of the Employee Shares relating to Lyric and/or Sir Hossein Yassaie upon the Termination Date or on the event constituting Bad Leaver occurring.

Lyric Early Leaver

- 19.6 Unless the Board and the Investor Majority determine that this Article 19.6 shall not apply, if at any time during the Relevant Period Lyric ceases to be an Employee by reason of being an Early Leaver, a Transfer Notice shall be deemed to have been given in respect of the Leaver's Percentage of the Employee Shares relating to Lyric on the Effective Termination Date save that if Lyric ceases to be an Employee by reason of being an Early Leaver within 12 months of the Date of Adoption a Transfer

Notice shall be deemed to be given in respect of 50% (and not the Leaver's Percentage) of the Employee Shares relating to Lyric.

19.7 Lyric Transfer Price

- 19.8 In the circumstances described in Articles 19.5 and 19.6 the Transfer Price shall be the lower of Fair Value and the nominal value of the Employee Shares the subject of the Transfer Notice.

For the purposes of this Article 19.8, Fair Value shall be as agreed between the Board (including Investor Director Consent) and Lyric, or failing agreement within five Business Days of seeking to agree such price, shall be as determined in accordance with Article 17.

Lyric and Sir Hossein Yassaie Good Leaver

- 19.9 If Lyric and/or Sir Hossein Yassaie (as the case may be) ceases to be an Employee by reason of being a Good Leaver, no Transfer Notice shall be required to be given in respect of any of the Employee Shares relating to Lyric and/or Sir Hossein Yassaie (as the case may be).

Disenfranchisement

19.10 All voting rights attached to:

- (a) all Employee Shares held by a Further Employee being a Bad Leaver or a Good Leaver or by any Permitted Transferee of that Bad Leaver or Good Leaver (in each case the "Restricted Member"), if any, shall at the time he becomes a Bad Leaver or Good Leaver (as may be the case); and
- (b) all Employee Shares held by Lyric or by any Permitted Transferee of Lyric ("Lyric Member") and all Employee Shares held by Sir Hossein Yassaie or by any Permitted Transferee of Sir Hossein Yassaie ("Hossein Member") in circumstances ("Disenfranchised Circumstances") where Lyric or Sir Hossein Yassaie (as the case may be) is a Bad Leaver or, in the case of Lyric only, is Offside,

be suspended unless the Board and the Investor Majority notify him otherwise, and all voting rights attached to any Employee Shares acquired by a Restricted Member after ceasing to be an Employee, or a Lyric Member following Disenfranchised Circumstances occurring, shall be suspended, unless the Board and the Investor Majority notify him otherwise, with effect from the date on which such Shares were acquired.

- 19.11 Any Employee Shares whose voting rights are suspended pursuant to Article 19.10 ("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 such holders shall have no right to vote in person or by proxy nor any right to vote on any proposed written resolution.

- 19.12 Voting rights suspended pursuant to Article 19.10 shall be automatically restored immediately prior to an IPO and subject to the IPO occurring. If the IPO does not occur the voting rights of such Employee Shares shall remain suspended. If a Restricted Member transfers any Restricted Shares in accordance with these Articles

save to his Permitted Transferees, 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 members) automatically be restored.

19.13 For the purposes of this Article 19, the Priority Rights shall be such that the Employee Shares are offered in the following order of priority:

- (a) to any person(s) approved by the Board (other than the departing Employee) and an Investor Majority; and/or
- (b) otherwise in accordance with Article 16.7

20 TAG ALONG

20.1 Except in the case of Permitted Transfers and transfers pursuant to Articles 18 and 19, after going through the pre-emption procedure in Article 16, the provisions of Article 20.2 will apply if one or more Proposed Sellers propose to transfer in one or a series of related transactions any Equity Shares ("Proposed Transfer") which would, if put into effect, result in any Proposed Purchaser (and Associates of his or persons Acting in Concert with him) acquiring a Controlling Interest in the Company.

20.2 A Proposed Seller must, before making a Proposed Transfer procure the making by the Proposed Purchaser of an offer ("Offer") to the other Shareholders to acquire all of the Equity Shares. For the purposes of this Article 20.2, 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 pursuant to the Proposed Transfer 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 5 and 6.

20.3 The Offer must be given by written notice (a "Proposed Sale Notice") at least 10 Business Days ("Tag 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 proposed to be purchased by the Proposed Purchaser.

20.4 If any other holder of Equity 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.

20.5 If the Offer is accepted by any Shareholder (an "Accepting Shareholder") within the Tag 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.

20.6 The Proposed Transfer is subject to the pre-emption provisions of Article 16 but the purchase of the Accepting Shareholders' shares shall not be subject to Article 16.

21 TREASURY SHARES

The Company shall be permitted to hold Shares or any units, stocks or securities representative of Shares as Treasury Shares.

22 DRAG-ALONG

- 22.1 If (1) the holders of more than 50% of the Equity Shares carrying the right to vote, (2) an Investor Majority, and (3) Lyric where (i) the Lyric Conditions are satisfied at the time of service of the Drag Along Notice (as defined below); and (ii) the Drag-Along Notice is served during the period of five years from the Date of Adoption ((1), (2) and (3) together being the "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 compel each other holder of Shares (each a "Called Shareholder" and together the "Called Shareholders") to sell and transfer all their Shares to the Proposed Purchaser or as the Proposed Purchaser shall direct ("Drag Purchaser") in accordance with the provisions of this Article ("Proposed Drag Sale") subject always to compliance with Article 22.2 and to the Conditions set out in Article 22.2(e) being met.
- 22.2 The Selling Shareholders may exercise the Drag-Along Option by giving a written notice to that effect (a "Drag-Along Notice") to the Company which the Company shall forthwith copy to the Called Shareholders at any time before the transfer of the Sellers' Shares to the Drag Purchaser. A Drag-Along Notice shall specify that:
- (a) the Called Shareholders are required to transfer all their Shares ("Called Shares") under this Article;
 - (b) the person to whom they are to be transferred;
 - (c) the consideration (whether in cash or otherwise) for which the Called Shares are to be transferred (calculated in accordance with this Article); and
 - (d) the proposed date of transfer,
 - (e) the form of any sale agreement or form of acceptance or any other document of similar effect that the Called Shareholders are required to sign in connection with such sale ("Sale Agreement"),
- (and, in the case of Articles 22.2(b) to 22.2(d) above, whether actually specified or to be determined in accordance with a mechanism described in the Drag-Along Notice). No Drag-Along Notice or Sale Agreement may require a Called Shareholder to agree to any terms except those specifically provided for in this Article.
- 22.3 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 Drag Purchaser within 60 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.
- 22.4 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, allotted or transferred by the Drag Purchaser were distributed to the holders of the Called Shares and the Sellers' Shares in accordance with the provisions of Articles 5 and 6 provided that the consideration that each Called Shareholder actually receives shall be subject to any reduction for claims for breach of the Sale Agreement on the basis that Article 22.2(e) applies ("Drag Consideration").

22.5 In respect of a transaction that is the subject of a Drag-Along Notice and with respect to any Drag Document, no Called Shareholder shall be bound by the Drag Along Notice unless:

- (a) any representations and/or warranties to be made by such Called Shareholder in connection therewith are limited to representations and/or warranties that such Called Shareholder holds all right, title and interest in and to the Called Shares such Called Shareholder purports to hold his Called Shares, free and clear of all liens and Encumbrances and shall sell the same with full title guarantee;
- (b) such Called Shareholder is not liable to any party for the inaccuracy of any representation or warranty made by any other person, including without limitation the Company (Third Party Liability). However, notwithstanding that a Called Shareholder shall have no Third Party Liability, if any consideration for the Called Shares and the Sellers' Shares is deferred and/or paid into escrow or holdback (Deferred Consideration) for the purposes of setting off any completion accounts adjustments in the favour of the Proposed Purchaser, or to settle any breach of representations, warranties, indemnities and covenants of the persons giving such representations, warranties, indemnities and covenants under the Sale Agreement (Liability Set Off), then such Deferred Consideration may be used for Liability Set Off in such a proportion that complies with Article 22.2(d);
- (c) except as provided in Article 22.2(d), the terms and conditions applying to the sale of the Called Shares held by each of the Called Shareholders shall be no less favourable to the Called Shareholders than the terms and conditions applying to the sale of the shares held by the Selling Shareholders (and shareholders shall be deemed to be treated as favourably as each other in respect of a liability or obligation which they assume if they assume it in proportion to their shareholdings in the Company);
- (d) the liability of such Called Shareholder is several and not joint with any other person but subject always to the treatment of Deferred Consideration in accordance with Article 22.5(b); and
- (e) the consideration shall be apportioned as provided in Article 22.2(d).

22.6 In the event that the Selling Shareholders, in connection with the Proposed Drag Sale, appoint a shareholder or seller representative (a "Shareholder Representative") with respect to the establishment and management of any Deferred Consideration, each Called Shareholder shall be deemed to consent to (i) the appointment of such Shareholder Representative, (ii) the establishment of an escrow or otherwise in respect of the Deferred Consideration (iii) the payment of such Called Shareholder's applicable portion (from the Deferred Consideration) of any reasonable and properly incurred fees and expenses of such Shareholder Representative, in each case in connection with such Shareholder Representative's services and duties in connection with the Deferred Consideration provided the Called Shareholders shall have no liability to the Shareholders' Representative save to allow for a deduction from the Deferred Consideration in accordance with this Article 22.6;

- 22.7 Within three Business Days of the Company copying the Drag-Along Notice to the Called Shareholders (or such later date as may be specified in the Drag-Along Notice) ("Drag Completion Date"), each Called Shareholder shall deliver:
- (a) duly executed stock transfer form(s) for its Shares in favour of the Drag Purchaser;
 - (b) the relevant share certificate(s) (or a duly executed indemnity for lost certificate in a form acceptable to the Board) to the Company; and
 - (c) a duly executed Sale Agreement, if applicable, in the form specified in the Drag-Along Notice or as otherwise specified by the Company but subject always to this Article 22,
- (together the "Drag Documents").
- 22.8 On the Drag Completion Date, the Company shall pay or transfer to each Called Shareholder, on behalf of the Drag Purchaser, the Drag Consideration that is due to the extent that the Drag Purchaser has paid, allotted or transferred such consideration to the Company. The Company's receipt of the Drag Consideration shall be a good discharge to the Drag Purchaser. Following the Company's receipt of the Drag Consideration, but pending its payment or transfer to the Called Shareholder, the Company shall hold the Drag Consideration on trust for each of the Called Shareholders without any obligation to pay interest.
- 22.9 To the extent that the Drag Purchaser has not, on the Drag Completion Date, paid, allotted or transferred the Drag Consideration that is due to the Company, the Called Shareholders shall be entitled to the immediate return of the Drag Documents for the relevant Shares and the Called Shareholders shall have no further rights or obligations under this Article 22 in respect of their Shares.
- 22.10 If a Called Shareholder fails to deliver the Drag Documents for its Shares to the Company by the Drag Completion Date, the Company and each Director shall be constituted the agent of such defaulting Called Shareholder to take such actions and enter into any Drag Document or such other agreements or documents as are necessary to effect the transfer of the Called Shareholder's Shares pursuant to this Article 22, and the Directors shall, if requested by the Drag Purchaser, authorise any Director to transfer the Called Shareholder's Shares on the Called Shareholder's behalf to the Drag Purchaser to the extent that the Drag Purchaser has, by the Drag Completion Date, paid, allotted or transferred the Drag Consideration to the Company for the Called Shareholder's Shares offered to him. The Board shall then authorise registration of the transfer, once appropriate stamp duty (if any is required) has been paid. The defaulting Called Shareholder shall surrender his share certificate for his Shares (or suitable executed indemnity) to the Company. On surrender, he shall be entitled to the Drag Consideration due to him.
- 22.11 Any transfer of Shares to a Drag Purchaser pursuant to a sale in respect of which a Drag-Along Notice has been duly served shall not be subject to the provisions of Article 16.
- 22.12 On any person, following the issue of a Drag-Along Notice, becoming a Shareholder pursuant to the exercise of a pre-existing option or warrant to acquire shares in the Company or pursuant to the conversion of any convertible security of the Company

(a "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. The New Shareholder shall then be bound to sell and transfer all the Shares so acquired to the Drag Purchaser, and the provisions of this Article shall apply (with 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.

Asset Sale

- 22.13 In the event that an Asset Sale is approved by the Selling Shareholders, such Selling Shareholders shall have the right, by notice in writing to all other Shareholders, to require the other Shareholders to take any and all such actions as it may be necessary for them to take in order to give effect to or otherwise implement such Asset Sale, subject always to the proceeds from such Asset Sale being distributed to Shareholders in accordance with the provisions of Articles 5 and 5.4 and provided that any such Shareholder does not have to give any representation or warranty.

Share Exchange

- 22.14 In the event that a Share Exchange is approved by the Selling Shareholders, such Selling Shareholders shall have the right, by notice in writing to all other Shareholders, to require the other Shareholders to take any and all such actions as it may be necessary for them to take in order to give effect to or otherwise implement such Share Exchange provided that all such shareholders shall not be required to given any representation or warranty other than in the form referred to in Article 22.5(a).
- 22.15 If any Shareholder (other than Vitruvian) does not comply with the provisions of Article 22.14, the Company and each Director shall be constituted the agent of such defaulting Shareholder to take such actions as are necessary to effect the Share Exchange, and the Directors shall, if requested by the Selling Shareholders, authorise any Director to execute and deliver, on the Shareholder's behalf, any documents necessary to effect the Share Exchange.
- 22.16 Any person who becomes a Shareholder after completion of a Share Exchange shall be required to take any and all such actions as it may be necessary for them to take in order to exchange their Shares for shares in the New Parent Company, and the provisions of Article 22.15 shall apply with necessary changes, provided that Vitruvian shall not be required to be issued shares in a New Parent Company which is a publicly listed company.

23 GENERAL MEETINGS

- 23.1 A notice convening a general meeting shall be required to specify the general nature of the business to be transacted only in the case of special business.
- 23.2 All business shall be deemed special that is transacted at a general meeting, with the exception of declaring a dividend; consideration of the profit and loss account, balance sheet, and reports of the Directors and Auditors; the appointment and fixing of the remuneration of the Auditors; and the giving or renewal of any authority in accordance with section 551 of the Act.

- 23.3 Every notice convening a general meeting shall comply with the provisions of section 325 of the Act as to giving information to Shareholders in regard to their right to appoint proxies; and notices of and other communications relating to any general meeting which any Shareholder is entitled to receive shall be sent to the Directors and to the auditor for the time being of the Company.
- 23.4 No business shall be transacted at any general meeting unless a quorum of Shareholders is present throughout the meeting. A quorum shall consist of at least three Shareholders present in person or by proxy or (in the case of a Shareholder being a corporation) by representative and must include Vitruvian or one of its Permitted Transferees and must include Lyric and/or one of his Permitted Transferees if the Lyric Conditions are met, save that, (i) if the meeting is adjourned as a result of the failure of Vitruvian or its Permitted Transferees and/or Lyric or his Permitted Transferees or their proxies to attend, in which case the quorum shall be any 3 Shareholders present in person or by proxy; and (ii) if and for so long as the Company has less than three Shareholders such lesser number of Shareholders present in person or by proxy shall be a quorum. All Shareholders agree that they shall not intentionally frustrate shareholder matters through non-attendance at general meetings, save that nothing in this Article shall preclude the passing of any shareholder resolution as a written resolution.
- 23.5 Subject to any rights or restrictions for the time being attached to any class or classes of Shares every Shareholder entitled to vote who (being an individual) is present in person or by proxy or (being a corporate body) is present by a representative or proxy on a poll, each Shareholder shall have one vote for each Share (save for Deferred Shares) of which he is the holder.
- 23.6 All decisions at general meetings shall be taken by poll and not by a show of hands and the Model Articles shall be amended and construed accordingly.
- 23.7 Polls must be taken in such manner as the chairman directs.
- 24 PROXIES
- 24.1 Paragraph (c) of Article 45(1) of the Model Articles shall be deleted and replaced by the words: 'is signed by or on behalf of the shareholder appointing the proxy and accompanied by the authority under which it is signed (or a certified copy of such authority or a copy of such authority in some other way approved by the directors)'.
- 24.2 The instrument appointing a proxy and any authority under which it is signed or a certified copy of such authority or a copy in some other way approved by the Directors may:
- (a) be sent or supplied in hard-copy form, or (subject to any conditions and limitations which the Board may specify) in electronic form, to the registered office of the Company or to such other address (including electronic address) as may be specified for this purpose in the notice convening the meeting or in any instrument of proxy or any invitation to appoint a proxy sent or supplied by the Company in relation to the meeting at any time before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote; or

- (b) 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 company secretary or to any Director.

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

25 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 of obligation of the Company or of any third party subject to any restrictions in the Subscription and Shareholder`s' Agreement.

26 ALTERNATE DIRECTORS

26.1 Notwithstanding any provision of these Articles to the contrary, any person appointed as a Director ("Appointor") may appoint any director or any other person as he thinks fit to be his alternate Director to:

- (a) exercise that Director's powers; and
- (b) carry out that Director's responsibilities in relation to the taking of decisions by the Directors in the absence of the alternate's Appointor.

The appointment of an alternate Director shall not require approval by a resolution of the Directors.

26.2 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.

26.3 The notice must:

- (a) identify the proposed alternate; and
- (b) 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.

26.4 An alternate Director may act as an alternate to more than one Director and has the same rights, in relation to any Directors' meeting (including as to notice) or Directors' written resolution, as the alternate's Appointor.

26.5 Except as these Articles specify otherwise, alternate directors:

- (a) are deemed for all purposes to be Directors;
- (b) are liable for their own acts and omissions;
- (c) are subject to the same restrictions as their Appointors; and

(d) 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.

26.6 A person who is an alternate Director but not a Director:

- (a) may be counted as participating for the purposes of determining whether a quorum is participating (but only if that person's Appointor is not participating); and
- (b) may sign a Directors' written resolution (but only if his Appointor is an Eligible Director in relation to that decision, but does not participate).

No alternate may be counted as more than one Director for such purposes.

26.7 A Director who is also an alternate Director is entitled, in the absence of his Appointor, to a separate vote on behalf of each Appointor, in addition to his own vote on any decision of the Directors (provided that his Appointor is an Eligible Director in relation to that decision).

26.8 An alternate Director is not 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.

26.9 An alternate Director's appointment as an alternate shall terminate:

- (a) when the alternate's Appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;
- (b) 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;
- (c) on the death of the alternate's Appointor; or
- (d) when the alternate's Appointor's appointment as a Director terminates.

27 NUMBER OF DIRECTORS

The number of Directors of the Company shall not be less than two nor more than six unless otherwise agreed by the Board with Investor Majority Consent.

28 APPOINTMENT OF DIRECTORS

28.1 For so long as an Investor (not being Vitruvian) and/or its Permitted Transferees hold Equity Shares which constitute 12 per. cent or more of the voting rights attaching to all Equity Shares at the relevant time, then each such Investor shall have the right to appoint and maintain in office such natural person as it may from time to time nominate as a director of the Company and to remove any director so appointed and, upon his/her removal whether by that Investor or otherwise, to appoint another director in his/her place.

- 28.2 Vitruvian shall whilst it or its Permitted Transferees hold Series A Preferred Shares or any Shares derived therefrom, in substitution for any right it might have pursuant to Article 28.1, have the right to appoint and maintain in office such entity or natural person as it may from time to time nominate as a director of the Company and to remove any director so appointed and, upon his/her removal whether by Vitruvian or otherwise, to appoint another director in his/her place.
- 28.3 Except as otherwise resolved by the Board, an Investor Director will be deemed automatically to have resigned his office as a director with immediate effect if the Investor (or its Permitted Transferees) ceases to hold the necessary Equity Shares entitling the Investor to appoint an Investor Director.
- 28.4 An Investor Director and the Lyric Director (defined below) will automatically cease to be a director if he is disqualified from acting as a director of the Company by law or by any regulatory authority regulating the Company or he ceases to be a director pursuant to article 22 of the Model Articles as applied to the Company, but this will be without prejudice to the right of the Investor and/or Lyric to appoint a replacement.
- 28.5 Lyric, for so long as the Lyric Conditions are satisfied, shall have the right to appoint and maintain himself in office as a director of the Company and to remove himself as a director so appointed and, upon his removal whether by Lyric or otherwise, to reappoint himself. Except as otherwise resolved by the Board, the Lyric Director will be deemed automatically to have resigned his office as a director with immediate effect if the Lyric Conditions cease to be satisfied.
- 28.6 It is agreed that the Lyric Director and the Investor Directors (acting by a majority in number), may from time to time jointly by written notice to the Company appoint one further director who is not an employee of the Company as an independent director ("Independent Director") and the same persons may remove any director so appointed and, upon his removal, to jointly appoint another director in his place.
- 28.7 Each Investor shall be entitled to appoint one person to act as an observer to the Board, to the board of directors of any Subsidiary Undertaking and any committee of the Board or board of directors of any Subsidiary Undertaking established from time to time. The observer shall be entitled to attend and speak at all such meetings and receive copies of all board papers as if he were a Director but shall not be entitled to vote on any resolutions proposed at a board meeting.
- 28.8 An appointment or removal of a Director under Articles 28.1 to 28.6 and an observer under Article 28.7, will take effect at and from the time when notice is received at the registered office of the Company or produced to a meeting of the directors of the Company.
- 28.9 Each Director appointed pursuant to Articles 28.1 to 28.5 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.
- 29 DISQUALIFICATION OF DIRECTORS

In addition to the provisions of Article 18 of the Model Articles, the office of a Director shall also be vacated if:

- 29.1 he is convicted of a criminal offence (other than a minor motoring offence) and the Directors resolve that his office be vacated; or
- 29.2 in the case of Directors other than Directors who remain entitled to be appointed pursuant to Articles 28.1 to 28.6 (inclusive), if a majority of his co-Directors (including Investor Director Consent) serve notice on him in writing, removing him from office.

30 PROCEEDINGS OF DIRECTORS

- 30.1 The quorum for Directors' meetings shall be three Directors who must include (i) Lyric, whilst he remains a Director and a full time Employee (save where Article 31.2 applies in relation to his own service agreement), and (ii) the Vitruvian Director (where appointed) (save that where a Relevant Interest of an Investor Director and/or Lyric (as the case may be) is being authorised by other Directors in accordance with section 175(5)(a) of the Act, such Investor Director and any other interested Director shall not be included in the quorum required for the purpose of such authorisation but shall otherwise be included for the purpose of forming the quorum at the meeting). If such a quorum is not present within half 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 or at such time and place as determined by the Directors present at such meeting. If a quorum is not present at any such adjourned meeting within half an hour from the time appointed due to the absence of the same Director who caused the first meeting not to be quorate, then the meeting shall be deemed quorate and shall proceed.
- 30.2 In the event that a meeting of the Directors is attended by a Director who is acting as alternate for one or more other Directors, the Director or Directors for whom he is the alternate shall be counted in the quorum despite their absence, and if on that basis there is a quorum the meeting may be held despite the fact (if it is the case) that only one Director is physically present.
- 30.3 If all the Directors participating in a meeting of the Directors are not physically in the same place, the meeting shall be deemed to take place where the largest group of participators in number is assembled. In the absence of a majority the location of the chairman shall be deemed to be the place of the meeting.
- 30.4 Notice of a Directors' meeting need not be given to Directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the Company at any time before or after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.
- 30.5 Provided (if these Articles so require) that he has declared to the Directors, in accordance with the provisions of these Articles, the nature and extent of his interest (and subject to any restrictions on voting or counting in a quorum imposed by the Directors in authorising a Relevant Interest), a Director may vote at a meeting of the Directors or of a committee of the Directors on any resolution concerning a matter in which he has an interest, whether a direct or an indirect interest, or in relation to which he has a duty and shall also be counted in reckoning whether a quorum is present at such a meeting.

- 30.6 Questions arising at any meeting of the Directors shall be decided by a majority of votes. In the case of any equality of votes, the chairman shall not have a second or casting vote.
- 30.7 A decision of the Directors 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 (including confirmation given by electronic means). Reference in Article 7(1) of the Model Articles to Article 8 of the Model Articles shall be deemed to include a reference to this Article also.
- 30.8 The Directors with Investor Majority Consent may make any rule which they think fit about how they take decisions and about how such rules are to be recorded or communicated to Directors.

31 DIRECTORS' INTERESTS

Specific interests of a Director

- 31.1 Subject to the provisions of the Act and provided (if these Articles so require) that he has declared to the Directors in accordance with the provisions of these Articles, the nature and extent of his interest, a Director may (save as to the extent not permitted by law from time to time), notwithstanding his office, have an interest of the following kind:
- (a) where a Director (or a person connected with him) is party to or in any way directly or indirectly interested in, or has any duty in respect of, any existing or proposed contract, arrangement or transaction with the Company or any other undertaking in which the Company is in any way interested;
 - (b) where a Director (or a person connected with him) is a director, employee or other officer of, or a party to any contract, arrangement or transaction with, or in any way interested in, any body corporate promoted by the Company or in which the Company is in any way interested;
 - (c) where a Director (or a person connected with him) is a shareholder in the Company or a shareholder in, employee, director, member or other officer of, or consultant to, a Parent Undertaking of, or a Subsidiary Undertaking of a Parent Undertaking of, the Company;
 - (d) where a Director (or a person connected with him) holds and is remunerated in respect of any office or place of profit (other than the office of auditor) in respect of the Company or body corporate in which the Company is in any way interested;
 - (e) where a Director is given a guarantee, or is to be given a guarantee, in respect of an obligation incurred by or on behalf of the Company or any body corporate in which the Company is in any way interested;
 - (f) where a Director (or a person connected with him or of which he is a member or employee) acts (or any body corporate promoted by the Company or in which the Company is in any way interested of which he is a director, employee or other officer may act) in a professional capacity for the Company or any body corporate promoted by the Company or in which the Company is

in any way interested (other than as auditor) whether or not he or it is remunerated for this;

- (g) an interest which cannot reasonably be regarded as likely to give rise to a conflict of interest; or
- (h) any other interest authorised by ordinary resolution.

- 31.2 In relation to any vote by the Board on the approval or termination of the service agreement of any Director (other than an Investor Director), such vote shall be effective only if the quorum at the meeting at which such vote is taken is met without counting the Director in question (or his alternate as the case may be) and the vote is passed without the Director in question (or his alternate as the case may be) voting, or would have been passed if his vote had not been counted.

Interests of an Investor Director

- 31.3 In addition to the provisions of Article 31.1, subject to the provisions of the Act and provided (if these Articles so require) that he has declared to the Directors in accordance with the provisions of these Articles, the nature and extent of his interest, where a Director is an Investor Director he may (save as to the extent not permitted by law from time to time), notwithstanding his office, have an interest arising from any duty he may owe to, or interest he may have as an employee, director, trustee, member, partner, officer or representative of, or a consultant to, or direct or indirect investor (including without limitation by virtue of a carried interest, remuneration or incentive arrangements or the holding of securities) in:
- (a) an Investor;
 - (b) a Fund Manager which advises or manages an Investor;
 - (c) any of the funds advised or managed by a Fund Manager who advises or manages an Investor from time to time; or
 - (d) another body corporate or firm in which a Fund Manager who advises or manages an Investor or any fund advised or managed by such Fund Manager has directly or indirectly invested, including without limitation any portfolio companies.

Interests of which a Director is not aware

- 31.4 For the purposes of this Article 31, an interest of which a Director is not aware and of which it is unreasonable to expect him to be aware shall not be treated as an interest of his.

Accountability of any benefit and validity of a contract

- 31.5 In any situation permitted by this Article 31 (save as otherwise agreed by him) a Director shall not by reason of his office be accountable to the Company for any benefit which he derives from that situation and no such contract, arrangement or transaction shall be avoided on the grounds of any such interest or benefit.

Terms and conditions of Board authorisation

31.6 Subject to Article 31.7, any authority given in accordance with section 175(5)(a) of the Act in respect of a Director (an "Interested Director") who has proposed that the Directors authorise his interest (a "Relevant Interest") pursuant to that section may, for the avoidance of doubt:

- (a) be given on such terms and subject to such conditions or limitations as may be imposed by the authorising Directors as they see fit from time to time, including, without limitation:
 - (i) restricting the Interested Director from voting on any resolution put to a meeting of the Directors or of a committee of the Directors in relation to the Relevant Interest;
 - (ii) restricting the Interested Director from being counted in the quorum at a meeting of the Directors or of a committee of the Directors where such Relevant Interest is to be discussed; or
 - (iii) restricting the application of the provisions in Articles 31.8 and 31.9, so far as is permitted by law, in respect of such Interested Director; and
- (b) be withdrawn, or varied at any time by the Directors entitled to authorise the Relevant Interest as they see fit from time to time; and

subject to Article 31.7, an Interested Director must act in accordance with any such terms, conditions or limitations imposed by the authorising Directors pursuant to section 175(5)(a) of the Act and this Article 31.

Terms and conditions of Board authorisation for an Investor Director

31.7 Notwithstanding the other provisions of this Article 31 but subject always to Article 175(6) of the Act, it shall not (save with the consent in writing of an Investor Director) be made a condition of any authorisation of a matter in relation to that Investor Director, in accordance with section 175(5)(a) of the Act, that he shall be restricted from voting or counting in the quorum at any meeting of or of any committee of the Directors or that he shall be required to disclose, use or apply confidential information as contemplated in Article 31.9.

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

31.8 Subject to Article 31.9 (and without prejudice to any equitable principle or rule of law which may excuse or release the Director from disclosing information, in circumstances where disclosure may otherwise be required under this Article 31), if a Director, otherwise than by virtue of his position as director, receives information in respect of which he owes a duty of confidentiality to a person other than the Company, he shall not be required:

- (a) to disclose such information to the Company or to any Director, or to any officer or employee of the Company; or

- (b) otherwise to use or apply such confidential information for the purpose of or in connection with the performance of his duties as a Director.

31.9 Where such duty of confidentiality arises out of a situation in which a Director has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company, Article 31.8 shall apply only if the conflict arises out of a matter which falls within Article 31.1 or Article 31.3 or has been authorised under section 175(5)(a) of the Act.

Additional steps to be taken by a Director to manage a conflict of interest

31.10 Where a Director has an interest which can reasonably be regarded as likely to give rise to a conflict of interest, the Director shall take such additional steps as may be necessary or desirable for the purpose of managing such conflict of interest, including compliance with any procedures laid down from time to time by the Directors for the purpose of managing conflicts of interest generally and/or any specific procedures approved by the Directors for the purpose of or in connection with the situation or matter in question, including without limitation:

- (a) absenting himself from any discussions, whether in meetings of the Directors or otherwise, at which the relevant situation or matter falls to be considered; and
- (b) excluding himself from documents or information made available to the Directors generally in relation to such situation or matter and/or arranging for such documents or information to be reviewed by a professional adviser to ascertain the extent to which it might be appropriate for him to have access to such documents or information.

Requirement of a Director is to declare an interest

31.11 Subject to section 182 of the Act, a Director shall declare the nature and extent of any interest permitted by Article 31.1 or Article 31.3 at a meeting of the Directors, or by general notice in accordance with section 184 (notice in writing) or section 185 (general notice) of the Act or in such other manner as the Directors may determine, except that no declaration of interest shall be required by a Director in relation to an interest:

- (a) falling under Article 31.1(g);
- (b) if, or to the extent that, the other Directors are already aware of such interest (and for this purpose the other Directors are treated as aware of anything of which they ought reasonably to be aware); or
- (c) if, or to the extent that, it concerns the terms of his service contract (as defined by section 227 of the Act) that have been or are to be considered by a meeting of the Directors, or by a committee of Directors appointed for the purpose under these Articles.

Shareholder approval

31.12 Subject to section 239 of the Act, the Company may by ordinary resolution ratify any contract, transaction or arrangement, or other proposal not properly authorised by reason of a contravention of any provisions of this Article 31.

31.13 For the purposes of this Article 31:

- (a) a conflict of interest includes a conflict of interest and duty and a conflict of duties;
- (b) the provisions of section 252 of the Act shall determine whether a person is connected with a Director; and
- (c) a general notice to the Directors that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the Director has an interest in any such transaction of the nature and extent so specified.

32 GRATUITIES AND PENSIONS

The Company and the Directors with Investor Director Consent may exercise any powers of the Company to give and provide pensions, annuities, gratuities or any other benefits whatsoever to or for past or present Directors or employees (or their dependants) of the Company or any Subsidiary and the Directors shall be entitled to retain any benefits received by them or any of them by reason of the exercise of any such powers.

33 NOTICES

33.1 Subject to the requirements set out in the Act, any notice given or document sent or supplied to or by any person under these Articles, or otherwise sent by the Company under the Act, may be given, sent or supplied:

- (a) in hard-copy form;
- (b) in electronic form; or
- (c) (by the Company) by means of a website (other than notices calling a meeting of Directors),

or partly by one of these means and partly by another of these means.

Notices shall be given and documents supplied in accordance with the procedures set out in the Act, except to the extent that a contrary provision is set out in this Article 32.

Notices in hard-copy form

33.2 Any notice or other document in hard-copy form given or supplied under these Articles may be delivered or sent by first-class post (airmail if overseas):

- (a) to the Company or any other company at its registered office; or
- (b) to the address notified to or by the Company for that purpose; or
- (c) in the case of an intended recipient who is a member or his legal personal representative or trustee in bankruptcy, to such member's address as shown in the Company's register of members; or
- (d) in the case of an intended recipient who is a Director or alternate, to his address as shown in the register of Directors; or
- (e) to any other address to which any provision of the Companies Acts (as defined in the Act) authorises the document or information to be sent or supplied; or
- (f) where the Company is the sender, if the Company is unable to obtain an address falling within one of the addresses referred to in Articles 33.2(a).1 to 33.2(e) above, to the intended recipient's last address known to the Company.

33.3 Any notice or other document in hard-copy form given or supplied under these Articles shall be deemed to have been served and be effective:

- (a) if delivered, at the time of delivery;
- (b) if posted, on receipt or 48 hours after the time it was posted, whichever occurs first.

Notices in electronic form

33.4 Subject to the provisions of the Act, any notice or other document in electronic form given or supplied under these Articles may:

- (a) if sent by email (provided that an address for email has been notified to or by the Company for that purpose), be sent by the relevant form of communication to that address;
- (b) if delivered or sent by first-class post (airmail if overseas) in an electronic form (such as sending a disk by post), be so delivered or sent as if in hard-copy form under Article 33.2; or
- (c) be sent by such other electronic means (as defined in section 1168 of the Act) and to such address(es) as the Company may specify by notice (in hard copy or electronic form) to all members of the Company from time to time.

33.5 Any notice or other document in electronic form given or supplied under these Articles shall be deemed to have been served and be effective:

- (a) if sent by email (where an address for email has been notified to or by the Company for that purpose), on receipt or 48 hours after the time it was sent, whichever occurs first;

- (b) if posted in an electronic form, on receipt or 48 hours after the time it was posted, whichever occurs first;
- (c) if delivered in an electronic form, at the time of delivery; and
- (d) if sent by any other electronic means as referred to in Article 33.4(c), at the time such delivery is deemed to occur under the Act.

33.6 Where the Company is able to show that any notice or other document given or sent under these Articles by electronic means was properly addressed with the electronic address supplied by the intended recipient, the giving or sending of that notice or other document shall be effective notwithstanding any receipt by the Company at any time of notice either that such method of communication has failed or of the intended recipient's non-receipt.

General

- 33.7 In the case of joint holders of a share all notices shall be given to the joint holder whose name stands first in the register of members of the Company in respect of the joint holding ("Primary Holder"). Notice so given shall constitute notice to all the joint holders.
- 33.8 Anything agreed or specified by the Primary Holder in relation to the service, sending or supply of notices, documents or other information shall be treated as the agreement or specification of all the joint holders in their capacity as such (whether for the purposes of the Act or otherwise).

34 INDEMNITIES AND INSURANCE

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

- (a) every Director or other officer of the Company (excluding the Company's auditors) shall be entitled to be indemnified by the Company (and the Company shall also be able to indemnify directors of any associated company (as defined in section 256 of the Act)) out of the Company's assets against all liabilities incurred by him in the actual or purported execution or discharge of his duties or the exercise or purported exercise of his powers or otherwise in relation to or in connection with his duties, powers or office, provided that no Director or former Director or current or former director of any associated company is indemnified by the Company against:
 - (i) any liability incurred by the director to the Company or any associated company;
 - (ii) any liability incurred by the director to pay a fine imposed in criminal proceedings or a sum payable to a regulatory authority by way of a penalty in respect of non-compliance with any requirements of a regulatory nature; or
 - (iii) any liability incurred by the director:
 - (A) in defending any criminal proceedings in which he is convicted;

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

save that, in respect of a provision indemnifying a director of a company (whether or not the Company) that is a trustee of an occupational pension scheme (as that term is used in section 235 of the Act) against liability incurred in connection with that company's activities as trustee of the scheme, the Company shall also be able to indemnify any such director without the restrictions in Articles 34.1(a)(i), 34.1(a)(iii) and 34.1(a)(iii)(C) applying;

- (b) the Directors may exercise all the powers of the Company to purchase and maintain insurance for any such current or former Director or other officer against any liability which by virtue of any rule of law would otherwise attach to him in respect of any negligence, default, breach of duty or breach of trust of which he may be guilty in relation to the Company or any associated company including (if he is a director of a company which is a trustee of an occupational pension scheme) in connection with that company's activities as trustee of an occupational pension scheme.

34.2 The Company shall (at the cost of the Company) effect and maintain for each Director or former Director or Director or former director of any associated company policies of insurance insuring such director against risks in relation to his office as each director may reasonably specify, including without limitation any liability which by virtue of any rule of law may attach to him in respect of any negligence, default of duty or breach of trust of which he may be guilty in relation to the Company.

35 DATA PROTECTION

The Company may process the following categories of personal data in respect of the Shareholders and Directors: (i) identifying information, such as names, addresses and contact details, (ii) details of participation in the Company's affairs, including without limitation, such as attendance at and contribution to Company meetings and voting records, (iii) in the case of Shareholders, details of their respective shareholdings in the Company, (iv) any other information which is required to be recorded by law or may have a bearing on the prudence or commercial merits of investing, or disposing of any shares (or other investment or security), in the Company (together, "Personal Data"). The Company will only use the Personal Data where it has a valid legal basis to do so. The Company has a legitimate interest in processing Personal Data where it is necessary for the purposes of the proper administration of the Company and its affairs, the undertaking of due diligence exercises and compliance with applicable laws, regulations and procedures. The Company will use appropriate technical and organisational measures to safeguard Personal Data. The Company will retain Personal Data for no longer than is reasonably required. The Company may disclose Personal Data to (i) other Shareholders and Directors (each a "Recipient"), (ii) a Member of the same Group as a Recipient ("Recipient Group Companies"), (iii) employees, directors and professional advisers of that Recipient or the Recipient Group Companies, (iv) funds

managed by any of the Recipient Group Companies, and (v) current or potential investors in the Company or purchasers of the Company's shares, provided always that the Company takes reasonable steps to ensure that Personal Data is treated in accordance with relevant data protection laws. The Personal Data will only be processed and stored within the European Economic Area except to the extent permitted by law.

36 SECRETARY

Subject to the provisions of the Act, the Directors may appoint a secretary for such term, at such remuneration and upon such conditions as they may think fit; and any secretary so appointed may be removed by them.

37 LIEN

37.1 The Company shall have a first and paramount lien ("Company's Lien") over every Share (not being a fully paid share) for all moneys (whether presently payable or not) payable at a fixed time or called in respect of that Share.

37.2 The Company's Lien over a Share:

- (a) shall take 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.

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

37.4 Subject to the provisions of this Article 37, if:

- (a) a notice complying with Article 37.4 (a "Lien Enforcement Notice") has been given by the Company in respect of a Share; and
- (b) the person to whom the notice was given has failed to comply with it,
- (c) the Company shall be entitled to sell that Share in such manner as the Directors decide.

37.5 A Lien Enforcement Notice:

- (a) may only be given by the Company in respect of a Share which is subject to the Company's Lien, in respect of which a sum is payable and the due date for payment of that sum has passed;
- (b) must specify the Share concerned;
- (c) must require payment of the sum payable within 14 days of the notice;
- (d) must be addressed either to the holder of the Share or to a person entitled to it by reason of the holder's death, bankruptcy or otherwise; and

- (e) must state the Company's intention to sell the Share if the notice is not complied with.

37.6 Where any Share is sold pursuant to this Article 37:

- (a) the Directors may authorise any person to execute an instrument of transfer of the Share to the purchaser or a person nominated by the purchaser; and
- (b) the transferee shall not be bound to see to the application of the consideration, and the transferee's title shall not be affected by any irregularity in or invalidity of the process leading to the sale.

37.7 The net proceeds of any such sale (after payment of the costs of sale and any other costs of enforcing the lien) must be applied:

- (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;
- (b) secondly, to the person entitled to the Share at the date of the sale, but only after the certificate for the Share sold has been surrendered to the Company for cancellation or an indemnity for lost certificate in a form acceptable to the Board has been given for any lost certificate, and subject to a lien equivalent to the Company's Lien for any money payable (whether or not it is presently payable) as existing upon the Share before the sale in respect of all Shares registered in the name of that person (whether as the sole registered holder or as one of several joint holders) after the date of the Lien Enforcement Notice.

37.8 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:

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

38 CALL NOTICES

38.1 Subject to these Articles and the terms on which Shares are allotted, the Directors may send a notice (a "Call Notice") to a Shareholder who has not fully paid for that Shareholder's Share(s) requiring the Shareholder to pay the Company a specified sum of money (a "call") which is payable to the Company by that Shareholder when the Directors decide to send the Call Notice.

38.2 A Call Notice:

- (a) may not require a Shareholder to pay a call which exceeds the total sum unpaid on that Shareholder's Shares (whether as to the Share's nominal value or any sum payable to the Company by way of premium);
- (b) shall state when and how any call to which it relates it is to be paid; and

- (c) may permit or require the call to be paid by instalments.
- 38.3 A Shareholder shall comply with the requirements of a Call Notice, but no Shareholder shall be obliged to pay any call before 14 days have passed since the notice was sent.
- 38.4 Before the Company has received any call due under a Call Notice the Directors may:
- (a) revoke it wholly or in part; or
 - (b) specify a later time for payment than is specified in the Call Notice, by a further notice in writing to the Shareholder in respect of whose Shares the call is made.
- 38.5 Liability to pay a call shall not be extinguished or transferred by transferring the Shares in respect of which it is required to be paid. Joint holders of a Share shall be jointly and severally liable to pay all calls in respect of that Share.
- 38.6 Subject to the terms on which Shares are allotted, the Directors may, when issuing Shares, provide that Call Notices sent to the holders of those Shares may require them to:
- (a) pay calls which are not the same; or
 - (b) pay calls at different times.
- 38.7 A Call Notice need not be issued in respect of sums which are specified, in the terms on which a Share is issued, as being payable to the Company in respect of that Share (whether in respect of nominal value or premium):
- (a) on allotment;
 - (b) on the occurrence of a particular event; or
 - (c) on a date fixed by or in accordance with the terms of issue.
- 38.8 If the due date for payment of such a sum as referred to in Article 38.8 has passed and it has not been paid, the holder of the Share concerned shall be treated in all respects as having failed to comply with a Call Notice in respect of that sum, and shall be liable to the same consequences as regards the payment of interest and forfeiture.
- 38.9 If a person is liable to pay a call and fails to do so by the Call Payment Date (as defined below):
- (a) the Directors may issue a notice of intended forfeiture to that person; and
 - (b) until the call is paid, that person shall be required to pay the Company interest on the call from the Call Payment Date at the Relevant Rate (as defined below).
- 38.10 For the purposes of Article 38.8:

- (a) the "Call Payment Date" shall be the time when the call notice states that a call is payable, unless the Directors give a notice specifying a later date, in which case the "Call Payment Date" is that later date;
- (b) the "Relevant Rate" shall be:
- (c) the rate fixed by the terms on which the Share in respect of which the call is due was allotted;
- (d) such other rate as was fixed in the Call Notice which required payment of the call, or has otherwise been determined by the Directors; or
- (e) if no rate is fixed in either of these ways, five per cent. a year,
- (f) provided that the Relevant Rate shall not exceed by more than five percentage points the base lending rate most recently set by the Monetary Policy Committee of the Bank of England in connection with its responsibilities under Part 2 of the Bank of England Act 1998(a).

38.11 The Directors may waive any obligation to pay interest on a call wholly or in part.

38.12 The Directors may accept full payment of any unpaid sum in respect of a Share despite payment not being called under a Call Notice.

39 FORFEITURE OF SHARES

39.1 A notice of intended forfeiture:

- (a) may be sent in respect of any Share for which there is an unpaid sum in respect of which a call has not been paid as required by a Call Notice;
- (b) shall be sent to the holder of that Share or to a person entitled to it by reason of the holder's death, bankruptcy or otherwise;
- (c) shall require payment of the call and any accrued interest and all expenses that may have been incurred by the Company by reason of such non-payment by a date which is not fewer than 14 days after the date of the notice;
- (d) shall state how the payment is to be made; and
- (e) shall state that if the notice is not complied with, the Shares in respect of which the call is payable will be liable to be forfeited.

39.2 If a notice of intended forfeiture is not complied with before the date by which payment of the call is required in the notice of intended forfeiture, then the Directors may decide that any Share in respect of which it was given is forfeited, and the forfeiture is to include all dividends or other moneys payable in respect of the forfeited Shares and not paid before the forfeiture.

39.3 Subject to these Articles, the forfeiture of a Share extinguishes:

- (a) all interests in that Share, and all claims and demands against the Company in respect of it; and
- (b) all other rights and liabilities incidental to the Share as between the person whose Share it was prior to the forfeiture and the Company.

39.4 Any Share which is forfeited in accordance with these Articles:

- (a) shall be deemed to have been forfeited when the Directors decide that it is forfeited;
- (b) shall be deemed to be the property of the Company; and
- (c) may be sold, re-allotted or otherwise disposed of as the Directors think fit.

39.5 If a person's Shares have been forfeited then:

- (a) the Company shall send that person notice that forfeiture has occurred and record it in the register of members;
- (b) that person shall cease to be a Shareholder in respect of those Shares;
- (c) that person shall surrender the certificate for the Shares forfeited to the Company for cancellation;
- (d) that person shall remain liable to the Company for all sums payable by that person under the Articles at the date of forfeiture in respect of those Shares, including any interest (whether accrued before or after the date of forfeiture); and
- (e) the Directors shall be entitled to waive payment of such sums wholly or in part or enforce payment without any allowance for the value of the Shares at the time of forfeiture or for any consideration received on their disposal.

39.6 At any time before the Company disposes of a forfeited Share, the Directors shall be entitled to decide to cancel the forfeiture on payment of all calls and interest and expenses due in respect of it and on such other terms as they think fit.

39.7 If a forfeited Share is to be disposed of by being transferred, the Company shall be entitled to receive the consideration for the transfer and the Directors shall be entitled to authorise any person to execute the instrument of transfer.

39.8 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 forfeited on a specified date:

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

- 39.9 A person to whom a forfeited Share is transferred shall not be bound to see to the application of the consideration (if any) nor shall that person's title to the Share be affected by any irregularity in or invalidity of the process leading to the forfeiture or transfer of the Share.
- 39.10 If the Company sells a forfeited Share, the person who held it prior to its forfeiture shall be entitled to receive the proceeds of such sale from the Company, net of any commission, and excluding any sum which:
- (a) was, or would have become, payable; and
 - (b) had not, when that Share was forfeited, been paid by that person in respect of that Share,
 - (c) but no interest shall be payable to such a person in respect of such proceeds and the Company shall not be required to account for any money earned on such proceeds.

40 SURRENDER OF SHARES

- 40.1 A Shareholder shall be entitled to surrender any Share:
- (a) in respect of which the Directors issue a notice of intended forfeiture;
 - (b) which the Directors forfeit; or
 - (c) which has been forfeited.
- 40.2 The Directors shall be entitled to accept the surrender of any such Share.
- 40.3 The effect of surrender on a Share shall be the same as the effect of forfeiture on that Share.
- 40.4 The Company shall be entitled to deal with a Share which has been surrendered in the same way as a Share which has been forfeited.

41 AUTHORITY TO CAPITALISE AND APPROPRIATION OF CAPITALISED SUMS

- 41.1 The Board may, if authorised to do so by an ordinary resolution (with Investor Majority Consent):
- (a) decide to capitalise any profits of the Company (whether or not they are available for distribution) which are not required for paying a preferential dividend, or any sum standing to the credit of the Company's share premium account or capital redemption reserve; and
 - (b) appropriate any sum which they so decide to capitalise (a "Capitalised Sum") to such Shareholders and in such proportions as the Board may in their absolute discretion deem appropriate ("Shareholders Entitled").
- 41.2 Article 36 of the Model Articles shall not apply to the Company.

- 41.3 Capitalised Sums may be applied on behalf of such Shareholders and in such proportions as the Board may (in its absolute discretion) deem appropriate.
- 41.4 Any Capitalised Sum may be applied in paying up new Shares up to the nominal amount (or such amount as is unpaid) equal to the Capitalised Sum, which are then allotted credited as fully paid to the Shareholders Entitled or as they may direct.
- 41.5 A Capitalised Sum which was appropriated from profits available for distribution may be applied in paying up new debentures of the Company which are allotted credited as fully paid to the Shareholders Entitled or as they may direct.
- 41.6 Subject to the Articles the Board may:
- (a) apply Capitalised Sums in accordance with Articles 41.3 and 41.4 partly in one way and partly another;
 - (b) make such arrangements as they think fit to deal with Shares or debentures becoming distributable in fractions under this Article 41; and
 - (c) authorise any person to enter into an agreement with the Company on behalf of all of the Shareholders Entitled which is binding on them in respect of the allotment of Shares or debentures under this Article 41.