

Company Number SC274301

The Companies Act 2006

Private Company Limited by Shares

Written Resolution

of

Carbon Black System Limited (the "Company")

Circulation Date: 9th October 2018

On the 10th October 2018, the following RESOLUTIONS IN WRITING (such Resolutions to have effect as Ordinary and Special Resolutions, as indicated) were duly passed by the members of the Company entitled to attend and vote at a general meeting of the Company: -

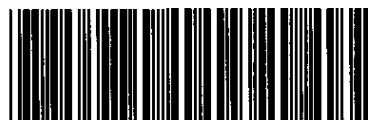
Ordinary Resolution

- 1 That 24,297,395 ordinary shares of £0.01 each in the capital of the Company be and are hereby re-designated as 24,297,395 A Ordinary Shares of £0.01 each in the capital of the Company.
- 2 That, in accordance with section 551 of the Companies Act 2006, the directors of the Company be and are hereby generally and unconditionally authorised to allot up to 13,000,000 A Ordinary Shares of £0.01 each at a price of £0.03678 per share and 2,000,000 B Investment Shares of £0.01 each at a price of £0.03678 per share in the capital of the Company provided that this authority shall, unless renewed, varied or revoked by the Company, expire on 31 October 2018.

Special Resolutions

- 3 That all rights of pre-emption whether in terms of the articles of association of the Company, Companies Act 2006, any shareholders agreement that the Company is a party to or otherwise be and are hereby waived in respect of the allotment by the Company of 13,000,000 A Ordinary Shares of £0.01 each and 2,000,000 B Investment shares of £0.01 each, provided that this power shall be limited to the allotment of 13,000,000 A Ordinary Shares of £0.01 each and 2,000,000 B Investment shares of £0.01 each and shall expire on 31 October 2018.

WEDNESDAY

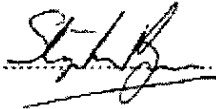


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COMPANIES HOUSE

- 4 That the regulations contained in the attached document be and are hereby approved and adopted as the Articles of Association of the Company in substitution for and to the exclusion of the existing Articles of Association of the Company ("New Articles").

Authorised signatory for and on behalf of Carbon Black System Ltd:

Signature of **STEPHEN RYAN**:

.....

Date:

10/10/18.....

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

CARBON BLACK SYSTEM LTD. (SC274301)

(Adopted by written resolution passed on 10 OCTOBER 2018)

DEFINITIONS AND INTERPRETATION

- 1.1 In these Articles unless the context otherwise requires each of the following words and expressions shall have the following meanings:

"2012 Investment Agreement"	the investment agreement amongst the Company, the HVC Investors, HVC and SE (all as defined therein) and others dated 14 th August 2012 as varied and amended by a Supplemental Investment Agreement dated 29 th October 2013, a Second Supplemental Investment Agreement dated 16 th October 2015, a Third Supplemental Investment Agreement dated 13 th April 2016, a Fourth Supplemental Agreement dated 12 th May 2017, and a Fifth Supplemental Agreement dated 20 th December 2017;
"A Ordinary Shares"	means the A Ordinary Shares of £0.01p each in the capital of the Company and A Ordinary Shareholder means a holder of any of those Shares;
"Act"	the Companies Act 2006;
"acting in concert"	the meaning set out in the City Code on Takeovers and Mergers for the time being;
"Auditors"	the auditors of the Company for the time being unless auditors are not required pursuant to the Act and have not been appointed, in which case

such reference shall mean the accountants of the Company;

"B Investment Shares"

means the B Investment Shares of £0.01 each in the capital of the Company and **B Investment Shareholder** means a holder of any of these Shares;

"Bad Leaver"

means a Director or employee who is a Leaver as a result of:-

- a) resigning as an employee and / or Director of the Company within three years of the date of adoption of these Articles (save for circumstances where such person is a Good Leaver);
- b) leaving the Company in circumstances justifying summary dismissal (eg gross misconduct, fraud, dishonesty, conviction of a criminal offence (other than a Road Traffic Act offence resulting in a non-custodial sentence)); or
- c) committing a post-cessation breach of any restrictive covenant.

"Business Day"

any day (other than a Saturday or Sunday) on which banks are open in Edinburgh for normal banking business;

"Change of Control"

the meaning given to that expression in the 2012 Investment Agreement;

"Company"

means a company incorporated in Scotland with the name Carbon Black System Ltd., bearing registered number SC274301 with its registered office at c/o Calum I Duncan Corporate Lawyers, 3 Attadale Road, Inverness, Scotland, IV3 5QH;

"Controlling Interest"

an interest (as defined in section 820 to 825 of the Act) in A Ordinary Shares in the Company conferring in aggregate more than 50% of the

	total voting rights normally exercisable at a general meeting of the Company;
"connected person"	the meaning given to that expression in section 993 of the Income Tax Act 2007 and "connected with" shall be construed accordingly;
"Directors"	means the directors of the Company from time to time, and Director means any one of them;
"Deemed Transfer Notice"	has the meaning given at Article 9.2;
"Fair Value"	the value determined by the Auditors in accordance with Article 10;
"Family Member"	the wife, husband or civil partner (or widow, widower or surviving civil partner), children and grandchildren (including step, adopted children and grandchildren and their issue) of the relevant member;
"Financial Year"	an accounting period in respect of which the Company prepares its accounts in accordance with the relevant provisions of the Statutes;
"Good Leaver"	means a Director or employee who is a Leaver:- <ul style="list-style-type: none"> a) and who is not a Bad Leaver; or b) where the Board (with Investor Consent) determines such person is a Good Leaver.
"Group"	the Company, its subsidiary undertakings and any holding company (as both are defined in the Act) from time to time and references to "member of the Group" and "Group Company" shall be construed accordingly;
"Highland Venture Capital"	means Highland Venture Capital Limited, a company incorporated in Scotland with registered number SC301682 and registered office c/o Calum I Duncan Corporate Lawyers

Ltd, 3 Attadale Road, Inverness, Highland Scotland, IV3 5QH;

"HVC Investors"	the meaning given to that expression in the 2012 Investment Agreement;
"Investor Consent"	the meaning given to that expression in the 2012 Investment Agreement;
"Investors' Directors"	the meaning given to that expression in the 2012 Investment Agreement;
"Investor Majority"	the meaning given to that expression in the 2012 Investment Agreement;
"Investors"	the meaning given to that expression in the 2012 Investment Agreement;
"Issue Price"	in respect of a Share, the aggregate of the amount paid up (or credited as paid up) in respect of the nominal value and any share premium;
"Leaver"	a shareholder who is an individual and who is or was previously a Director (other than any Investors' Director) or employee of a member of the Group and who ceases to hold such office and employment unless the Investor Majority notify the Company that such person is not a Leaver;
"Member of HVC"	any member of Highland Venture Capital from time to time (and for these purposes, a member means a member of Highland Venture Capital as a company limited by guarantee and/or a person who is recognised by Highland Venture Capital as being a member of its investment syndicate);
"Model Articles"	the model articles for companies limited by shares contained in Schedule 1 of the Companies (Model Articles) Regulations 2008

(SI 2008/3229) as amended prior to the date of adoption of these Articles;

"Mr Slorance"	Andrew Slorance, of 4 Albert Street, Nairn, IV12 4HP;
"Permitted Transferee"	any Family Member, Related Company (as that term is defined in Article 6.1) any member of the Scottish Enterprise Group or Member of HVC as more fully described in Article 6;
"Scottish Enterprise"	Scottish Enterprise, established by the Enterprise and New Towns (Scotland) Act 1990 and having its principal place of business at Atrium Court, 50 Waterloo Street, Glasgow, G2 6HQ;
"Scottish Enterprise Group"	Scottish Enterprise, any subsidiary for the time being of Scottish Enterprise and any company, corporation or other body of persons which shall have acquired the whole or substantially the whole of the undertaking of Scottish Enterprise or any subsidiary of such company, corporation or body and any other body to which the statutory functions of Scottish Enterprise have been delegated or a Scottish Enterprise Successor;
"Scottish Enterprise Successor"	any party succeeding in whole or in part to the interests of Scottish Enterprise;
"Seller"	a shareholder who wishes, or is required, to transfer Shares or any beneficial interest therein to a person to whom Article 6 (Permitted Transfers) does not apply;
"Serious Ill Health"	an illness or disability of the employee or Director which arises after the date of adoption of these Articles and certified by a general medical practitioner (nominated or approved by the Investors) as rendering the person concerned permanently incapable of carrying

out his role as an employee or Director (save where such incapacity has arisen as a result of the abuse of drugs (including alcohol) which shall not apply as an illness or disability);

"Shares"

any share forming part of the share capital of the Company;

"Share Option Scheme"

the meaning given to that expression in the 2012 Investment Agreement;

"the Statutes"

the Companies Act as defined in section 2 of the Act and every other statute, order, regulation, instrument or other subordinate legislation for the time being in force relating to companies and affecting the Company;

"Tag Along Offer"

an unconditional offer, open for acceptance for not less than 15 Business Days, to purchase Shares at a price per Share equal to the highest price per share (exclusive of stamp duty) paid or to be paid by any transferee referred to in Article 8.1 (or any person with whom such transferee is connected with or with whom such transferee is acting in concert) for Shares (inclusive of the Shares giving rise to the obligation to make the Tag Along Offer);

"Transfer Event"
and

has the meaning given to that term in Article 9;

"Transfer Price"

in relation to a Transfer Notice given under a voluntary transfer pursuant to Article 7, the price stated in the Transfer Notice or as otherwise determined in accordance with Article 10, or in the case of a Deemed Transfer Notice as determined in accordance with Article 9.4.

- 1.2 references to any statute or statutory provision include, unless inconsistent with the context, a reference to that statute or statutory provision as modified, re-enacted or consolidated and in force from time to time, whether before or after the date of these Articles;

- 1.3 where the word "address" appears in these Articles it is deemed to include postal address and, where applicable, electronic address (being any address or number used for the purposes of sending or receiving documents or information by electronic means);
- 1.4 references to a person include any individual, firm, body corporate, unincorporated association or partnership;
- 1.5 references to the plural will include the singular and vice-versa;
- 1.6 headings are for convenience only and do not affect the construction or interpretation of these Articles;
- 1.7 the Model Articles shall apply to the Company, except insofar as they are modified or excluded by these Articles;
- 1.8 save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the 2012 Investment Agreement or the Model Articles shall have the same meaning in these Articles subject to which and unless the context otherwise requires, words and expressions which have a particular meaning in the Act shall have the same meaning in the Articles; and
- 1.9 all references herein to consents, approval or permission by the Investors will mean the Investors acting by Investor Majority, unless otherwise stated.

2. SHARE CAPITAL

- 2.1 The share capital of the Company shall comprise A Ordinary Shares and B Investment Shares. The A Ordinary Shares and B Investment Shares shall rank pari passu in all respects, save as provided in these Articles.

3. DIVIDENDS, VOTING AND RETURN OF CAPITAL

3.1 Dividends

Subject to the terms of the 2012 Investment Agreement, any profits which the Company determines to distribute in respect of any Financial Year shall, subject to the approval of a general meeting and consent of the Investor Majority, be applied in distributing such profits amongst the holders of the Shares then in issue pari passu according to the number of such Shares held by them. Model Articles 30 and 34 shall be construed accordingly.

- 3.2 Any dividends declared in respect of B Investment Shares shall be retained by the Company as dedicated retained dividends on trust for the holders of the B Investment

Shares ("Withheld Dividends") until, in respect of each holder of B Investment Shares, (i) the cumulative value of Withheld Dividends exceeds £50, or on the earlier of, (ii) a transfer of the B Investment Shares to which the Withheld Dividends relate, or (iii) a winding up of the Company.

3.3 Voting

The A Ordinary Shares shall each carry one vote. The holders of A Ordinary Shares shall have the right to receive notices of any general meetings and to attend, speak and vote at such general meetings. The B Investment Shares shall have no voting rights attached to them, and holders of B investment Shares shall not have the right to receive notices of any general meetings, or the right to attend at such general meetings.

3.4 Return of Capital

On a return of capital (on liquidation or capital reduction or otherwise) the surplus assets of the Company remaining after the payment of its liabilities shall be applied:

- 3.4.1 first, in paying to each holder of Shares any dividends thereon which have been declared but are unpaid; and
- 3.4.2 thereafter, in distributing the balance of such assets amongst the holders of the Shares (*pari passu*) in proportion to the numbers of the Shares held by them respectively.

4. ALLOTMENT OF SHARES

- 4.1 Subject to Article 4.5 and Article 4.6, the Directors shall not allot any Shares unless notice in writing is given to each holder of A Ordinary Shares specifying the number and classes of Shares which are proposed to be issued, the consideration payable on the Shares, and any other material terms or conditions of the proposed issue. Each holder of A Ordinary Shares shall be entitled to subscribe for Shares in proportion (as nearly as may be) to their existing holdings of Shares ("Proportionate Entitlement"). It shall be open to each such holder of A Ordinary Shares to specify if he/it is willing to subscribe for Shares in excess of his/its Proportionate Entitlement ("Additional Shares") and if the holder of A Ordinary Shares does so specify he/it shall state the number of Additional Shares.
- 4.2 The notice specified in Article 4.1 shall invite each holder of A Ordinary Shares to state, in writing within 10 Business Days from the date of such notice whether he/it will subscribe for any Shares, and if so, how many Shares.

4.3 Within 3 Business Days of the expiry of the invitation made pursuant to the notice given under Article 4.1 the Board shall allocate the Shares in the following manner:

4.3.1 if the total number of Shares applied for is equal to or less than the available number of Shares to be issued the Company shall allocate the number applied for in accordance with the applications and may dispose of any Shares not accepted by the holders of A Ordinary Shares in such manner as they think most beneficial to the Company provided that such Shares shall not be disposed of on terms that are more favourable to the allottee than the terms on which they were offered under this Article 4; or

4.3.2 if the total number of Shares applied for is more than the available number of Shares to be issued, each holder of A Ordinary Shares shall be allocated his/its Proportionate Entitlement (or such lesser number of Shares to be issued for which he/it may have applied) and applications for Additional Shares shall be allocated in accordance with such applications or, in the event of competition, to each holder of A Ordinary Shares willing to subscribe for Additional Shares in proportion (as nearly as may be) to the proportion which the Shares held by a holder of A Ordinary Shares bear to the total number of Shares held by all the holders of A Ordinary Shares applying for Additional Shares provided that any holder of A Ordinary Shares shall not be allocated more Additional Shares than he/it shall have stated himself willing to take.

4.4 Pursuant to the Act, all statutory rights of pre-emption shall be excluded from applying to the Company.

4.5 Article 4.1 shall not apply to the issue of shares in accordance with the Share Option Scheme.

4.6 On any allotment of Shares, the provisions of Article 4.1 may be diss-applied by special resolution of the holders of A Ordinary Shares of the Company.

5. TRANSFER OF SHARES: GENERAL

5.1 Subject to the provisions of Article 6, no transfer of any Share shall be made or registered unless such transfer:

5.1.1 complies with the provisions of these Articles;

5.1.2 in respect of the A Ordinary Shares only, complies with the 2012 Investment Agreement (where it applies); and

5.1.3 in respect of the A Ordinary Shares only, has been approved by the Directors.

5.2 Any shares offered to any member of the Scottish Enterprise Group or Member of HVC (whether as a result of a proposed transfer of Shares or allotment of Shares) shall, at the request of Scottish Enterprise Group/Highland Venture Capital (as appropriate) be registered in the name or names of any one or more members of the Scottish Enterprise Group (in the case of the Scottish Enterprise Group) or any one or more Members of HVC (in the case of Members of HVC).

6. PERMITTED TRANSFERS

6.1 Notwithstanding the provisions of any other Article, the transfers set out in this Article 6 shall be permitted without restriction and the provisions of Articles 7 (Voluntary Transfers) and 8 (Drag Along and Tag Along) shall have no application.

6.2 Permitted transfers by the holders of B Investment Shares

Notwithstanding any other provision contained in these Articles or the 2012 Investment Agreement, the Board shall register the transfer of any B Investment Shares made from any holder of B Investment Shares to any person (without restriction as to price or otherwise) but only if the holder of B Investment Shares is transferring his entire holding of B Investment Shares at that time.

6.3 Permitted transfers by bodies corporate

Any Investor who is a body corporate may transfer any of its Shares (without restriction as to price or otherwise) to any other body corporate which is for the time being in its Group (each such body corporate being a "Related Company") but if a Related Company shall cease to be a Related Company it shall, within 15 Business Days of so ceasing, transfer the Shares held by it to such body first holding the relevant Shares or any Related Company of such body and failing such transfer the shareholder shall be deemed to have given a Transfer Notice pursuant to Article 9.

6.4 Permitted Transfers by Mr Slorance

Mr Slorance may transfer any Shares (without restriction as to price or otherwise) to a Family Member of Mr Slorance provided that if the Family Member ceases to be a Family Member they shall, within 15 Business Days of so ceasing, transfer the shares held by them to Mr Slorance and failing such transfer the Family Member shall be deemed to have given a Transfer Notice pursuant to Article 9.

6.5 Permitted Transfers by Scottish Enterprise

Notwithstanding any other provision contained in these Articles or the 2012 Investment Agreement, the Board shall register the transfer of any Shares made from any member of the Scottish Enterprise Group to any other member of the Scottish Enterprise Group (without restriction as to price or otherwise).

6.6 Permitted Transfers by Members of HVC

Any Member of HVC may transfer any Shares (without restriction as to price or otherwise) to any other Member of HVC or to a Family Member of that Member of HVC.

6.7 Permitted Transfers by all Shareholders

- 6.7.1 Subject to Article 6.7.2 any shareholder may at any time transfer any Shares to the Company in accordance with the provisions of the Statutes;
- 6.7.2 Any holder of A Ordinary Shares may at any time transfer all or any of his Shares to any other person with the prior written consent of the holders (by nominal value) of at least 75% of the A Ordinary Shares and which must include an Investor Majority; and
- 6.7.3 Any Shares may be transferred pursuant to Article 8 (Drag Along and Tag Along).

7. VOLUNTARY TRANSFERS

- 7.1 Except as permitted under Article 6 any Seller who wishes to transfer A Ordinary Shares shall give notice in writing (the "Transfer Notice") to the Company of his wish specifying:
 - 7.1.1 the number of Shares (the "Sale Shares") which he wishes to transfer (for the avoidance of doubt Sale Shares may be either A Ordinary Shares or B Investment Shares or a mixture of both);
 - 7.1.2 if he wishes to transfer the Sale Shares to a third party, the name of the third party;
 - 7.1.3 the price at which he wishes to transfer the Sale Shares (the "Transfer Price"); and
 - 7.1.4 whether the Transfer Notice is conditional on all, or a specific number, of the Sale Shares being sold in which case no Sale Shares can be sold

unless offers are received for all or the minimum number (as applicable) of the Sale Shares.

- 7.2 Where any Transfer Notice is deemed to have been given in accordance with Article 9 all the Shares registered in the name of the Seller shall be included for transfer, and the provisions of Article 7.1.4 shall not apply.
- 7.3 Once given, a Transfer Notice or Deemed Transfer Notice may not be withdrawn unless the Seller is obliged to procure the making of an offer under Article 8.1 and is unable to procure the making of such an offer, it is permitted under Article 7.6 or the Investor Majority approves such withdrawal. In the event of a Transfer Notice being withdrawn the Seller shall bear all costs relating to such Transfer Notice or Deemed Transfer Notice.
- 7.4 The Transfer Notice shall constitute the Directors the agents of the Seller for the sale of the Sale Shares at the Transfer Price. As soon as reasonably practicable following receipt by the Company of a Transfer Notice the Directors shall give notice to all the holders of A Ordinary Shares (other than the Sellers) inviting them to notify the Company in writing within 15 Business Days from the date of such offer (the "First Offer Period") confirming: (i) if he/it requires the Sale Shares to be valued; and (ii) if he/it does not, the maximum number of Sale Shares they wish to purchase at the Transfer Price.
- 7.5 If before the expiry of the First Offer Period any holder of A Ordinary Shares confirms in writing that he/it requires the Sale Shares to be valued in accordance with Article 7.4, the Directors shall instruct the Auditors to undertake a valuation in accordance with Article 10.
- 7.6 Within 7 Business Days of receipt of the Fair Value Certificate (as defined in Article 10) the Directors shall send a copy of such Certificate to the Seller and (other than in the case of a Deemed Transfer Notice) the Seller shall be entitled to revoke the Transfer Notice by notice in writing to the Directors within 7 days of receipt.
- 7.7 If the Transfer Notice is not revoked by the Seller or, in the case of a Deemed Transfer Notice, once the Fair Value has been determined in accordance with Article 10, the Directors shall give notice to all of the holders of A Ordinary Shares (other than the Seller) confirming the value of the Sale Shares as determined in accordance with Article 10 (which shall be the Transfer Price) inviting them to notify the Company in writing within 15 Business Days from the date of such notice (the "Second Offer Period") confirming the maximum number of Sale Shares they wish to purchase.

- 7.8 It shall be open to each holder of A Ordinary Shares to specify if he is willing to purchase Sale Shares in excess of his Proportionate Entitlement (as defined in Article 4.1) ("Excess Sale Shares") and, if the shareholder does so specify, he shall state the number of Excess Sale Shares.

7.9

- 7.9.1 Within 3 Business Days of the expiry of the First Offer Period or Second Offer Period (as appropriate) the Board shall allocate the Sale Shares in the following manner:

- 7.9.2 if the total number of Sale Shares applied for is equal to or less than the available number of Sale Shares the Company shall, subject to Article 7.1.4, allocate the number applied for in accordance with the applications; or

- 7.9.3 if the total number of Sale Shares applied for is more than the available number of Sale Shares, each holder of A Ordinary Shares shall be allocated his Proportionate Entitlement (or such lesser number of Sale Shares for which he may have applied) and applications for Excess Sale Shares shall be allocated in accordance with such applications or, in the event of competition, as nearly as may be to the proportion which Shares held by a holder of A Ordinary Shares bears to the total number of Shares held by all holders of A Ordinary Shares applying for Excess Sale Shares provided that any holder of A Ordinary Shares shall not be allocated more Excess Sale Shares than he/it shall have stated himself willing to take;

and in either case the Company shall forthwith give notice of each such allocation (an "Allocation Notice") to the Seller and each of the persons to whom Sale Shares have been allocated (a "Member Applicant") and shall specify in the Allocation Notice the place and time (being not later than 10 Business Days after the date of the Allocation Notice) at which the sale of the Sale Shares shall be completed.

- 7.10 Subject to Article 7.11 the Seller shall be bound, on payment of the Transfer Price, to transfer the Sale Shares comprised in the Allocation Notice to the Member Applicants free from any lien, charge or encumbrance. If the Seller makes default in so doing any Director shall forthwith be deemed to be the duly appointed attorney of the Seller with full power to execute, complete and deliver a transfer of the relevant Sale Shares and any Director may receive and give a good discharge for the purchase money on behalf of the Seller and (subject to the transfer being duly stamped) enter the name of the Member Applicant in the register of members. The Board shall forthwith pay the Transfer Price into a

separate bank account in the Company's name and shall hold such money on trust (but without interest) for the Seller until he shall deliver up his certificate(s) for the relevant Shares (or an indemnity in respect of any lost certificate) to the Company when he shall thereupon be paid the Transfer Price.

- 7.11 If the provisions of Article 7.1.4 apply or where any Transfer Notice is deemed to have been given in accordance with these Articles and if the total number of Shares applied for by Member Applicants is less than the number of Sale Shares the Directors may within 7 days of the date of the Allocation Notice determine (with the approval of any Investors' Director) that the Company shall (if it is permitted to do so under the Act) purchase some or all of the Sale Shares. The Directors shall have a period of 60 days from the date of any such determination by the Directors to obtain any necessary consents and authorities for any such purchase by the Company and to complete the purchase by the Company of the Sale Shares.
- 7.12 In the event of all of the Sale Shares not being sold under the preceding paragraphs of this Article 7 the Seller may, at any time within 3 months after receiving confirmation from the Company that the provisions herein contained have been exhausted, transfer all the Sale Shares (if Article 7.1.4 does apply) or any Sale Shares which have not been sold (if Article 7.1.4 does not apply) to any person or persons at any price not less than the Transfer Price.
- 7.13 The holders of any A Ordinary Shares which are subject of a Transfer Notice or Deemed Transfer Notice shall be entitled to receive notice of and attend general meetings of the Company but shall have no right to:
- 7.13.1 vote in respect of the Sale Shares; or
 - 7.13.2 participate in any offer of Shares from any other member in accordance with these Articles; and

Model Article 37 shall be modified accordingly.

- 7.14 Where any holders of A Ordinary Shares which are the subject of a Transfer Notice or Deemed Transfer notice are subsequently registered in the name of a transferee in accordance with the provisions of this Article 7, the provisions of Article 7.13 shall cease to apply to such A Ordinary Shares and the transferor of such A Ordinary Shares from the date of such registration.
- 7.15 If the holder of any Shares ceases to hold the right to vote in respect of any Sale Shares pursuant to Article 7.13.1 above and the effect of such provision is that Scottish Enterprise would, but for the operation of this Article, hold Shares entitling it to greater than 29.9% of the votes at any general meeting of the Company, then for

so long as such Sale Shares remain disenfranchised the voting rights of Scottish Enterprise shall be restricted to represent 29.9% of the voting share capital in any poll vote or when considering the requisite percentage vote for the purpose of any written resolution. The provisions of this Article 7.15 shall cease to take effect on registration of such Sales Shares in accordance with Article 7.14.

8. DRAG ALONG AND TAG ALONG

Tag along

- 8.1 If in one or a series of related transactions, one or more Sellers propose to transfer any Shares to an arms' length purchaser (who is not Mr Slorance or an Investor) for value which would, if completed, result in the transferee together with persons acting in concert or connected with that transferee obtaining a Controlling Interest, the Seller or Sellers shall (unless such transfer is a transfer to a Permitted Transferee) before making such transfer procure that the proposed transferee of the Seller's Shares makes a Tag Along Offer to all of the holders of A Ordinary Shares and B Investment Shares, respectively.
- 8.2 The Tag Along Offer shall set out:
 - 8.2.1 the identity of the purchaser of the Shares referred to in Article 8.1;
 - 8.2.2 the purchase price ("Tag Along Price") including the calculation of any element not payable in cash and other terms and conditions of payment for each Share (for the avoidance of doubt each A Ordinary Share and each B Investment Share shall rank *pari passu* in terms of the purchase price and any other terms and conditions of payment) ;
 - 8.2.3 the proposed date of sale; and
 - 8.2.4 the number of Shares proposed to be purchased.
- 8.3 The Tag Along Offer shall be given by written notice at least 30 Business Days before the proposed sale date.
- 8.4 Every shareholder, on receipt of a Tag Along Offer, shall be bound within 15 Business Days of the date of such offer (which date shall be specified therein) (the "Offer Period") either to accept or reject such offer in writing (and in default of so doing shall be deemed to have rejected the offer). If a Tag Along Offer is not made the Seller or Sellers shall not be entitled to complete the proposed sale and the Board shall not register any transfer to effect the sale.

- 8.5 If the Tag Along Offer is accepted by any shareholder within the Offer Period, the completion of the proposed transfer shall be conditional upon the purchase of all the Shares held by such accepting shareholders.
- 8.6 In the event of disagreement as to the calculation of the Tag Along Price such shall be referred to the Auditors for determination applying the terms of Article 10 mutatis mutandis.

Drag along

- 8.7 If the holders (by nominal value) of at least 75% of the A Ordinary Shares and which must include an Investor Majority (in this Article 8 the "Dragging Shareholders") wish to transfer their Shares in the Company to a bona fide arms length purchaser (the "Buyer"), then the Dragging Shareholders can require all of the other shareholders (both the holders of A Ordinary Shares and the holders of B Investment Shares and any persons who would become shareholders upon exercise of any options or other rights to subscribe for shares which exist at the date of the Offer) (the "Called Shareholders") to sell and transfer all of their Shares in the Company to the Buyer (or as the Buyer directs) by giving notice to that effect (the "Drag Along Notice") to such Called Shareholders, such Drag Along Notice to be served not less than 30 Business Days prior to the proposed completion of the transfer of Shares to the Buyer.
- 8.8 The Drag Along Notice shall specify:
- 8.8.1 that the Called Shareholders are required to transfer all their Shares free from all liens, charges and encumbrances;
 - 8.8.2 the price (the "Drag Along Price") including the calculation of any element not payable in cash at which such shares of the Company are proposed to be transferred which shall be a price per Share equal to that offered by the Buyer to the Dragging Shareholders (for the avoidance of doubt each A Ordinary Share and each B Investment Share shall rank *pari passu* in terms of the Drag Along Price and any other terms and conditions of payment);
 - 8.8.3 the identity of the Buyer; and
 - 8.8.4 the proposed date of the transfer.
- 8.9 Once issued, a Drag Along Notice shall be irrevocable. A Drag Along Notice shall lapse if, for any reason, the Dragging Shareholders have not sold their Shares to the Buyer within 60 Business Days of serving the Drag Along Notice. The

Dragging Shareholders may serve further Drag Along Notices following the lapse of any particular Drag Along Notice.

- 8.10 The Called Shareholders shall be bound, on payment of the Drag Along Price to transfer the Called Shares in accordance with the Drag Along Notice at the time and place therein specified free from any lien, charge or encumbrance.
- 8.11 If the Called Shareholders (or any of them) shall make default in transferring their Shares pursuant to Article 8.10 the provisions of Article 7.9 (references therein to the Seller, Sale Shares, Allocation Notice and Member Applicant being read as references to the shareholder making such default, the Shares in respect of which such default is made, the Drag Along Notice and the Buyer respectively) shall apply to the transfer of such Shares.
- 8.12 In the event of disagreement as to the calculation of the Drag Along Price such shall be referred to the Auditors for determination applying the terms of Article 10 mutatis mutandis.

9. COMPULSORY TRANSFERS

9.1 A "Transfer Event" means:

- 9.1.1 where the holder of Shares is an individual, going into sequestration, entering into a trust deed for creditors or similar voluntary arrangement, or his death;
- 9.1.2 where the holder of Shares is a body corporate a receiver, manager or administrative receiver being appointed over all or any part of its undertaking or assets or entering into liquidation (other than a voluntary liquidation for the purposes of a bona fide scheme of solvent amalgamation or reconstruction) or administration (including any provisional or interim appointment of an administrator or liquidator);
- 9.1.3 a holder of Shares becoming a Leaver;
- 9.1.4 a holder of Shares attempting to deal with or dispose of any Shares or any interest in them or purporting to make a transfer otherwise than in accordance with these Articles;
- 9.1.5 a holder of Shares (other than any Investor) undergoing a Change of Control; or

- 9.1.6 a holder of Shares by virtue of a permitted transfer where the transferor has ceased to be an officer of the Company or in the employment of the Company;

unless in any of the above events the Investor Majority notify the Company that such event is not to be treated as a Transfer Event.

- 9.2 *Upon the happening of any Transfer Event, the shareholder in question or any Permitted Transferee of such shareholder who has derived title to Shares from them shall be deemed to have immediately given a Transfer Notice in respect of all the Shares then held by him/it (a "Deemed Transfer Notice"). A Deemed Transfer Notice shall supersede and cancel any then current Transfer Notice insofar as it relates to the same Shares except for Shares which have then been validly transferred pursuant to that Transfer Notice.*

- 9.3 The Shares the subject of any Deemed Transfer Notice shall be offered for sale in accordance with Article 7 as if they were Sale Shares in respect of which a Transfer Notice had been given save that:

- 9.3.1 a Deemed Transfer Notice shall be deemed to have been given on the date of the Transfer Event or, if later, the date upon which the Investor Majority becomes aware that the relevant event is a Transfer Event and has notified the Company that the relevant event is a Transfer Event;

- 9.3.2 subject to Article 9.4, the Sale Price shall be a price per Sale Share agreed between the Seller (or their executors or representatives) the Board and the Investor Majority or, in default of agreement, within 14 Business Days after the date of the Transfer Event, the Fair Value;

- 9.3.3 the provisions of Article 7.1.4 shall not apply to a Deemed Transfer Notice; and

- 9.3.4 the Sale Shares shall be sold together with all rights attaching thereto as at the date of the Transfer Event.

- 9.4 The Sale Price for any Sale Shares which are the subject of a Deemed Transfer Notice given as a consequence of a Transfer Event arising due to a holder of Shares being a Leaver shall:

- 9.4.1 if the holder of Shares is a Good Leaver be their Fair Value; and

- 9.4.2 if the holder of Shares is a Bad Leaver be the lower of their Fair Value and their Issue Price.

- 9.5 Article 9.4 shall not apply to the Investors (or any Permitted Transferee of the Investors) or to any Investors' Directors.
- 9.6 In the event that prior to the transfer of his Shares but after ceasing to be an employee or Director of the Company, a Good Leaver is in breach of his restrictive covenants or in breach within one year of his becoming a Leaver of his obligations of confidentiality contained in his employment contract and/or service agreement ("Employment Breach"), the Member shall automatically be deemed to be a Bad Leaver and accordingly the Sale Price for any of his Sale Shares shall be the lower of the Fair Value and their Issue Price.
- 9.7 If in respect of a former Member whose Shares were the subject of a Deemed Transfer Notice by virtue of him being a Good Leaver and who is found, after the transfer of Shares, to have committed an Employment Breach, such former Member shall, unless the Board (with Investor Consent) otherwise determine, be deemed instead to have been a Bad Leaver and accordingly the Sale Price for the Shares formerly held by such Members shall be retrospectively adjusted to the lower of the Fair Value and Issue Price in respect of his Sale Shares. In such circumstances, the former Member shall pay the Company on demand such sum as represents the difference between the amount paid to him in respect of his former Shares as a Good Leaver and the amount which would have been paid to him as a Bad Leaver. Where the Company has not been the transferee of the former Member's Shares, it shall act as agent for, and reimburse (upon receipt from the former Member) to, the transferee Member, the difference in the price paid by such transferee Member to the former Member in respect of the Sale Shares as appropriate.
- 9.8 In the event of a dispute as to whether a Leaver is a Good Leaver or a Bad Leaver, such dispute shall not affect the validity of a Deemed Transfer Notice but any person who acquires Sale Shares (the "Purchaser") pursuant to a Deemed Transfer Notice while such a dispute is ongoing shall pay to the Seller (the "Seller") a sum equal to their Issue Price (or Fair Value, if lower) and shall pay such amount representing the difference between the Fair Value of the Shares as determined pursuant to Article 10 and the Issue Price in respect of such Shares to the Company. The Company shall hold that amount in a separate bank deposit account as trustee to pay it, and all interest earned thereon, upon final determination of the dispute as to whether or not the relevant Member is a Good Leaver or a Bad Leaver as follows:-
- 9.8.1 to the Purchaser in the case of the relevant Member being a Bad Leaver;
and
- 9.8.2 to the Seller in the case of the relevant Member being a Good Leaver.

Subject always to the Seller and the Purchaser agreeing otherwise prior to the determination of whether the Leaver is a Good Leaver or a Bad Leaver being finalised.

10. FAIR VALUE

- 10.1 If the Auditors are required to determine the price at which Shares are to be transferred pursuant to these Articles, such price shall be the amount the Auditors shall, on the application of the Board (which application shall be made as soon as practicable following the time it becomes apparent that a valuation is required), give their written opinion as to the price which represents a fair value for such Shares as between a willing seller and a willing buyer as at the date the Transfer Notice or Deemed Transfer Notice is given. The Directors shall instruct the Auditors to produce a certificate stating such value ("Fair Value Certificate") within 20 Business Days of being requested to do so.
- 10.2 In making such determination, the Auditors shall not take any account of (i) whether the Sale Shares comprise a majority or a minority interest in the Company nor (ii) the fact that transferability is restricted by these Articles nor (iii) the class of the Sale Shares being offered for sale; but account shall be taken of the effect of the relevant shareholder ceasing to be an employee, Director or consultant of the Company.
- 10.3 *The Auditors shall act as experts and not as arbiters and their decision shall be conclusive and binding on the Company and all shareholders (in the absence of fraud or manifest error).*
- 10.4 In the event that the Auditors decline to accept an instruction to provide a valuation, then the price will be determined by a firm of independent chartered accountants, such accountants to be appointed by the Company with Investor Consent.
- 10.5 The Auditors' costs in making any determination referred to them under this Article 10 shall (other than as specifically prescribed in these Articles) be borne by the Company unless the Auditors shall otherwise determine provided that if a Seller revokes a Transfer Notice in accordance with Article 7.6 such costs shall be borne by the Seller.

11. GENERAL MEETINGS

- 11.1 No business shall be transacted at any general meeting unless a quorum of shareholders is present. Three holders of A Ordinary Shares present in person, by proxy or by duly authorised representative (if a corporation), shall be the quorum at any general meeting (provided at least two of such shareholders are Investors).

- 11.2 Unless waived in writing (which may be by email) by an Investor Majority, the Company shall hold an annual general meeting in each calendar year.
- 11.3 A notice convening a general meeting (other than an adjourned meeting) must be called by at least 14 days' notice but a general meeting can be called by shorter notice if it is so agreed by the shareholders in accordance with the Act. The notice must state the time, date and place of the meeting and the general nature of the business to be dealt with at the meeting and shall be given in accordance with the Act.
- 11.4 The Company may send a notice of meeting by making it available on a website or by sending it in electronic form and if notice is sent in either way it will be valid provided it complies with the relevant provision of the Act.

12. APPOINTMENT AND REMOVAL OF DIRECTORS AND INVESTORS' DIRECTORS

- 12.1 Any Director shall only be appointed in accordance with the terms of the 2012 Investment Agreement and Model Article 17.1 shall be modified accordingly.
- 12.2 The Investor Majority shall be entitled at any time to appoint up to two persons as a Director of the Company (and in their absolute discretion as a Director of any other member(s) of the Group and/or as a member of each and any committee of the Company or any other member of the Group) who shall be designated as the Investors' Directors in each case for the purposes of these Articles. The removal of any Director so appointed shall be made by notice in writing from the Investor Majority.
- 12.3 An Investor Director may be entitled to be appointed the Chairman of the Board of Directors, such Investor Director and appointment to be determined by the Investor Majority.
- 12.4 In the absence of any Investors' Directors holding office at the relevant time, any provision in these Articles requiring the prior consent, approval or agreement of the Investors' Director(s) shall be deemed instead to refer to an Investor Majority.
- 12.5 A Director may only be removed in accordance with the terms of the 2012 Investment Agreement and this Article 12.
- 12.6 The office of any Director shall be vacated if:
 - 12.6.1 he shall, for whatever reason, cease to be employed by the Company or any Group Company (provided that this Article 12.6.1 shall not apply to any Investors' Directors);

- 12.6.2 (other than in the case of any Investors' Director) he shall on more than six consecutive months have been absent without permission of the Directors from meetings of the Directors held during that period and the remaining Directors resolve that his office be vacated;
- 12.6.3 other than in the case of any Investors' Director the other Directors acting by majority for this purpose, determine that such Director shall be removed from the Board; or
- 12.6.4 in any of the circumstances listed in Model Article 18.

13. ALTERNATE DIRECTORS

- 13.1 The appointment by any Investors' Director of an alternate Director shall not be subject to approval by a resolution of the Board but the appointment of an alternate by any Director other than an Investors' Director shall require such approval.
- 13.2 An alternate Director shall not be entitled to receive any remuneration from the Company, save that he may be paid by the Company such part (if any) of the remuneration otherwise payable to his appointor as such appointor may, by notice in writing to the Company from time to time, direct.
- 13.3 A Director, or alternate Director, may act as an alternate Director for and represent more than one Director, and an alternate Director shall be entitled at any meeting of the Board (or of any committee of the Board) to one vote for every Director whom he represents (in addition to his own vote (if any) as a Director), but he shall count as only one for the purpose of determining whether a quorum is present at any such meeting.

14. PROCEEDINGS OF DIRECTORS

- 14.1 The quorum for meetings of the Board shall be two Directors one of whom must be an Investors' Director (if appointed) unless such Investors' Director is unable to attend a Board meeting and has confirmed in writing (which may be by email) that he is satisfied that the Board meeting in question is quorate without him being present. Model Article 11.2 shall be modified accordingly.
- 14.2 The Investor Majority shall be entitled from time to time to appoint the Chairman of the Board (and any committee of the Board) and remove from office any such person so appointed and to appoint another Investors' Director in his place. Model Articles 12.1 to 12.3 shall be modified accordingly.

- 14.3 Model Articles 5.1 to 5.3 inclusive and 6.2 shall be modified by the insertion of the words "acting with Investor Consent" following each reference to "the Directors" in such Model Articles.

15. CONFLICTS OF INTEREST

- 15.1 The Directors may, in accordance with the requirements set out in this article, authorise any matter or situation proposed to them by any Director which would, if not authorised, involve a Director breaching his duty under section 175 of the Act to avoid conflicts of interest which shall include, without limitation, conflicts of interest and duty and conflicts of duty ("Conflict").

- 15.2 Any authorisation under this article will be effective only if:

15.2.1 the matter in question shall have been proposed by any Director for consideration at a meeting of Directors in the same way that any other matter may be proposed to the Directors under the provisions of these Articles or in such other manner as the Directors may determine;

15.2.2 any requirement as to the quorum at the meeting of the Directors at which the matter is considered is met without counting the Director in question; and

15.2.3 the matter was agreed to without his voting or would have been agreed to if his vote had not been counted.

- 15.3 Any authorisation of a Conflict under this article may (whether at the time of giving the authorisation or subsequently):

15.3.1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter so authorised;

15.3.2 be subject to such terms and for such duration, or impose such limits or conditions as the Directors may determine; and

15.3.3 be terminated or varied by the Directors at any time.

This will not affect anything done by the Director prior to such termination or variation in accordance with the terms of the authorisation.

- 15.4 In authorising a Conflict the Directors may decide (whether at the time of giving the authorisation or subsequently) that if a Director has obtained any information through his involvement in the Conflict otherwise than as a Director of the Company and in

respect of which he owes a duty of confidentiality to another person, the Director is under no obligation to:

15.4.1 disclose such information to the Directors or to any Director or other officer or employee of the Company; or

15.4.2 use or apply any such information in performing his duties as a Director;

where to do so would amount to a breach of that confidence.

15.5 Where the Directors authorise a Conflict they may (whether at the time of giving the authorisation or subsequently) provide, without limitation, that the Director:

15.5.1 is excluded from discussions (whether at meetings of Directors or otherwise) related to the Conflict;

15.5.2 is not given any documents or other information relating to the Conflict; and

15.5.3 may or may not vote (or may or may not be counted in the quorum) at any future meeting of Directors in relation to any resolution relating to the Conflict.

15.6 Where the Directors authorise a Conflict:

15.6.1 the Director will be obliged to conduct himself in accordance with any terms imposed by the Directors in relation to the Conflict; and

15.6.2 the Director will not, by virtue of the Conflict, infringe any duty he owes to the Company pursuant to sections 171 to 177 of the Act provided he acts in accordance with such terms, limits and conditions (if any) as the Directors impose in respect of its authorisation.

15.7 A Director is not required, by reason of being a Director (or because of the fiduciary relationship established by reason of being a Director), to account to the Company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the Directors or by the Company in general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.

16. NOTICES

Any notice or other communication in connection with these Articles shall be in writing and may be delivered by hand, pre-paid first class post (or airmail if overseas) or by

email (subject to the provisions of Article 17) or (subject to the provisions below) by fax, to the address or fax number of such party which the recipient has notified in writing to the sender, (to be received by the sender not less than 7 Business Days before the notice is despatched) in accordance with this Article 16 marked for the attention of the recipient provided that in the case of a notice or other communication being sent or delivered to Scottish Enterprise it must be marked as relating to the "Co-Investment Fund" for the attention of "The Head of Transactions" and copied to "The Head of Portfolio Management" and must not be sent by fax and any such notice or other demand sent by fax shall be invalid. In the case of any notice being sent by email to Scottish Enterprise such notice shall be sent to portf@scotent.co.uk, and any such notice must also be sent to Scottish Enterprise in hard copy on the same day.

- 16.1 The notice or communication will be deemed to have been duly served if delivered by hand, at the time of delivery and if delivered by first class post, 2 Business Days after being posted or, in the case of airmail, 6 Business Days after being posted; if delivered by fax, when confirmation on completion of its transmission has been recorded by the sender's fax machine provided that, where in the case of delivery by hand or transmission by fax, such delivery or transmission occurs either after 4.00 pm on a Business Day, or on a day other than a Business Day, service will be deemed to occur at 9.00 am on the next following Business Day.
- 16.2 The Investors, other than Scottish Enterprise, confirm that notices or other communications to be served upon them will be sent to them at the addresses marked for the attention of those persons detailed in the 2012 Investment Agreement.
- 16.3 For the avoidance of doubt and notwithstanding any other provision of these Articles, where the approval of the Investor Majority or any of the Investors or any of the Investors' Directors is required by the Company, then such approval may be validly sent and requested by email, other than requests sent to Scottish Enterprise, which must be served in writing in accordance with the terms of this Article 16.

17. ELECTRONIC COMMUNICATION

- 17.1 The provisions of this Article 17 shall not apply to Scottish Enterprise and any notices or communications to be sent to Scottish Enterprise shall be sent in accordance with Article 16.
- 17.2 Without prejudice to article 48 of the Model Articles, notices and any other communications sent or supplied, by or to Shareholders or Directors under these Articles may be sent or supplied by electronic means as defined in section 1168 of the Act (including via a website, chatroom, extranet, intranet, blog, online social network or forum or other similar mechanism duly notified to such Shareholder

or Director or by electronic mail to any email address supplied to the Company, its officers or agents in writing by such Shareholders or Directors).

- 17.3 For the purposes of Article 17.1 above, the Company can assume that any email addresses supplied to the Company, its officers or agents by Shareholders or Directors are up to date and current, and it is the sole responsibility of each Shareholder and Director to update the Company as to any changes in their email addresses, and to ensure that the Company has and uses the correct email address. In this regard, all Shareholders and Directors agree that the Company has no responsibility to any Shareholder or Director who fails to receive any notice or other communication as a result of the Shareholder or Director failing to comply with this Article 17.2.
- 17.4 When any notice or communication is sent by means of a website, chatroom, internet, intranet, extranet, blog, online social network or forum, or other similar mechanism, an email shall be sent to Shareholders to inform them of the existence of the notice or communication made on such website, chatroom, internet, intranet, extranet, blog, online social network or forum, or other similar mechanism in accordance with Schedule 5 of the Act.
- 17.5 Any notice or communication sent by means of a website, chatroom, internet, intranet, extranet, blog, online social network or forum, or other similar mechanism, shall be deemed to have been served on the intended recipient when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website, and any notice or communication sent by electronic mail or fax shall be deemed to be delivered at the time it was sent and shall be deemed to have been received 24 hours after its transmission.
- 17.6 The Company's obligation to send or supply any notice or communication to Shareholders or Directors is satisfied when the Company transmits an electronic message and the Company is not responsible for a failure in transmission beyond its control.
- 17.7 Each Shareholder and Director shall, for the purposes of paragraph 6 and paragraph 9 of Schedule 5 of the Act, be deemed to have agreed to accept notices or communications from the Company in electronic form, and to them being made available on a website, by providing a copy of his email address and expressly consenting to that email address being used for the purpose of receiving notices or communications from the Company in electronic form, and to the Company making information available on a website.

18. SHARE CERTIFICATES

- 18.1 The provisions of this Article 18 shall not apply to Scottish Enterprise.
- 18.2 The conditions of issue of any Shares shall not require the Company to issue any Share certificate although the Board may resolve to do so.
- 18.3 The Company shall not be bound to issue more than one certificate in respect of Shares held jointly by two or more persons. Delivery of a certificate to the person first named in the register shall be sufficient delivery to all joint holders.
- 18.4 If the Board resolves to issue a Share certificate it may be issued in electronic format or signed by at least two Directors or by at least one Director and the Secretary. Such certificate shall specify the number and class of the Shares in respect of which it is issued and the amount or respective amounts paid up on it. The Board may by resolution decide, either generally or in any particular case or cases, that any signatures on any Share certificates need not be autographic but may be applied to the certificates by some mechanical or other means or may be *printed on them or that the certificates need not be issued, signed by any person.*
- 19. Every Share certificate sent in accordance with these Articles will be sent at the risk of the member or other person entitled to the certificate. The Company will not be responsible for any Share certificate lost or delayed in the course of delivery.