

COMPANY LIMITED BY SHARES

NEW

ARTICLES OF ASSOCIATION

of

THE REMARKABLE GROUP INTERNATIONAL LIMITED

(Adopted by a written resolution passed on 13 SEPTEMBER 2021)

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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 (the "**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:
- 1.3.1 article headings are used for convenience only and shall not affect the construction or interpretation of these Articles;
 - 1.3.2 words denoting the singular include the plural and vice versa and reference to one gender includes the other gender and neuter and vice versa;
 - 1.3.3 Articles 8(2), 9(4), 10(3), 11(2), 12, 13, 14, 17(2), 17(3), 19, 20, 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;
 - 1.3.4 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
 - 1.3.5 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.

2. DEFINITIONS

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

"A Ordinary Shares" means the A ordinary shares of £1 each in the capital of the Company;

"Accepting Shareholder" has the meaning given in Article 17.5;

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

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

"Actions" has the meaning given in Article 6.3;

"Additional Consideration" has the meaning given in Article 6.3.2;

"Allocation Notice" has the meaning given in Article 13.8.2;

"Applicant" has the meaning given in Article 13.8.2;

"Articles" means these articles of association, as amended from time to time;

"Asset Sale" means the disposal by the Company of all or substantially all of its undertaking and assets or the grant of an exclusive license over all or substantially all of the Intellectual Property of the Company (other than, in either case, such a disposal or grant to another Group Company which is made with Founder Consent);

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

"Auditors" mean the auditors of the Company from time to time (or if no auditor's have been appointed the Company's accountants at such time);

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

"B Ordinary Shares" means the B ordinary shares of £1 each in the capital of the Company;

"Bad Leaver" means a person who ceases to be an Employee as a consequence of:

- (a) such person's resignation as an Employee except where such resignation is agreed by a Founder Consent; or
- (b) that person's dismissal as an Employee for cause, where "cause" shall mean the lawful termination of that person's contract of employment or consultancy without notice or payment in lieu of notice as a consequence of that person's misconduct or as otherwise permitted pursuant to the terms of that person's contract of employment or consultancy.

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

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

"Buyer" has the meaning given in Article 18.2.1;

"Called Shareholders" has the meaning given in Article **Error! Reference source not found.**;

"Called Shares" has the meaning given in Article 19.2;

"Chairman" has the meaning given in Article 25.2.1;

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

"Company" means The Remarkable Group Limited (company number 12908761);

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

"Continuing Offerees" has the meaning given in Article 13.7.1;

"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;

"Co-Sale Notice" has the meaning given in Article 18.2;

"Costs of Sale" means the professional and advisory fees and expenses incurred by the Company or the Selling Shareholders in connection with the sale of the Company;

"CTA 2010" means the Corporation Tax Act 2010;

"Date of Adoption" means the date of adoption of these articles of association, as set out above on page 1 of this document;

"Deed of Adherence" has the meaning given in Article 11.7;

"Deferred Conversion Date" means the date that the Employees Shares convert into Deferred Shares pursuant to Article 16.2;

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

"Delayed Consideration" has the meaning given in Article 6.3.2;

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

"Drag-Along Completion Date" has the meaning given in Article 19.7;

"Drag Along Notice" has the meaning given in Article 19.2;

"Drag Along Option" has the meaning given in Article **Error! Reference source not found.**;

"Drag Documents" has the meaning given in Article 19.6;

"Effective Termination Date" means the date on which the Employee's employment or consultancy with the Company (or relevant Group Company) terminates;

"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 provides consultancy services to the Company or any member of the Group;

"Employee Share Option Plan" or **"ESOP"** means an employee share option plan, share ownership or other equity or equity-related incentivisation scheme of the Company, the terms of which have been approved by a Founder Consent;

"Employee Share Options" means the share options granted pursuant to the ESOP(s) and the maximum number of share options which remain capable of being granted pursuant to the ESOP(s) (having regard to the maximum number of Ordinary Shares in respect of which options may be granted under such ESOP(s));

"Employee Shares", in relation to an Employee or Former Employee, means all Ordinary Shares in the Company held by:

- (a) the Employee or Former Employee in question; and
- (b) each Shareholder who shall have received or acquired shares as nominee or directly or indirectly from the Employee or Former Employee pursuant to one or more Permitted Transfers (including where such shares were subscribed by such Shareholder and that Shareholder would have been entitled to receive a Permitted Transfer from the Employee or Former Employee in question);

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

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

"Equity Holder" has the meaning given in Article 18.2;

"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 Shareholder" means a holder of Equity Shares;

"Equity Shareholder Offer" has the meaning given in Article 10.3;

"Equity Shares" means the Shares other than the Deferred Shares;

"Escrow Amount" has the meaning given in Article 19.5;

"Excess Securities" has the meaning given in Article 10.4.3;

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

"Expert Valuers" has the meaning given in Article 14.2;

"Fair Value" is as determined in accordance with Article 14.3;

"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;

"Former Employee" means an individual who was at any time, but who is no longer an Employee;

"Founders" means each of Paul Stephen and Nicholas Towers for as long as each of them or their Permitted Transferees hold Shares;

"Founder Consent" means the prior written consent of both of the Founders either given in writing or orally at a Board meeting (provided that the same is properly recorded in the minutes of such meeting) or where there are no Founders the consent of the holders of 50.1% of the A Ordinary Shares;

"Founder Director" means a Director appointed in accordance with Article 25.1;

"Good Leaver" means a person who ceases to be an Employee and who is not a Bad Leaver and shall include, without limitation, when the Board (with Founder Consent) determines that a person is not a Bad Leaver;

"Group" means the Company and its Subsidiary Undertaking(s) (if any) 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;

"Initial Consideration" has the meaning given in Article 6.3.2.1;

"Intellectual Property" means: (i) patents, inventions, designs, copyright and related rights, database rights, trade marks and related goodwill, trade names (whether registered or unregistered), and rights to apply for registration; (ii) proprietary rights in domain names; (iii) knowhow and confidential information; (iv) applications, extensions and renewals in relation to any of these rights; and (v) all other rights of a similar nature or having an equivalent effect anywhere in the world;

"Interested Director" has the meaning given in Article 28.4;

"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 Income Tax (Earnings and Pensions) Act 2003;

"Leaver's Percentage" means, in relation to and for the purposes of determining the number of B Ordinary Shares that are required (pursuant to Article 16) to be converted into Deferred Shares as a result of an Employee ceasing to be an Employee within the period commencing on the date of issue of the relevant shares and ending on the Effective Termination Date, the percentage (rounded to the nearest two decimal places) as calculated using the formula below:

$$100 - ((1/48 \times 100) \times NM),$$

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 49th month after the date of issue of the relevant shares and thereafter;

"Liquidation Event" has the meaning given in Article 5;

"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;

"Minimum Transfer Condition" has the meaning given in Article 13.2.4;

"Model Articles" has the meaning given in Article 1.1;

"NASDAQ" means the NASDAQ Stock Market operated by NASDAQ, Inc., or any successor;

"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 or in the circumstances set out in Article 10.8) excluding for the avoidance of doubt any Treasury Shares transferred by the Company after the Date of Adoption;

"New Shareholder" has the meaning given in Article 19.12;

"Non-Cash Consideration" has the meaning given in Article 6.3.1;

"Offer" has the meaning given in Article 17.2;

"Offer Period" has the meaning given in Article 17.3;

"Ordinary Shareholders" mean the holders from time to time of the Ordinary Shares (but excluding the Company holding Treasury Shares) and **"Ordinary Shareholder"** means any one of them as the context requires;

"Ordinary Shares" means the A Ordinary Shares and/or the B Ordinary Shares;

"Original Shareholder" has the meaning given in Article 12.1;

"Permitted Transfer" means a transfer of Shares permitted in accordance with Article 12;

"Permitted Transferee" (i) any member who receives shares pursuant to a Permitted Transfer, or (ii) in respect of a member, any person to whom such member is entitled to transfer Shares pursuant to Article 12, as the context requires;

"Pre-emption Offer Period" has the meaning given in Article 13.7.1;

"Primary Holder" has the meaning given in Article 29.7;

"Priority Rights" means, in respect of Shares which are the subject of a Transfer Notice, the persons to whom such Shares are offered and the order in which they are to be offered for sale under these Articles pursuant to Article 13.6 or Article 13.7 (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 a 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 the Founders;

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

"Proposed Purchaser" means a proposed purchaser who at the relevant time has made an offer (including a conditional offer) on arm's length terms;

"Proposed Sale Date" has the meaning given in Article 17.3;

"Proposed Sale Notice" has the meaning given in Article 17.3;

"Proposed Sale Shares" has the meaning given in Article 17.3;

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

"Proposed Transfer" has the meaning given in Article 17.1;

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

"Relevant Interest" has the meaning given in Article 28.4;

"Relevant Sum" has the meaning given in Article 17.7;

"Sale Documentation" has the meaning given in Article 19.5;

"Sale Shares" has the meaning given in Article 13.2.1;

"Seller" has the meaning given in Article 13.2;

"Sellers' Shares" has the meaning given in Article **Error! Reference source not found.**;

"Selling Equity Shareholder" has the meaning given in Article 18.1;

"Selling Shareholders" has the meaning given in Article **Error! Reference source not found.**;

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

"Shareholders Entitled" has the meaning given in Article 32.1.2;

"Shares" means the Ordinary Shares and the Deferred Shares in issue and outstanding from time to time, or any of them, as the context requires;

"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 the sale is a sale of the entire issued share capital of the Company to a Holding Company;

"Specified Price" has the meaning given in Article 17.7.2;

"Shareholders' Agreement" means the shareholders' agreement dated on or around the Date of Adoption between the Company and the Shareholders at the Date of Adoption;

"Subscription Period" has the meaning given in Article 10.4.2;

"Subsidiary", "Subsidiary Undertaking" and "Parent Undertaking" have the respective meanings set out in sections 1159 and 1162 of the Act; **"Transfer Notice"** has the meaning given in Article 13.2;

"Transfer Price" has the meaning given in Articles 13.2 (subject to Articles 11.9, 14.1 and 16.5);

"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; and

"Unvested" means those Employee Shares which may be required to be converted into Deferred Shares under Article 16.

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 A Ordinary Shares and the B Ordinary Shares shall rank pari passu in all respects but shall constitute separate classes of shares.
- 3.3 Whenever as a result of a consolidation of Shares any Shareholders would become entitled to fractions of a Share, the Directors may, on behalf of those Shareholders, sell the Shares representing the fractions for the best price reasonably obtainable to any person (including, subject to the provisions of the Act, the Company) 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.
- 3.4 When the Company sub-divides or consolidates all or any of its Shares, the Company may, subject to the Act and to these Articles, by ordinary resolution determine that, as between the Shares resulting from the sub-division or consolidation, any of them may have any preference or advantage or be subject to any restriction as compared with the others.
- 3.5 The Company may by ordinary resolution redesignate, reclassify and/or convert any of its shares into shares of another class.
- 3.6 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.
- 3.7 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".
- 3.8 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 such evidence as the directors may determine".
- 3.9 Subject to Founder Consent and the Act, the Company may purchase its shares in accordance with section 692(1ZA) of the Act.
- 3.10 For the avoidance of doubt, the Company shall not exercise any right in respect of any Treasury Shares, including without limitation any right to:
- 3.10.1 receive notice of or to attend or vote at any general meeting of the Company;
 - 3.10.2 receive or vote on any proposed written resolution; and
 - 3.10.3 receive a dividend or other distribution
- save as otherwise permitted by section 726(4) of the Act.

4. DIVIDENDS

- 4.1 Save as provided in Article 4.3 the Company will not distribute any Available Profits in respect of any Financial Year except with Founder Consent.
- 4.2 Subject to Article 4.3 any Available Profits which the Company may determine with Founder Consent to distribute in respect of any Financial Year will be distributed

among the Equity Shareholders (pari passu as if the Equity Shares constituted one class of shares) pro rata to their respective holdings of Equity Shares.

- 4.3 Subject to the Act and these Articles, the Board may, pay interim dividends (monthly or with such other frequency as they may determine) if justified by the Available Profits in respect of the relevant period in respect of the A Ordinary Shares.
- 4.4 If there are nil paid or partly paid share(s), any holder of such share(s) shall only be entitled, in case of any dividend, to be paid an amount equal to the amount of the dividend multiplied by the percentage of the amount that is paid up (if any) on such share(s) during any portion or portions of the period in respect of which a dividend is paid.
- 4.5 A capitalised sum which was appropriated from profits available for distribution may be applied in or towards paying up any sums unpaid on existing Shares held by the persons entitled to such capitalised sum.
- 4.6 Article 31(1) of the Model Articles shall be amended by:
 - 4.6.1 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
 - 4.6.2 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 on a liquidation or a return of capital (other than a conversion, redemption or repurchase of Shares) (a "**Liquidation Event**") the surplus assets of the Company remaining after payment of its liabilities shall be applied (to the extent that the Company is lawfully permitted to do so)

- 5.1.1 firstly in paying to the holders of the Deferred Shares (if any) the sum of £1 pro-rata to the number of Deferred Shares held; and
- 5.1.2 then among the Equity Shareholders pro rata (as if the Equity Shares constituted one and the same class) to the number of Equity 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:
 - 6.1.1 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 accordance with the order of priority set out in Article 5; and
 - 6.1.2 the Shareholders shall take any action required by a Founder Consent to ensure that the Proceeds of Sale in their entirety are distributed 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 required by a Founder Consent (including, but without prejudice to the generality of this Article 6.2, creating distributable profits or reserves by way of reduction of capital or such action as may be necessary to put the Company into voluntary liquidation so that Article 5 applies).
- 6.3 If any available assets on a Liquidation Event or Asset Sale or Proceeds of Sale on a Share Sale include:
- 6.3.1 any non-cash assets or proceeds (the "**Non-Cash Consideration**"); and/or
 - 6.3.2 any escrowed, deferred and/or contingent assets or proceeds (the "**Delayed Consideration**" and, together with the Non-Cash Consideration, the "**Additional Consideration**"),

then Article 5, 6.1 or 6.2 (as applicable) and this Article 6.3 shall apply to such Additional Consideration and for greater certainty, the relevant transaction agreement shall provide, and the Shareholders shall procure to the extent each such Shareholder is able, that:

- 6.3.2.1 the portion of such consideration that is not Delayed Consideration (which, if the Board so determines, shall be calculated following any adjustment based on accounts to be prepared to the date of completion of the Asset Sale or Share Sale) (such portion, the "**Initial Consideration**") shall be allocated among the Shareholders entitled to it in accordance with Article 5, 6.1 or 6.2 (as applicable) and this Article 6.3 as if the Initial Consideration were the only consideration payable in connection with such Liquidation Event, Share Sale or Asset Sale; and
- 6.3.2.2 any Delayed Consideration which becomes payable to the Shareholders upon satisfaction of the relevant contingencies shall be allocated among the Shareholders entitled to it in accordance with Article 5, 6.1 or 6.2 (as applicable) and this Article 6.3 after taking into account the previous payment of the Initial Consideration and any previous payment (or payments) of any Delayed Consideration as part of the same transaction. For these purposes, consideration placed into escrow or retained as a holdback to be made available for the satisfaction of any claims for breach of warranty, indemnification or any other similar obligations in connection with such Liquidation Event, Share Sale or Asset Sale shall be deemed to be Delayed Consideration for so long as it is held in escrow or retained as a holdback.

The value of Non-Cash Consideration shall be determined in such manner as the Board (acting reasonably and in good faith) may determine, subject to a Founder Consent. Such determination may include, without limitation, the cash equivalent value of any such assets or proceeds and/or the timing of any payment or distribution thereof.

- 6.4 The Shareholders shall not have the power to effect any transaction constituting or deemed to be a Share Sale unless the applicable transaction agreement provides that the Proceeds of Sale payable to the Shareholders shall be allocated among the Shareholders in accordance with Articles 6.1 and 6.3.

- 6.5 In the event of an Exit approved by the Board and the Founders (the "**Proposed Exit**"), all Shareholders shall consent to, vote for, raise no objections to and waive any applicable rights (including but not limited to rights of pre-emption) 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 the Actions as are necessary to effect the Proposed Exit and the Directors may authorise an officer or member of the Company 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 and hold it in trust for that defaulting Shareholder.

7. VOTES IN GENERAL MEETING

- 7.1 The A Ordinary Shares shall confer on each holder 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 Neither the B Ordinary Shares or the Deferred Shares (if any) shall entitle the holders of them to receive notice of, to attend, to speak or to vote at any general meeting of the Company nor to receive or vote on, or otherwise constitute the holder 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.

8. DEFERRED SHARES

- 8.1 The allotment or issue of Deferred Shares or the conversion or re-designation of shares into Deferred Shares shall be deemed to confer irrevocable authority on the Company at any time after their allotment, issue, conversion or re-designation, without obtaining the sanction of holder(s), to:
- 8.1.1 appoint any person to execute any transfer (or any agreement to transfer) such Deferred Shares to such person(s) as the Company may determine (as nominee or custodian thereof or otherwise) including (subject to the Act) to the Company itself; and/or
 - 8.1.2 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
 - 8.1.3 give, on behalf of any such holder, consent to the cancellation of such Deferred Shares; and/or
 - 8.1.4 purchase such Deferred Shares in accordance with the Act,
- in any such case (i) for a price being not more than an aggregate sum of one penny for all the Deferred Shares registered in the name of such holder(s) and (ii) with the Company having authority pending such transfer, cancellation and/or purchase to retain the certificates (if any) in respect thereof.
- 8.2 No Deferred Share may be transferred without the prior consent of the Board.

9. VARIATION OF RIGHTS

- 9.1 Whenever the share capital of the Company is divided into different classes of shares, the special rights attached to any such class may only be varied or abrogated (either whilst the Company is a going concern or during or in contemplation of a winding-up) with the consent in writing of the holder or holders of a majority in nominal value of the issued shares of that class save that the special rights attaching to the A Ordinary Shares may only be varied or abrogated with Founder Consent.
- 9.2 Save as provided in Article 9.1, the creation and/or issue 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 to any existing classes of shares.

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

- 10.1 Subject to the remaining provisions of this Article 10, and in replacement of any existing authority to allot shares, the Directors are generally and unconditionally authorised for the purpose of section 551 of the Act to exercise any power of the Company to:
- 10.1.1 allot Shares; or
 - 10.1.2 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:
- 10.1.3 this authority shall be limited to a maximum nominal amount of £20,000 (including the Shares in issue and outstanding on the Date of Adoption);
 - 10.1.4 this authority shall only apply insofar as the Company in general meeting has not waived or revoked it; and
 - 10.1.5 this authority may only be exercised for a period of five years commencing upon the Date of Adoption, save that the Directors may make an offer or agreement which would or might require 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).
- 10.2 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.
- 10.3 Subject to Articles 10.4 and 10.8, , 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 the Equity Shareholders (the "**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 held by those holders (as nearly as may be without involving fractions) (an "**Equity Shareholder Offer**").
- 10.4 An Equity Shareholder Offer:
- 10.4.1 shall be in writing, and shall give details of the number and subscription price of the New Securities;

- 10.4.2 shall remain open for a period of at least 10 Business Days from the date of service of the offer (the "**Subscription Period**");
- 10.4.3 shall stipulate that any Shareholder who wishes to subscribe for a number of New Securities in excess of the proportion to which each is entitled shall in their acceptance state the number of excess New Securities ("**Excess Securities**") for which they wish to subscribe; and
- 10.5 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).
- 10.6 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.
- 10.7 Subject to Articles 10.3 and to the provisions of section 551 of the Act, any New Securities shall be at the disposal of the Board who may allot, grant options over or otherwise dispose of them to any persons at those times and generally on the terms and conditions they think proper, provided that the allotment or grant to that person must be approved in writing by a Founder Consent.
- 10.8 For the purposes of this Article 10, an issue of new "**New Securities**" shall not include:
 - 10.8.1 the grant of any options to subscribe for Ordinary Shares under the Employee Share Option Plan;
 - 10.8.2 the issue of Ordinary Shares pursuant to the exercise of any option granted under the Employee Share Option Plan (provided the option was granted in accordance with the terms of such Employee Share Option Plans, these Articles and the Shareholders' Agreement) or such issue is otherwise approved by a Founder Consent;
 - 10.8.3 any Shares or other securities issued by the Company in order for the Company to comply with its obligations under these Articles and/or the Shareholders' Agreement;
 - 10.8.4 any Shares or other securities issued by the Company in consideration of a bona fide acquisition by the Company of any company or business provided that both the acquisition and the terms of the proposed issuance of Shares or other securities have been approved by the Board, acting with Founder Consent;
 - 10.8.5 any Shares or other securities issued by the Company to customers, suppliers or other strategic partners in connection with a bona fide supply of goods or services to or from them provided that both the supply of such goods and/or services and the terms of the proposed issuance of Shares or other securities have been approved by the Board, acting with Founder Consent; and

- 10.8.6 other than as provided in Articles 10.8.1 to 10.8.5 above the issue of Shares with a nominal value of up to £2,000.
- 10.9 Save with the consent of the Board acting with Founder Consent, no Shares shall be allotted (nor any Treasury Shares 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.

11. TRANSFERS OF SHARES – GENERAL

- 11.1 Subject to Article **Error! Reference source not found.**, in Articles 11 to 19 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.
- 11.2 No Share may be transferred unless the transfer is made in accordance with these Articles.
- 11.3 If a Shareholder transfers or purports to transfer a Share otherwise than in accordance with these Articles he will if requested by the Directors (or any Founder) in writing to remedy the position take such steps as are necessary to ensure that such transfer (or purported transfer) is in accordance with these Articles and if the holder fails to remedy that situation to the reasonable satisfaction of the Directors or the Founder (as the case may be) within 10 Business Days of receipt of such written notice, he shall be deemed immediately to have served a Transfer Notice in respect of all Shares held by him.
- 11.4 Any transfer of a Share by way of sale which is required to be made under Articles 13 to 19 (inclusive) will be deemed to include a warranty that the transferor sells with full title guarantee.
- 11.5 Save as provided in Article 12 or unless express provision is made in these Articles to the contrary no Shares shall be transferred (including without limitation, pursuant to Article 13), without the consent of the Founders provided that if a Founder or any of their Permitted Transferees wishes to dispose of their Shares the other Founder will consider such request in good faith and consent will not be unreasonably withheld or delayed to any disposal subject to compliance with the pre-emption provisions under Article 13.
- 11.6 Directors may refuse to register a transfer if:
- 11.6.1 it is a transfer of a Share to a bankrupt, a minor or a person of unsound mind;
 - 11.6.2 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 in a joint section 431 ITEPA election with the Company;
 - 11.6.3 it is a transfer of a Share which is not fully paid:
 - 11.6.3.1 to a person of whom the Directors do not approve; or
 - 11.6.3.2 on which Share the Company has a lien;
 - 11.6.4 the transfer is not lodged at the registered office or at such other place as the Directors may appoint;

- 11.6.5 the transfer is not accompanied by the certificate for the Shares to which it relates (or an indemnity in respect of any lost share 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;
- 11.6.6 the transfer is in respect of more than one class of Shares;
- 11.6.7 the transfer is in favour of more than four transferees; or
- 11.6.8 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.

- 11.7 The Directors shall (unless otherwise agreed by the Founders), 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 (a "**Deed of Adherence**") agreeing to be bound by the terms of the Shareholders' Agreement or any other shareholders' agreement or similar document in force between some or all of the Shareholders and the Company in any form as the Founders 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 11.7 the transfer may not be registered unless that deed has been executed and delivered to the Company's registered office by the transferee.
- 11.8 To enable the Directors to determine whether or not there has been any disposal of shares in the capital of the Company (or any interest in shares in the capital of the Company) in breach of these Articles the Directors may, with Founder Consent, require any holder or the legal personal representatives of any deceased holder or any person named as transferee in any transfer lodged for registration or any other person who the Directors or the Founders 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 writing of that fact and if the holder fails to remedy that situation to the reasonable satisfaction of the Board acting with Founder Consent within 10 Business Days of such notification the following shall occur:
 - 11.8.1 the relevant shares shall cease to confer upon the holder of them (including any proxy appointed by the holder) any rights to:
 - 11.8.1.1 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; or

- 11.8.1.2 receive dividends or other distributions otherwise attaching to those shares or to any further shares issued in respect of those shares; and
- 11.8.2 the holder may be required at any time following receipt of the notice to transfer some or all of its Shares to any person(s) at the price that the Directors may require by notice in writing to that holder.

The rights referred to in 11.8.1 above may be reinstated by the Board, acting with Founder Consent, and shall in any event be reinstated upon the completion of any transfer referred to in 11.8.2 above.

- 11.9 In any case where the Board requires a Transfer Notice (as defined in Article 13.2) to be given in respect of any Shares, if a Transfer Notice is not duly given within a period of 10 Business Days of demand being made, a Transfer Notice shall be deemed to have been given at the expiration of that period. If a Transfer Notice is required to be given or is deemed to have been given under these Articles, the Transfer Notice will be treated as having specified that:

- 11.9.1 subject to Article 16.5, the Transfer Price for the Sale Shares will be as agreed between the Board (including Founder 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;
 - 11.9.2 it does not include a Minimum Transfer Condition (as defined in Article 13.2.4); and
 - 11.9.3 the Seller wishes to transfer all of the Shares held by it.
- 11.10 If a Transfer Notice is required to be given by the Board or is deemed to have been served, the Shareholder who has been required or deemed to serve the Transfer Notice shall not be entitled to serve a voluntary Transfer Notice other than in accordance with the requirements of the Board until such time as any transfers of Shares to be made pursuant to an Allocation Notice given in respect of that Transfer Notice have been completed.
- 11.11 The Board (with Founder Consent) may waive the service of a Transfer Notice otherwise deemed to have been served in accordance with these Articles.
- 11.12 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:
 - 11.12.1 the transferor; and
 - 11.12.2 (if any of the shares is partly or nil paid) the transferee.

12. PERMITTED TRANSFERS

- 12.1 Subject to Article 12.3, any Equity Share may at any time be transferred by a Shareholder who is not a Permitted Transferee (the "**Original Shareholder**") without restriction as to price or otherwise:
 - 12.1.1 by a Shareholder who is an individual, to any of his Privileged Relations or Trustees;

- 12.1.2 in the case of Ann-Marie Towers to Nicholas Towers;
- 12.1.3 by the Founders or their Permitted Transferees to the other Founder or their Permitted Transferees pursuant to any cross option agreements put in place from time to time;
- 12.1.4 by a Shareholder which is an undertaking (as defined in section 1161(1) of the Act), to any Member of the same Group;
- 12.2 Subject to Article 12.3, any Equity Share may at any time be transferred by any of the Permitted Transferees referred to in Articles 12.1.1 to 12.1.4 above, to any other Permitted Transferees of the Original Shareholder in relation to that Permitted Transferee.
- 12.3 Any transfer of B Ordinary Shares under this Article 12 shall require Founder Consent.
- 12.4 Where under the provision of a deceased Shareholder's will or laws as to intestacy, the persons legally or beneficially entitled to any Equity Shares, whether immediately or contingently, are Permitted Transferees of the deceased Shareholder, the legal representative of the deceased Shareholder may transfer any Equity Share to those Permitted Transferees, in each case without restriction as to price or otherwise subject to having obtained Founder Consent in relation to any transfer of B Ordinary Shares.
- 12.5 If a Permitted Transferee who was a Member of the same Group as the Original Shareholder ceases to be a Member of the same Group as the Original Shareholder, the Permitted Transferee must not later than five Business Days after the date on which the Permitted Transferee so ceases, transfer the Equity 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 Equity Shares when required to do so by the Board (including the Founder Directors).
- 12.6 Trustees may: (i) transfer Equity Shares to a Qualifying Company; or (ii) transfer Shares to the Original Shareholder or to another Permitted Transferee of the Original Shareholder; or (iii) transfer Equity Shares to the new or remaining trustees upon a change of Trustees without restrictions as to price or otherwise.
- 12.7 No transfer of Equity Shares may be made to Trustees unless the Board is satisfied:
 - 12.7.1 with the terms of the trust instrument and in particular with the powers of the trustees;
 - 12.7.2 with the identity of the proposed trustees;
 - 12.7.3 that the proposed transfer will not result in 50% or more of the aggregate of the Equity Shares being held by trustees of that and any other trusts; and
 - 12.7.4 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.
- 12.8 If a Permitted Transferee who 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) (any 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 Founder Consent) to have given a Transfer Notice in respect of such Equity Shares.

- 12.9 On the death (subject to Article 12.4), 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 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 or in existence (and not bankrupt or in liquidation or having its name struck off the register) or, if so directed by the Original Shareholder, to any Permitted Transferee of the Original Shareholder (which is not bankrupt or in liquidation or having its name struck off the register). 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 or has its name struck off the register, the personal representative or trustee in bankruptcy or liquidator, administrator or administrative receiver will be deemed to have given a Transfer Notice.
- 12.10 At least 30 Business Days prior to the striking of the name of a Permitted Transferee (other than a joint holder) from the register in accordance with section 1000 or section 1003 of the Act, the directors of that Permitted Transferee must 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 or in existence (and not bankrupt or in liquidation or itself having its name struck off the register) or, if so directed by the Original Shareholder, to any Permitted Transferee of the Original Shareholder (which is not bankrupt or in liquidation or having its name struck off the register). If the transfer is not executed and delivered by the end of that period or if the Original Shareholder has died or is bankrupt or is in liquidation, administration or administrative receivership, or has its name struck off the register, the directors of the Permitted Transferee (or the Crown in the event that the Shares held by that Permitted Transferee are treated as *bona vacantia*) will be deemed to have given a Transfer Notice.
- 12.11 A transfer of any Shares approved by the Board and the Founders may be made without restriction as to price or otherwise, free from the requirements of Articles 13 and 18 but subject to any conditions as may be imposed by the Board or the Founders and each such transfer shall be registered by the Directors.
- 12.12 Any Shares may at any time be transferred free from the transfer restrictions in the Articles and free from the requirements of Articles 13 and 18 where there is a sale of the entire issued share capital of the Company to a Holding Company, which has been approved by the Board, acting with Founder Consent.
- 12.13 The Company shall only be permitted to sell or transfer any Shares held as Treasury Shares to any person with Founder Consent.
- 12.14 Any transfer of shares made in accordance with this Article 12 is subject to Article 11.7.
- 13. TRANSFERS OF SHARES SUBJECT TO PRE-EMPTION RIGHTS**
- 13.1 Save where the provisions of Articles 8.1, 11.8.2, 12, 17, 18 and 19 apply, any transfer of Shares by a Shareholder shall be subject to the pre-emption rights contained in this Article 13.

13.2 Subject to Article 11.5, 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:

13.2.1 the number and class of Shares which he wishes to transfer (the "**Sale Shares**");

13.2.2 if he wishes to sell the Sale Shares to a third party, the name of the proposed transferee;

13.2.3 subject to Articles 11.9.1, 14.1 and 16.5, the price per Sale Share (in cash) at which he wishes to transfer the Sale Shares; and

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

and if no cash price is specified by the Seller, the price at which the Sale Shares are to be transferred (the "**Transfer Price**") must be agreed by the Board (including Founder 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 Founder Consent). In both cases, the price will be deemed to be the Fair Value of the Sale Shares if no price is agreed within 5 Business Days of the Company receiving the Transfer Notice.

13.3 Except with the written consent of the Board and Founder 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.

13.4 A Transfer Notice constitutes the Company the agent of the Seller for the sale of the Sale Shares at the Transfer Price.

13.5 As soon as practicable following the later of:

13.5.1 receipt of a Transfer Notice; and

13.5.2 in the case where the Transfer Price has not been specified in the Transfer Notice, agreed or otherwise determined in accordance with these Articles, the determination of the Transfer Price under Article 14,

the Board shall offer the Sale Shares for sale to the Shareholders in the manner set out in Articles 13.6 and 13.7. Each offer must be in writing and give details of the number and Transfer Price of the Sale Shares offered.

13.6 **Priority for offer of Sale Shares**

13.6.1 If the Sale Shares are A Ordinary Shares, the Company shall offer them to the holders of A Ordinary Shares on the basis as set out in Article 13.7.

13.6.2 Where Article 13.6.1 does not apply and save as set out in Article **Error! Reference source not found.**, the Sale Shares shall be offered in the following priority:

- 13.6.2.1 first, to the Company or in the alternative to any Employee Trust that the Board (with Founder Consent) may nominate for this purpose;
- 13.6.2.2 second, to the holders of Equity Shares (as if the Equity Shares constituted one and the same class),

in each case on the basis set out in Article 13.7.

13.7 Transfers: Offer

- 13.7.1 The Board shall offer the Sale Shares pursuant to the Priority Rights to all persons specified in the offer other than the Seller (the "**Continuing Offeree**") inviting them to apply in writing within the period from the date of the offer to the date 10 Business Days after the offer (inclusive) (the "**Pre-emption Offer Period**") for the maximum number of Sale Shares they wish to buy.
- 13.7.2 If the Sale Shares are subject to a Minimum Transfer Condition then any allocation made under this Article 13.7 will be conditional on the fulfilment of the Minimum Transfer Condition.
- 13.7.3 If, at the end of the Pre-emption 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 Offeree who has applied for Sale Shares in the proportion (fractional entitlements being rounded to the nearest whole number) which his existing holding of the relevant class(es) of Shares bears to the total number of the relevant class(es) of Shares held by those Continuing Offerees 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.
- 13.7.4 If, at the end of the Pre-emption 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 Offerees in accordance with their applications and the balance will be dealt with in accordance with Article 13.8.5.

13.8 Completion of transfer of Sale Shares

- 13.8.1 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 13.7 stating the condition has not been met and that the relevant Transfer Notice has lapsed with immediate effect.
- 13.8.2 If:
 - 13.8.2.1 the Transfer Notice does not include a Minimum Transfer Condition; or
 - 13.8.2.2 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 13.7 give written notice of allocation (an "**Allocation Notice**") to the Seller and each 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 10 Business Days nor more than 20 Business Days after the date of the Allocation Notice) for completion of the transfer of the Sale Shares.

13.8.3 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.

13.8.4 If the Seller fails to comply with the provisions of Article 13.8.3:

13.8.4.1 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:

(i) complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Applicants;

(ii) receive the Transfer Price and give a good discharge for it; and

(iii) (subject to the transfer being duly stamped) enter the Applicants in the register of Shareholders as the holders of the Shares purchased by them; and

13.8.4.2 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).

13.8.5 If an Allocation Notice does not relate to all the Sale Shares then, subject to Article 13.8.6, the Seller may, within 60 Business Days after service of the Allocation Notice, transfer the unallocated Sale Shares to any person at a price at least equal to the Transfer Price.

13.8.6 The right of the Seller to transfer Shares under Article 13.8.5 does not apply if the Board is of the opinion on reasonable grounds that:

13.8.6.1 the transferee is a person (or a nominee for a person) who the Board (with Founder 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;

13.8.6.2 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

13.8.6.3 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.

- 13.9 The restrictions imposed by this Article may be waived in relation to any proposed transfer of Shares by the Board acting with a Founder Consent.

14. VALUATION OF SHARES

- 14.1 If the Transfer Price or Fair Value cannot be agreed in accordance with Articles 11.9.1, 13.2 or 16.6 or otherwise then, within 5 Business Days of deadline for agreement, the Board shall either:
- 14.1.1 appoint an expert valuer in accordance with Article 14.2 to certify the Fair Value of the Sale Shares; or
 - 14.1.2 if the Fair Value has been certified by Expert Valuers 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.
- 14.2 The Expert Valuer will be either:
- 14.2.1 the Auditors; or
 - 14.2.2 a third party valuer appointed by the Board.
- 14.3 Unless otherwise agreed in accordance with Article 16.6, the "**Fair Value**" of the Sale Shares shall be as determined by the Expert Valuers on the following assumptions and bases:
- 14.3.1 valuing the Sale Shares as on an arm's-length sale between a willing seller and a willing buyer;
 - 14.3.2 if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;
 - 14.3.3 not applying any minority discount;
 - 14.3.4 that the Sale Shares are capable of being transferred without restriction;
 - 14.3.5 taking into account the rights attaching to the Sale Shares (including pursuant to Articles 5 and 6); and
 - 14.3.6 reflecting any other factors which the Expert Valuers reasonably believe should be taken into account.
- 14.4 If any difficulty arises in applying any of these assumptions or bases then the Expert Valuers shall resolve that difficulty in whatever manner they shall in their absolute discretion think fit.
- 14.5 The Expert Valuers shall be requested to determine the Fair Value within twenty (20) Business Days of their appointment and to notify the Board of their determination.
- 14.6 The Expert Valuers shall act as experts and not as arbitrators and their determination shall be final and binding on the parties (in the absence of fraud or manifest error).

- 14.7 The Board will give the Expert Valuers access to all accounting records or other relevant documents of the Company subject to them agreeing such confidentiality provisions as the Board may reasonably impose.
- 14.8 The Expert Valuers shall deliver their certificate to the Company. As soon as the Company receives the certificate it shall deliver a copy of it to the Seller. Unless the Sale Shares are to be sold under a Transfer Notice which is deemed or required to have been served pursuant to these Articles, the Seller may by notice in writing to the Company within five (5) Business Days of the service on him of the copy certificate, cancel the Company's authority to sell the Sale Shares.
- 14.9 The cost of obtaining the certificate shall be paid by the Company unless:
- 14.9.1 the Seller cancels the Company's authority to sell; or
 - 14.9.2 the sale is pursuant to a Transfer Notice which is deemed or required to have been served, and the Transfer Price certified by the Expert Valuers is less than the price (if any) proposed by the Directors to the Seller for the Sale Share before the Expert Valuers were instructed,

in which case the Seller shall bear the cost.

15. COMPULSORY TRANSFERS – GENERAL

- 15.1 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.
- 15.2 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:
- 15.2.1 to effect a Permitted Transfer of such Shares (including for this purpose an election to be registered in respect of the Permitted Transfer); or
 - 15.2.2 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 15.2 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.

- 15.3 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 the Board with Founder Consent may determine.
- 15.4 If a Shareholder which is a company has its name struck from the register in accordance with section 1000 or section 1003 of the Act, the directors of that Shareholder (or the Crown in the event that the Shares held by that Shareholder are treated as *bona vacantia*) will be deemed to have given a Transfer Notice in respect of all the shares

held by it and its Permitted Transferees save to the extent that the Board with Founder Consent may determine.

- 15.5 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 name and its nominee's names save that, in the case of a Permitted Transferee, it shall first have 10 Business Days from the date of service of a notice by the Company requiring it to serve a Transfer Notice to transfer those Shares back to the Original Shareholder from whom it received its Shares or to any other Permitted Transferee of the Original Shareholder before being required to serve a Transfer Notice.

16. DEPARTING EMPLOYEES

- 16.1 Subject to Articles 16.4 and 16.7, unless the Board with Founder Consent determine that this Article 16.1 shall not apply, if an Employee (who themselves or whose Permitted Transferees hold B Ordinary Shares) ceases to be an Employee the Leaver's Percentage of all the B Ordinary Shares that are Employee Shares relating to such Employee shall automatically convert into Deferred Shares (on the basis of one Deferred Share for each B Ordinary Share held) on the Effective Termination Date (rounded down to the nearest whole share) save that if such Employee ceases to be an Employee within 12 months from the issue or transfer of the relevant B Ordinary Shares to him all of such Employee Shares shall so convert.
- 16.2 Upon such conversion into Deferred Shares, the Company shall 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 Unvested Shares so converting and upon such delivery there shall be issued to him (or his Permitted Transferee(s)) share certificate(s) for the number of Deferred Shares resulting from the relevant conversion and any remaining B Ordinary Shares.
- 16.3 Any Director nominated by the Board for such purpose shall be constituted as the agent of the Employee and/or any other holder(s) of any relevant Employee Shares for the purpose of executing and delivering any documents which the Board deems necessary or appropriate in connection with the perfection of any conversion of the relevant Employee Shares into Deferred Shares pursuant to this Article 16.
- 16.4 Subject to Article 16.7, the Board shall be entitled to determine:
- 16.4.1 that, if an Employee ceases to be an Employee a Transfer Notice shall be deemed to be given in respect all of the Employee Shares which do not convert into Deferred Shares under Article 16.1 at any time within the 12 month period from and including the Effective Termination Date; or
 - 16.4.2 if there is a breach of the restrictive covenants under the Shareholders Agreement then without prejudice to other remedies that a Deemed Transfer Notice be given in respect of all the Employee Shares in relation of the person who breaches such restrictive covenants at any time during the 12 month period for and including the date when such breach first occurs;

- 16.5 Where a Deemed Transfer Notice is served pursuant to Article 16.4, the Transfer Price shall be as follows:
- 16.5.1 in the case of the B Ordinary Shares, where the relevant Employee ceases to be an Employee by reason of being a Bad Leaver or the provisions of Article 16.4.2 apply the lower of Fair Value and the issue price (including any premium) for the Employee Share;
 - 16.5.2 in the case of the B Ordinary Shares where the relevant Employee ceases to be an Employee by reason of being a Good Leaver or in the case of the A Ordinary Shares where the provisions of Article 16.5.3 do not apply, the Fair Value; and
 - 16.5.3 in the case of the A Ordinary Shares, where the relevant Employee has been dismissed for fraud or gross misconduct or Article 16.4.2 applies shall be 50% of the Fair Value.
- 16.6 For the purposes of Article 16.4, Fair Value shall be as agreed between the Board (including any Founder Directors other than where the) and the relevant Employee, or failing agreement within five Business Days of seeking to agree such price, shall be as determined in accordance with Article 14.
- 16.7 On an Exit, the provisions of this Article 16 shall cease to apply to a Founder and all Employee Shares relating to that Founder.
- 16.8 The provisions of this Article 16 and the applicable definitions from Article 2 shall apply mutatis mutandis to any Former Employee who acquires Employee Shares at any time after the date these Articles are adopted.
- 16.9 Where a Deemed Transfer Notice is served pursuant to Article 16.4 the Board shall be entitled to determine by notice in writing to the relevant Shareholder(s) that any A Ordinary Shares which are Employee Shares and which are subject to the Deemed Transfer Notice shall if not purchased pursuant to the Deemed Transfer Notice shall be automatically converted into and redesignated as B Ordinary Shares.

17. MANDATORY OFFER ON A CHANGE OF CONTROL

- 17.1 Except in the case of Permitted Transfers and transfers pursuant to Articles 15 and 16 and subject to Article 19.11, after going through the pre-emption procedure in Article 13, the provisions of Article 17.2 will apply if one or more Proposed Sellers propose to transfer in one or a series of related transactions any Equity Shares (the "**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.
- 17.2 A Proposed Seller must, before making a Proposed Transfer procure the making by the Proposed Purchaser of an offer (the "**Offer**") to all of the other Equity Shareholders to acquire all of the issued Equity Shares for a consideration per Equity Share the value of which is at least equal to the Specified Price (as defined in Article 17.7).
- 17.3 The Offer must be given by written notice (a "**Proposed Sale Notice**") at least 10 Business Days (the "**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 (the "**Proposed Sale Shares**").

- 17.4 If any other Equity Shareholder 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.
- 17.5 If the Offer is accepted by any Shareholder (an "**Accepting Shareholder**") within the Offer Period, the completion of the Proposed Transfer will be conditional upon the completion of the purchase of all the Equity Shares held by Accepting Shareholders.
- 17.6 The Proposed Transfer is subject to the pre-emption provisions of Article 13 but the purchase of the Accepting Shareholders' shares shall not be subject to Article 13.
- 17.7 For the purpose of this Article:

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

17.7.2 the expression "**Specified Price**" shall mean in respect of each Equity Share a sum in cash equal to the highest price per Equity Share offered or paid by the Proposed Purchaser:

17.7.2.1 in the Proposed Transfer; or

17.7.2.2 in any related or previous transaction by the Proposed Purchaser or any person Acting in Concert with the Proposed Purchaser in the 12 months preceding the date of the Proposed Transfer,

plus an amount equal to the Relevant Sum (as defined in Article 17.7.3 below), of any other consideration (in cash or otherwise) paid or payable by the Proposed Purchaser or any other person Acting in Concert with the Proposed Purchaser, which having regard to the substance of the transaction as a whole, can reasonably be regarded as an addition to the price paid or payable for the Shares (the "**Supplemental Consideration**") provided that the aggregate consideration paid by the Proposed Purchaser in respect of the Proposed Transfer and any transfer pursuant to an Offer is distributed to the Proposed Seller and the Accepting Shareholders in respect of their Equity Shares in accordance with the provisions of Articles 5 and 6;

17.7.3 **Relevant Sum** = $C \div A$

where: A = number of Equity Shares being sold in connection with the relevant Proposed Transfer;

C = the Supplemental Consideration.

18. CO-SALE RIGHT

- 18.1 Except where Article 19 applies and save with consent of the Board acting with Founder Consent, no transfer (other than a Permitted Transfer) of any of the Equity Shares may be made or validly registered if it is in respect of more than 5% of the Equity Shares (excluding Treasury Shares) unless the relevant Equity Shareholder and any Permitted Transferee of that Equity Shareholder (the "**Selling Equity Shareholder**") shall have observed the following procedures of this Article.
- 18.2 After the Selling Equity Shareholder has gone through the pre-emption process set out in Article 13, the Selling Equity Shareholder shall give to each other holder of Equity

Shares (other than Treasury Shares) who has not taken up their pre-emptive rights under Article 13 (an "**Equity Holder**") not less than 15 Business Days' notice in advance of the proposed sale (a "**Co-Sale Notice**"). The Co-Sale Notice shall specify:

- 18.2.1 the identity of the proposed purchaser (the "**Buyer**");
- 18.2.2 the price per share which the Buyer is proposing to pay;
- 18.2.3 the manner in which the consideration is to be paid;
- 18.2.4 the number of Equity Shares which the Selling Equity Shareholder proposes to sell; and
- 18.2.5 the address where the counter-notice should be sent.

For the purposes of this Article 18, it is acknowledged that Shares of different classes may be transferable at different prices, such price per class of Share being a sum equal to that to which they would be entitled if the consideration payable by the Buyer to the Selling Equity Shareholder 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.

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

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

where:

- X is the number of Equity Shares held by the Equity Holder;
- Y is the total number of Equity Shares (excluding Treasury Shares) in issue and outstanding;
- Z is the number of Equity Shares the Selling Equity Shareholder proposes to sell.

Any Equity Holder who does not send a counter-notice within such five Business Day period shall be deemed to have specified that they wish to sell no Shares pursuant to this Article 18.

- 18.4 Following the expiry of five Business Days from the date the Equity Holders receive the Co-Sale Notice, the Selling Equity Shareholder shall be entitled to sell to the Buyer on the terms notified to the Equity Holders a number of shares not exceeding the number specified in the Co-Sale Notice less any shares which Equity Holders have indicated they wish to sell, provided that at the same time the Buyer (or another person) purchases from the Equity Holders the number of Shares they have respectively indicated they wish to sell on terms no less favourable than those obtained by the Selling Equity Shareholder from the Buyer.

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

18.6 Sales made by Equity Holders in accordance with this Article 18 shall not be subject to Article 13.

19. DRAG-ALONG

19.1 If the Founders (together, the "**Selling Shareholders**") wish to transfer all their interest in Shares (the "**Sellers' Shares**") to a Proposed Purchaser, the Selling Shareholders shall have the option (the "**Drag Along Option**") to compel each of the other holders of Equity Shares (the "**Called Shareholders**") to sell and transfer all their Equity Shares to the Proposed Purchaser or as the Proposed Purchaser shall direct in accordance with the provisions of this Article.

19.2 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 Proposed Purchaser. A Drag Along Notice shall specify that:

19.2.1 the Called Shareholders are required to transfer all their Equity Shares (the "**Called Shares**") under this Article;

19.2.2 the person to whom they are to be transferred;

19.2.3 the consideration (whether in cash or otherwise) for which the Called Shares are to be transferred (calculated in accordance with this Article); and

19.2.4 the proposed date of transfer,

(and, in the case of Article 19.2.2 to 19.2.4 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 19.

19.3 Drag Along Notices shall be irrevocable but will lapse if for any reason there is not a sale of the Sellers' Shares by the Selling Shareholders to the Proposed Purchaser within 20 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.

19.4 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 Proposed Purchaser to the Selling Shareholders and the Called Shareholders (the "**Drag Consideration**") were distributed to the holders of the Called Shares and the Sellers' Shares in accordance with the provisions of Articles 5 and 6 (which could be nil or nominal consideration), provided that any discharge by the Proposed Purchaser of any Costs of Sale shall not for these purposes be treated as part of the total consideration proposed to be paid, allotted or transferred by the Proposed Purchaser if such discharge has been agreed to by the Selling Shareholders.

19.5 A Drag Along Notice may require a Called Shareholder to execute the same legally binding agreements and other related documentation as shall be entered into by the Selling Shareholders to effect the sale in question (the "**Sale Documentation**") and contribute the same proportion of the consideration for which such Called

Shareholder's Called Shares are to be transferred (as calculated in accordance with Article 19.4) into any escrow established to cover breach of any representation, warranty or indemnity provided by all Selling Shareholders and Called Shareholders as the Selling Shareholders are contributing, (the "**Escrow Amount**") provided that:

- 19.5.1 in entering into the Sale Documentation, the Called Shareholder shall not (other than as is required by the remaining provisions of this Article 19) be required to sell its Shares for lower consideration per Share than as would be calculated in accordance with Article 19.4;
- 19.5.2 such Called Shareholder shall give equivalent warranties and indemnities (if applicable) regarding title to its shares, authority and capacity to those being given by the Selling Shareholders which warranties and indemnities shall be given solely with respect to such Called Shareholder and the Called Shares held by him and, save in respect of fraud on the part of the Called Shareholder, the liability of the Called Shareholder in respect of any breach of those warranties and indemnities shall not exceed the consideration for which such Called Shareholder's Called Shares are to be transferred (as calculated in accordance with Article 19.4);
- 19.5.3 in addition to the warranties and indemnities called for pursuant to Article 19.5.2, such Called Shareholder shall (subject to such Called Shareholder having a right to disclose against such warranties in the ordinary course) give such additional warranties and indemnities as are being given by the Selling Shareholders, provided, however, that, save in respect of fraud or dishonesty on the part of the Called Shareholder, the liability of the Called Shareholder in respect of any breach of such additional warranties and indemnities shall not exceed the consideration for which such Called Shareholder's Called Shares are to be transferred (as calculated in accordance with Article 19.4); and
- 19.5.4 unless a Called Shareholder shall expressly consent in writing otherwise any such liability of such Called Shareholder under Articles 19.5.2 and 19.5.3 shall be several and not joint with any other person (except to the extent that consideration may be paid out of any escrow established to cover breach of any representation, warranty or indemnity provided by all Selling Shareholders and Called Shareholders).

If the provisions of this Article 19.5 are void or unenforceable, but would be valid if some part of those provisions were amended or deleted, the provision in question shall apply with such modification or deletion as may be necessary to make it valid. The invalidity of any or all of the provisions of this Article 19.5 shall not affect the validity of the remainder of this Article 19.

- 19.6 Within five Business Days after service of a Drag Along Notice on the Called Shareholders, the Called Shareholders shall deliver to the Company:
 - 19.6.1 stock transfer forms for their Shares in favour of the Proposed Purchaser or as the Proposed Purchaser shall direct;
 - 19.6.2 the relevant share certificate(s) (or a suitable indemnity in a form acceptable to the Board);
 - 19.6.3 the duly executed Sale Documentation required to be executed by it; and

- 19.6.4 if applicable, authority to transfer the Escrow Amount into the relevant escrow account.

(together the "**Drag Documents**")

- 19.7 Completion of the sale and purchase of the Called Shares ("**Drag-Along Completion Date**") shall take place on the same date and in the same manner as, and conditional upon the completion of, the sale and purchase of the Sellers' Shares unless:
- 19.7.1 all of the Called Shareholders and the Selling Shareholders otherwise agree; or
- 19.7.2 that date is less than five Business Days after the date of service of the Drag Along Notice, in which case completion of the sale and purchase of the Called Shares shall take place 15 Business Days after the date of service of the Drag Along Notice.
- 19.8 On the Drag-Along Completion Date, the Company shall pay or procure the transfer to the Called Shareholders, on behalf of or by the Proposed Purchaser (as applicable), of the Drag Consideration they are then due pursuant to Article 19.4 less any Escrow Amount and pay the Escrow Amount into the relevant escrow account, in each case to the extent the Proposed Purchaser has paid, allotted or transferred such consideration to the Company or such consideration is held to the order of the Company or the Called Shareholders. The Company's receipt of the Drag Consideration due pursuant to Article 19.4 and, if applicable, the escrow agent's receipt of any Escrow Amount shall in each case constitute a good discharge of the Proposed Purchaser's obligation to pay such amount. Pending payment or transfer of the Drag Consideration to the Called Shareholders, if the Company holds the Drag Consideration then the Company shall from the Drag-Along Completion Date hold the Drag Consideration less any Escrow Amount in trust for the Called Shareholders and shall hold the relevant portion of the Drag Consideration less any Escrow Amount to the order of the relevant Called Shareholder. The Company will not be under any obligation to pay interest on such sums.
- 19.9 To the extent that the Proposed Purchaser has not, on the Drag-Along Completion Date, paid, allotted or transferred the Drag Consideration due pursuant to Article 19.4 including the Escrow Amounts to the Company or it is not otherwise held to the order of the Company or the Called Shareholders, the Called Shareholders shall be entitled to the return of Drag Documents and the Called Shareholders shall have no further rights or obligations under this Article 19 in respect of that Drag Along Notice.
- 19.10 If a Called Shareholder fails to deliver the Drag Documents to the Company prior to the Drag-Along 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 (including, but not limited to, any document to be executed as a deed) as are necessary to effect the transfer of the Called Shareholder's Shares pursuant to this Article 19 and the Directors shall, if requested by the Proposed Purchaser, authorise any Director to transfer the Called Shareholder's Shares on the Called Shareholder's behalf to the Proposed Purchaser (or its nominee(s)) to the extent the Proposed Purchaser has, at the Drag-Along Completion Date, paid, allotted or transferred the Drag Consideration due pursuant to Article 19.4 including the Escrow Amounts to the Company for the Called Shareholder's Shares offered to him). The Board shall then authorise registration of the transfer once any appropriate stamp duty has been paid. The defaulting Called Shareholder shall surrender his share certificate for his Shares (or provide a suitable indemnity) to the Company. On surrender, he shall be entitled to the Drag

Consideration then due to him pursuant to Article 19.4 less any Escrow Amount which shall be paid into the relevant escrow account.

- 19.11 Any transfer of Shares to a Proposed Purchaser (or as they may direct) in accordance with or pursuant to this Article 19 shall not be subject to the provisions of Articles 13, 17, 18 or any other provision of these Articles which would otherwise fetter the ability of the Selling Shareholders to transfer their Shares or the Shares of the Called Shareholders to a Proposed Purchaser on the terms of this Article 19.
- 19.12 On any person, following the issue of a Drag Along Notice, becoming an Equity Shareholder of the Company pursuant to the: (i) exercise of a pre-existing option or warrant to acquire shares in the Company; or (ii) conversion of any convertible security of the Company (in each case 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 and the New Shareholder shall then be bound to sell and transfer all Equity Shares so acquired to the Proposed Purchaser or as the Proposed Purchaser may direct and the provisions of this Article 19 shall apply with the necessary changes to the New Shareholder, except that if the date on which the Drag Along Notice was deemed to have been served on the New Shareholder is after the Drag-Along Completion Date, completion of the sale of the Shares shall take place five Business Days after the date on which the Drag Along Notice was deemed served on the New Shareholder, or on such later date as may be approved in writing by the Board and the Selling Shareholders.

20. GENERAL MEETINGS

- 20.1 If the Directors are required by the Shareholders under section 303 of the Act to call a general meeting, the Directors shall convene the meeting for a date not later than 28 days after the date on which the Directors became subject to the requirement under section 303 of the Act.
- 20.2 The provisions of section 318 of the Act shall apply to the Company, save that if a quorum is not present at any meeting adjourned for the reason referred to in Article 41 of the Model Articles, then, provided that the Qualifying Person present holds or represents the holder of at least 50 per cent in nominal value of the issued A Ordinary Share (excluding Treasury Shares), any resolution agreed to by such Qualifying Person shall be as valid and effectual as if it had been passed unanimously at a general meeting of the Company duly convened and held.
- 20.3 If any two or more Shareholders (or Qualifying Persons representing two or more Shareholders) attend the meeting in different locations, the meeting shall be treated as being held at the location specified in the notice of the meeting, save that if no one is present at that location so specified, the meeting shall be deemed to take place where the largest number of Qualifying Persons is assembled or, if no such group can be identified, at the location of the chairman.
- 20.4 If a demand for a poll is withdrawn under article 44(3) of the Model Articles, the demand shall not be taken to have invalidated the result of a show of hands declared before the demand was made and the meeting shall continue as if the demand had not been made.
- 20.5 Polls must be taken in such manner as the chairman directs. A poll demanded on the election of a chairman or on a question of adjournment must be held immediately. A poll demanded on any other question must be held either immediately or at such time and place as the chairman directs not being more than 14 days after the poll is demanded. The demand for a poll shall not prevent the continuance of a meeting for

the transaction of any business other than the question on which the poll was demanded.

- 20.6 No notice need be given of a poll not held immediately if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken.
- 20.7 If the poll is to be held more than 48 hours after it was demanded the Shareholders shall be entitled to deliver proxy notices in respect of the poll at any time up to 24 hours before the time appointed for taking that poll. In calculating that period, no account shall be taken of any part of a day that is not a working day.

21. PROXIES

- 21.1 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)".
- 21.2 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:
 - 21.2.1 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;
 - 21.2.2 be delivered at the meeting or adjourned meeting at which the person named in the instrument proposes to vote to the chairman or to the company secretary or to any Director; or
 - 21.2.3 in the case of a poll, be delivered at the meeting at which the poll was demanded to the chairman or to the company secretary or to any Director, or at the time and place at which the poll is held to the Chairman or to the company secretary or to any Director or scrutineer,

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

22. DIRECTORS' BORROWING POWERS

The Directors may (with Founder Consent) 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.

23. NO ALTERNATE DIRECTORS

Notwithstanding any provision of these Articles to the contrary, no Director shall be entitled to appoint any person to act as his alternate for any purpose unless otherwise agreed by the Board with a Founder Consent.

24. NUMBER OF DIRECTORS

Save with Founder Consent, the number of Directors shall be not less than two (2). There shall be no maximum number of Directors

25. APPOINTMENT OF DIRECTORS

25.1 Founder Director

25.1.1 For so long as either Founder and his Permitted Transferees holds not less than 10 per cent of the A Ordinary Shares he shall severally have the right (exercisable in accordance with Article 25.1.2 below) to appoint and maintain in office such natural person as he may from time to time nominate as a director of the Company (the "**Founder Director**") and to remove any director so appointed and, upon his removal to appoint another director in his place. Paul Stephen and Nicholas Tower shall be the first Founder Directors.

25.1.2 Appointment and removal of a Founder Director shall be by written notice to the Company signed by the Founder, which notice shall take effect on delivery at the registered office or at any meeting of the Board.

25.1.3 A Founder Director shall be entitled at his request to be appointed to any committee of the Board established from time to time and to the board of directors of any Subsidiary.

25.2 Chairman

25.2.1 A majority of the serving Directors may appoint any Director as chairman of the Board ("**Chairman**") and may remove and replace any such Chairman.

25.2.2 If there is no Chairman in office for the time being, or the Chairman is unable to attend any meeting of the directors, the Directors present at the meeting must appoint another Director present at the meeting to chair the meeting and the appointment of the chairman of the meeting must be the first business of the meeting.

25.2.3 The Chairman will not have a casting vote.

25.3 Expenses

The Company will reimburse the Directors with the reasonable costs and out of pocket expenses incurred by them in respect of attending meetings of the Company, the Board, any committee of the Board, any Subsidiary or the board of directors of any Subsidiary or carrying out authorised business on behalf of the Company.

26. DISQUALIFICATION OF DIRECTORS

In addition to that provided in article 18 of the Model Articles, the office of a Director shall also be vacated if:

- 26.1.1 he is convicted of a criminal offence (other than a minor motoring offence) and the Directors resolve that his office be vacated; or
- 26.1.2 in the case of Directors other than a Founder Director, if a majority of his co-Directors (with Founder Consent) serve notice on him in writing, removing him from office.

27. PROCEEDINGS OF DIRECTORS

- 27.1 The quorum for Directors' meetings shall be any two (2) Directors including any Founder Directors, at such time (save that where a Relevant Interest of a Founder Director is being authorised by other Directors in accordance with section 175(5)(a) of the Act, such Founder Director (as the case may be) and any other interested Director shall not be included in the quorum required for the purpose of such authorisation (and the quorum for deciding such matter may be a sole Director) but shall 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 acting with Founder Consent. If a quorum is not present at any such adjourned meeting within half an hour from the time appointed, then the meeting shall proceed.
- 27.2 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.
- 27.3 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.
- 27.4 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, save that a Founder Director may not vote or count in the quorum on any resolution to approve, vary or terminate the relevant Founder's service agreement.
- 27.5 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.
- 27.6 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.

28. DIRECTORS' INTERESTS

Specific interests of a Director

28.1 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:

28.1.1 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;

28.1.2 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;

28.1.3 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;

28.1.4 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;

28.1.5 where a Director (or a person connected with him) 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;

28.1.6 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;

28.1.7 an interest which cannot reasonably be regarded as likely to give rise to a conflict of interest; or

28.1.8 any other interest authorised by ordinary resolution.

Interests of which a Director is not aware

28.2 For the purposes of this Article 28, 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

- 28.3 In any situation permitted by this Article 28 (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

- 28.4 Subject to Article 28.5, any authority given in accordance with section 175(5)(a) of the Act in respect of a Director ("**Interested Director**") who has proposed that the Directors authorise his interest ("**Relevant Interest**") pursuant to that section may, for the avoidance of doubt:

- 28.4.1 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:

28.4.1.1 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;

28.4.1.2 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

28.4.1.3 restricting the application of the provisions in Articles 28.6 and 28.7, so far as is permitted by law, in respect of such Interested Director;

- 28.4.2 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 28.5, 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 28.

Terms and conditions of Board authorisation for an Investor Director

- 28.5 Notwithstanding the other provisions of this Article 28, 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 28.7.

Director's duty of confidentiality

- 28.6 Subject to Article 28.7 (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 28), 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:

- 28.6.1 to disclose such information to the Company or to any Director, or to any officer or employee of the Company; or

- 28.6.2 otherwise to use or apply such confidential information for the purpose of or in connection with the performance of his duties as a Director.
- 28.7 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 28.6 shall apply only if the conflict arises out of a matter which falls within Article 28.1 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

- 28.8 Where a Director has an interest which can reasonably be regarded as likely to give rise to a conflict of interest, the Director may take such additional steps as may be necessary or desirable for the purpose of managing such conflict of interest, including compliance with any procedures laid down from time to time by the Directors for the purpose of managing conflicts of interest generally and/or any specific procedures approved by the Directors for the purpose of or in connection with the situation or matter in question, including without limitation:
- 28.8.1 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
- 28.8.2 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

- 28.9 Subject to section 182 of the Act, a Director shall declare the nature and extent of any interest permitted by Article 28.1 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:
- 28.9.1 falling under Article 28.1.7;
- 28.9.2 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
- 28.9.3 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

- 28.10 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 28.
- 28.11 For the purposes of this Article 28:

- 28.11.1 a conflict of interest includes a conflict of interest and duty and a conflict of duties;
- 28.11.2 the provisions of section 252 of the Act shall determine whether a person is connected with a Director; and
- 28.11.3 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.

29. NOTICES

- 29.1 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:

- 29.1.1 in hard copy form; or

- 29.1.2 in electronic form;

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 29.

Notices in hard copy form

- 29.2 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):

- 29.2.1 to the Company or any other company at its registered office; or

- 29.2.2 to the address notified to or by the Company for that purpose; or

- 29.2.3 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

- 29.2.4 in the case of an intended recipient who is a Director, to his address as shown in the register of Directors; or

- 29.2.5 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

- 29.2.6 where the Company is the sender, if the Company is unable to obtain an address falling within one of the addresses referred to in 29.2.1 to 29.2.5 above, to the intended recipient's last address known to the Company.

- 29.3 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:

- 29.3.1 if delivered, at the time of delivery;

- 29.3.2 if posted, on receipt or 48 hours after the time it was posted, whichever occurs first.

Notices in electronic form

- 29.4 Subject to the provisions of the Act, any notice or other document in electronic form given or supplied under these Articles may:
- 29.4.1 if sent 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;
 - 29.4.2 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 29.2; or
 - 29.4.3 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.
- 29.5 Any notice or other document in electronic form given or supplied under these Articles shall be deemed to have been served and be effective:
- 29.5.1 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;
 - 29.5.2 if posted in an electronic form, on receipt or 48 hours after the time it was posted, whichever occurs first;
 - 29.5.3 if delivered in an electronic form, at the time of delivery; and
 - 29.5.4 if sent by any other electronic means as referred to in Article 29.4.3, at the time such delivery is deemed to occur under the Act.
- 29.6 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

- 29.7 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 (the "**Primary Holder**"). Notice so given shall constitute notice to all the joint holders.
- 29.8 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).

30. INDEMNITIES AND INSURANCE

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

30.1.1 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 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 current or former director of the Company or any associated company is indemnified by the Company against:

30.1.1.1 any liability incurred by the director to the Company or any associated company; or

30.1.1.2 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

30.1.1.3 any liability incurred by the director:

(i) in defending any criminal proceedings in which he is convicted;

(ii) 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

(iii) 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 30.1.1.1, 30.1.1.3(ii) and 30.1.1.3(iii) applying;

30.1.2 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.

30.2 The Company shall (at the cost of the Company) effect and maintain for each current or former director of the company or any associated company policies of insurance insuring each 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.

31. 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.

32. AUTHORITY TO CAPITALISE AND APPROPRIATION OF CAPITALISED SUMS

32.1 The Board may, if authorised to do so by an ordinary resolution (with Founder Consent):

32.1.1 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

32.1.2 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 (with Founder Consent) deem appropriate (the "**Shareholders Entitled**").

32.2 Article 36 of the Model Articles shall not apply to the Company.

32.3 Capitalised Sums may be applied on behalf of such Shareholders and in such proportions as the Board may in its absolute discretion (with Founder Consent) deem appropriate.

32.4 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.

32.5 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.

32.6 Subject to the Articles the Board may:

32.6.1 apply Capitalised Sums in accordance with Articles 32.3 and 32.4 partly in one way and partly another;

32.6.2 make such arrangements as they think fit to deal with Shares or debentures becoming distributable in fractions under this Article 32; and

32.6.3 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 32.