

**ARX Defence Limited (the "Company")****Registered in Scotland No. SC474233****Companies Acts****Written Record of Members' Written Resolution****Circulation Date: 26 April 2017**

On the 28 day of APRIL 2017, 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 RESOLUTIONS


1. 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 50 A ordinary shares of £1.00 each and 109 B ordinary shares of £1.00 each in the share capital of the Company; declaring that this authority shall (unless renewed, varied or revoked by the Company) expire on 31st July 2017.
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 75 Ordinary C Shares in the share capital of the Company relation to the Company's option scheme; declaring that this authority shall expire, unless sooner revoked or altered by the Company, five years after the date of this resolution.
3. 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 75 Ordinary C Shares in the share capital of the Company to each of (i) Stephen Regis and (ii) Josh Hutchinson in relation to the Company's option scheme; declaring that this authority shall expire, unless sooner revoked or altered by the Company, five years after the date of this resolution.
4. 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 75 Ordinary A Shares in the share capital of the Company to Entrepreneur Dreamlab Ltd; declaring that this authority shall expire, unless sooner revoked or altered by the Company, five years after the date of this resolution.

SPECIAL RESOLUTIONS

5. THAT 1,000 ordinary shares of £1.00 each in the names of Stephen Regis and Josh Hutchinson forming part of the share capital of the Company, be re-classified as 1,000 A ordinary shares of £1.00 each; 67 ordinary shares of £1.00 each of the 333 ordinary shares of £1.00 each in the name of Submar Limited forming part of the share capital of the Company, be re-classified as 67 A ordinary shares of £1.00 each; and 266 ordinary shares of £1.00 each of the 333 ordinary

shares of £1.00 each in the name of Submar Limited, forming part of the share capital of the Company and which Submar Limited has agreed to transfer to Dreamlab Finance Ltd pursuant to a share transfer agreement dated on or about the Circulation Date, be re-classified as 266 B ordinary shares of £1.00 each immediately upon such shares being registered in the name of Dreamlab Finance Ltd in the register of members of the Company, all with the rights and privileges attached to each share as detailed in the articles of association of the Company to be adopted pursuant to resolution 6 below.

6. THAT all rights of pre-emption whether in terms of the Articles of Association of the Company, the Companies Act 2006 or otherwise be and are hereby waived in respect of any allotment of shares made pursuant to resolutions 1 to 4 above.
7. THAT the document attached be adopted as the new Articles of Association of the Company, in place of and to the exclusion of all other previous Articles of Association.



AUTHORISED SIGNATORY
FOR AND ON BEHALF OF
ARX Defence Limited
APRIL
28 ~~MAY~~ 2017

Dated



ARTICLES of ASSOCIATION

ARX DEFENCE LIMITED

(Registered Number SC474233)

(ADOPTED 28 APRIL 2017)



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ARTICLES OF ASSOCIATION

of

ARX DEFENCE LIMITED

(Registered Number SC474233)

A PRIVATE LIMITED COMPANY

Incorporated under

THE COMPANIES ACTS

(ADOPTED 28 APRIL 2017)

1. DEFINITIONS AND INTERPRETATION

1.1 In these Articles, the words and expressions below shall have the following meanings unless the context requires otherwise:

"the Act"	means the Companies Act 2006;
"Affiliates"	means, with respect to any person, any other person that, directly or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with such first person;
"Approved Issue"	means the issue from time to time of any shares up to a maximum of 375 Class C Shares, being up to a maximum of 225 Class C Shares pursuant to the Company's share option scheme from time to time and up to a further 75 Class C Shares to each of Mr Hutchinson and Mr Regis;
"Articles"	means these articles of association constituted by the following regulations together with any duly authorised amendments or alterations from time to time, and the term "Article" shall be a reference to a regulation contained in these Articles;
"ARX Defence Services Formation Documents"	has the meaning given to it in the Shareholders' Agreement;
"Associated Company"	shall have the meaning given to it in the Act;
"Auditors"	means the Auditors of the Company from time to time; unless auditors are not required pursuant to the Act and have not been appointed, in which case such reference shall instead mean the accountants of the Company from time to time;

"Board"	means the board of Directors of the Company from time to time;
"Business Day"	means any day from Monday to Friday inclusive which is not a local, public or statutory holiday in Scotland;
"Circulation Date"	means the earliest date on which a proposed written resolution is communicated in hard copy or electronic form (including without limitation by electronic mail or by publication on a website) to every eligible member who is entitled to receive such communication;
Class A Director"	means any Director appointed by the Class A Shareholders pursuant to these Articles;
"Class A Shareholder(s)"	means the holder or holders for the time being of Class A Shares;
"Class A Shares"	means the Class A ordinary voting shares of nominal value £1.00 each in the capital of the Company;
"Class B Director"	means any Director appointed by the Designated Class B Shareholder pursuant to these Articles;
"Class B Shareholder(s)"	means the holder or holders for the time being of Class B Shares;
"Class B Shares"	means the ordinary voting Class B Shares of nominal value £1.00 each in the capital of the Company;
"Class C Shareholders"	means the holder or holders for the time being of Class C Shares;
"Class C Shares"	means the Class C non-voting ordinary shares of nominal value £1.00 each in the capital of the Company;
"Common Liquidation Proceeds"	shall mean (i) the aggregate proceeds of the Company payable or distributable to Shareholders resulting from any Liquidation of the Company or upon the sale, lease, transfer or other disposition of all or substantially all of the assets, Shares or business of the Company (including, without limitation, by way of merger, consolidation or combination and whether in one or a series of related transactions) minus (ii) the Liquidation Preference Amount;
"Company"	means ARX Defence Limited, private limited company registered in Scotland with registered number SC474233 and having its registered office at The Corn Exchange, 29 Constitution Street, Leith, Edinburgh, EH6 7BS;
"Companies Acts"	means the Companies Acts (as defined in section 2 of the Act), in so far as they apply to the relevant company;
"Connected Persons"	shall have the meaning given to it in sections 1122 and 1123 of the Corporation Tax Act 2010;

"Control Percentage"	means 50% or more of the issued share capital;
"Controlling Interest"	means an interest in the Control Percentage or more of the total voting rights conferred by all the shares in the capital of the Company for the time being in issue and conferring the right to attend and vote at all general meetings;
"Convertible Securities"	means (a) any rights, options or warrants to purchase Shares or securities convertible into or exchangeable for Shares and (b) any securities of any type whatsoever that are or may become convertible into or exchangeable for Shares;
"Corporate Appointor"	shall have the meaning given to it in Article 16.1;
"Corporate Representative"	shall have the meaning given to it in Article 16.1;
"Designated Class B Director"	shall mean the Director appointed by the Designated Class B Shareholder or, in circumstances where there is more than one Class B Director, the Class B Director designated as such by the Designated Class B Shareholder;
"Designated Class B Shareholder"	means a Class B Shareholder holding a Percentage Interest (in respect of voting rights) of more than 5%, which shall initially be Dreamlab and, thereafter, shall be such other person or entity as Dreamlab or any subsequent Designated Class B Shareholder shall designate in writing to the Company, provided that such designation of such person or entity shall automatically, and without any further action by any party, terminate any prior designation of any other person or entity as Designated Class B Shareholder of the Company;
"Director"	means a director of the Company or any alternate director duly appointed in accordance with these Articles;
"Dreamlab"	Dreamlab Finance Ltd a company incorporated in Bermuda whose registered office is at Unit 102, St James Court, 1 North Shore Road, Flatts FL04, Hamilton Parish, Bermuda;
"Economic Interest"	means the right of a Shareholder to receive its share of any dividends or other distributions paid or payable by the Company (other than with respect to any Liquidation Preference Amount or Common Liquidation Proceeds). For the avoidance of doubt, the Liquidation Preference Amount will be repaid to the Class B Shareholder before any other distribution or amount is repaid to any other shareholder;
"Equity Interest"	means any legal or beneficial interest in Shares (including for the avoidance of doubt any rights attaching thereto) or any right to acquire Shares;
"Exercise Period"	Has the meaning given to it in the Shareholders' Agreement;
"Exercising Shareholder"	Has the meaning given to it in the Shareholders' Agreement;
"Fair Market Value"	means with respect to any property, the fair market value thereof based on an assumed arm's length sale of such

property to an independent person not affiliated with the seller, assuming neither party is under any compulsion to buy or sell and that each has knowledge of all relevant facts and circumstances. In calculating the Fair Market Value of any Equity Interest, no discount shall be applied or taken into account by reason of such Equity Interest being illiquid or subject to restrictions on transfer or the Company being a private company. The fair value of any shares to be valued shall be based on the following assumptions:-

- (a) that no account is taken of the proportion which the said valued shares bear to the total number of shares in issue; and
- (b) that no account is taken of the proportion which the said valued shares bear to the total number of shares of the same share class in issue;

declaring that the Fair Market Value of each valued share shall be calculated by dividing the Fair Market Value of all the valued shares by the total number of the valued shares;

"Founding Shareholders"	means Mr Regis and Mr Hutchinson (in respect of the Class A Shares) and Dreamlab Finance (in respect of the Class B shares) and any Permitted Transferee to which any of the foregoing has transferred some or all of his or its Shares;
"Group Member"	means any holding company, subsidiary company, wholly-owned subsidiary company or a parent company, in each case as defined in the Act;
"Issued Amount"	means £1,492.00 divided into 1,117 Class A Shares and 375 Class B Shares;
"Issuance Notice"	shall have the meaning given to it in the Shareholders' Agreement;
"Laws"	means any treaty, statute, directive, regulation, decision, order, instrument, by-law, or any other law of, or having effect in, any jurisdiction (including any other laws made thereunder), and to all such laws as for the time being amended, re-enacted (with or without amendment), consolidated or replaced or as their application is modified by other laws from time to time;
"Liquidation"	means dissolution, liquidation or winding up;
"Liquidation Preference Amount"	shall have the meaning given to it in the Shareholders' Agreement;
"member"	means a person registered as a member in the register of members of the Company;
"Model Articles"	means the model Articles for private companies limited by shares contained in Schedule 1 of The Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the date of adoption of these Articles;

"New Securities"	means any Shares or Convertible Securities, in each case, issued after the date hereof; provided that the term <i>"New Securities"</i> shall not include any such Shares or Convertible Securities issued or sold by the Company: (A) in connection with the conversion or exchange of any Convertible Securities into Shares, or the exercise of any rights pursuant to Convertible Securities to acquire Shares;
"Mr Hutchinson"	means Joshua Hutchinson residing at 9 Moore Drive, Higham, Burnley, Lancashire, BB12 9BG;
"Mr Regis"	means Stephen Regis residing at 104 Pinkie Road, Musselburgh, Midlothian, EH21 7QR;
"Observers"	means such person(s) appointed in accordance with Article 15.1;
"Over-allotment Exercise Period"	has the meaning given to it in the Shareholders' Agreement;
"Percentage Interest"	means: <p>(A) in respect of voting rights, the percentage voting interest held by each class of Shares or Shareholder calculated as the number of Shares held by a class of Shares or by a Shareholder divided by the total number of voting shares issued by the Company from time to time; and</p> <p>(B) in respect of economic rights, the percentage economic interest held by each class of Shares or Shareholder calculated as the number of shares held by a class of Shares or by a Shareholder divided by the total number of voting shares issued by the Company from time to time.</p>
"Permitted Transferee"	means in respect of any Shareholder, (i) a Founding Shareholder; (ii) if such Shareholder is an individual, such Shareholder's parent(s) or spouse or any of the lineal descendants of such Shareholder or Shareholder's parent(s) or spouse; and (iii) if such Shareholder is an individual, any trust or entity created solely for the benefit of such Shareholder or Shareholder's parent(s) or spouse or any of the lineal descendants of such Shareholder or Shareholder's parent(s) or spouse; provided that the Shareholder making such transfer shall retain 100% of the voting control of any such trust or entity. Each Permitted Transferee shall be immediately bound by and subject to the restrictions on transfer and other provisions of this Agreement;
"Principal Shareholder"	means each of the Founding Shareholders and any other person holding Shares (other than Class B Shares) representing 15% or more of either the outstanding voting or non-voting interests in the Company
"Prospective Purchaser"	Has the meaning given to it in the Shareholders' Agreement;
"Requisite Class B Board Representation"	shall as of the date hereof be one (1) Class B Director, and thereafter shall be such number of Directors equal to the Percentage Interest (in respect of voting interests) represented

by the Class B Shares multiplied by the total number of Directors at such time; provided that where the Percentage Interest (in respect of voting interests) represented by the Class B Shares multiplied by the total number of Directors does not amount to a whole number, the number of Class B Directors entitled to be appointed shall be rounded up to the nearest whole number of Directors if the related fraction is equal to or greater than 0.3; and provided, further, that the Requisite Class B Board Representation shall be no fewer than one (1) Director for so long as the Class B Shareholders have an aggregate Percentage Interest (in respect of voting interests) equal to or greater than five percent (5%), and shall at all times include the Designated Class B Director (for avoidance of doubt, if there is only one Class B Director, such Director shall be the Designated Class B Director);

“Share”	means any share forming part of the share capital of the Company;
“Shareholders’ Agreement”	means the shareholders’ agreement between the Company, Dreamlab and others dated on or around the date of these Articles as amended from time to time in accordance with its terms;
“Special Board Resolution”	means the affirmative vote of at least 66 2/3% of the members of the Board approving the same either by way of written consents or at a duly convened meeting of the Board at which a quorum was present and acting throughout

- 1.2 Words importing the singular include the plural and vice versa.
- 1.3 Words importing a particular gender include any gender.
- 1.4 References to a “person” include any natural person, or any legal person, body or organisation, incorporated or unincorporated.
- 1.5 The headings in these Articles are for convenience only and shall not affect the construction of these Articles.
- 1.6 Words and expressions defined in the Act shall bear the same meanings in these Articles.
- 1.7 Unless provision is made to the contrary, references to any statute or statutory provision includes a reference to:
 - 1.7.1 that statute or statutory provision as from time to time amended, extended, re-enacted or consolidated whether before or after the date of adoption of these Articles; and
 - 1.7.2 all statutory instruments or orders made pursuant to it.

2. MODEL ARTICLES

- 2.1 The Model Articles shall apply to the Company except in so far as they are excluded or varied by or are inconsistent with these Articles.
- 2.2 Articles 11(2), 23, 24(2)(d), 24(5)(a), 48(2), 48(3), 49, 52 and 53 of the Model Articles shall not apply to the Company.
- 2.3 The following amendments shall be made to the articles of the Model Articles in so far as they apply to the Company:-

- 2.3.1 in article 9(1) of the Model Articles, by the insertion of the phrase “not less than five Business Days” in the first sentence between the words “giving” and “notice”;
- 2.3.2 in article 20 of the Model Articles, by the insertion of the phrase “(including alternate directors) and the secretary” in the first sentence between the words “directors” and “properly incur”;
- 2.3.3 in article 22(1) of the Model Articles, by the amendment to the reference to “ordinary resolution” to read “special resolution”; and
- 2.3.4 in article 31(1) of the Model Articles, by the deletion of all occurrences of the phrase “either in writing or as the directors may otherwise decide” and by the substitution, in its place, of the phrase “in writing”.

3. SHARE CAPITAL

- 3.1 Notwithstanding any other provision of these Articles, the issued share capital of the Company on the date of adoption of these Articles consists of the Issued Amount. Save in respect of any Approved Issue or save to the extent authorised from time to time by an ordinary resolution of the members, the Directors shall not exercise any power to allot shares or to grant rights to subscribe for, or to convert any security into, any shares in the Company. Section 550 of the Act shall not apply to the Company.
- 3.2 Notwithstanding the number of such Shares in issue at any time, the issued Class A Shares shall collectively (i) carry the Class A Voting Percentage Interest expressed as a percentage of the total voting rights attached to all Shares in issue from time to time and (iii) the Class A's Common Liquidation Proceeds Percentage Interest of the Company.
- 3.3 The Class B Shares collectively shall have (i) the right to receive the Liquidation Preference Amount pertaining to Class B shares, being the total value in GDP of the initial subscription price paid for the issuance of Class B shares, (ii) carry the Class B Voting Percentage Interest expressed as a percentage of the total voting rights attached to all Shares in issue from time to time and (iii) the Class B's Common Liquidation Proceeds Percentage Interest of the Company
- 3.4 The Class C shares shall collectively have (i) no right to vote on Company matters; (ii) or receive notice of, and attend and vote at general meetings of the Company; (iii) the holder of the Class C Shares shall not be entitled to sell, assign, transfer, charge, pledge or create any other form of encumbrance or deal with all or any portion of an Equity Interest (as defined in the Articles) save in accordance with the provisions of clause 7 of the Shareholders Agreement and with prior approval of the Board; (iv) the Class C's Common Liquidation Proceeds Percentage Interest of the Company; (v) in the event of termination as an employee of the Company or the death of a member of the management team the Company may repurchase the Class C Shares at book value to occur within sixty (60) Business Days of the employee's departure or death and book value will be determined as per the quarter end report preceding the employee's departure date or date of death. The book value will be computed as the net assets of the Company minus the preference rights attached to the Class B Shares pursuant to the Shareholders Agreement and the resulting amount will be divided by the total number of Shares in issue (being the total of Class A, Class B, Class C shares) to derive an economic value per share. The repurchase may be extended at the Company's option to one hundred and twenty (120) Business Days
- 3.5 Upon the Liquidation of the Company or upon the sale, lease, transfer or other disposition of all or substantially all of the assets, Shares or business of the Company (including, without limitation, by way of merger, consolidation or combination and whether in one or a series of related transactions), (i) Dreamlab or its transferee in its capacity as a Class B Shareholder, shall have a first priority preference over all other Shareholders to receive the Liquidation Preference Amount (as defined below), being the subscription price paid for Class B Shares respectively in the amount of £100,000 and \$132,500 (the “**Liquidation Preference Amount**”, as adjusted in the following proviso, if applicable), provided that:-
 - 3.5.1 if the net proceeds from any such Liquidation, sale, lease, transfer or other disposition are less than the sum of £100,000 100% of such net proceeds will be distributed to Class B Shareholders on a pro-rata basis;

- 3.5.2 if the Class B Shareholders shall have previously been repaid any part of the Liquidation Preference Amount by the Company as a dividend or other distribution, then only the balance then owing shall be distributed to the Class Class B Shareholders on a *pro rata* basis;
- 3.5.3 any proceeds or amounts paid to or recovered by the Company upon the occurrence or conclusion of any such transaction or event remaining after distribution of the Liquidation Preference Amount shall be distributed to the Shareholders on a *pro rata* basis according to the respective Percentage Interest (in respect of Common Liquidation Proceeds) attaching to each such Shareholder's Shares.

For the avoidance of doubt, no Liquidation Preference Amount will be paid or accrued to Class A or Class C shareholders and no dividend or other distribution shall be paid by the Company save to Dreamlab until the Liquidation Preference Amount, as adjusted if applicable, has been paid in full. Subject thereto the Shareholders holding Shares of the same class shall be entitled to receive their respective *pro rata* share (according to the number of Shares of such class held by each such Shareholder) of any dividend or other distribution payable to such class of Shareholders pursuant to this Article 3.5.

4. LIEN

- 4.1 The Company shall have a first and paramount lien on every share for all moneys, whether presently payable or not, called or payable at a fixed time in respect of that share, and the Company shall also have a first and paramount lien on all shares registered in the name of any person, whether solely or jointly with others, for all moneys owing to the Company from that person, or that person's estate, either alone or jointly with any other person, whether as a member, or not, and whether such moneys are presently payable or not. The Directors may at any time declare any share to be wholly or partly exempt from the provisions of this Article.

5. TRANSFER OF SHARES

- 5.1 Subject to the other provisions of this Article 5, and as otherwise provided in the Articles, no Shareholder shall sell, assign, transfer, charge, pledge or encumber all or any portion of his, her or its Equity Interest except as follows:
- 5.1.1 in the case of a transfer by any Founding Shareholder or Principal Shareholder, only with the prior written consent of the Designated Class B Shareholder and subject to the right of first offer with respect to the Shares of the Founding Shareholders and Principal Shareholders described under Articles 5.4 to 5.6 (Rights of First Offer) below;
 - 5.1.2 in the case of a transfer by a Class B Shareholder, only subject to the right of first offer with respect to the Class B Shares described under Articles 5.4 to 5.6 (Rights of First Offer) below; and
 - 5.1.3 in the case of any other Shareholder, only by a Special Board Resolution.
- 5.2 Notwithstanding the foregoing:
- 5.2.1 a Class B Shareholder shall have the right to transfer all or a portion of its Class B Shares to its Affiliates without the consent of the Company or any other person at any time;
 - 5.2.2 each Founding Shareholder shall have the right to transfer all or a portion of their Shares to any Principal Shareholder without the consent of any Class B Shareholder;
 - 5.2.3 all rights of the Designated Class B Shareholder, over and above the rights enjoyed by Shareholders of the Company generally or otherwise described in these Articles as being a right of only such Designated Class B Shareholder, may be vested in and exercised by only one Class B Shareholder at any one time, which Class B Shareholder must hold not less than five percent (5%) of the aggregate voting rights in the Company by virtue of his/her holding of Class B Shares; and
 - 5.2.4 following a Drag Resolution, each Shareholder shall have the right to transfer all of its Shares to the Intended Purchaser (each as defined in Article 8.1) pursuant to Articles 8.1 to 8.3 (Inclusive).
- 5.3 Prior to the one-year anniversary of the effective date of the acquisition by a Shareholder (other than any Class B Shareholder,) of Shares of the Company, any such Shareholder may transfer or assign his, her or its Shares to any Permitted Transferee with the unanimous consent of the Board. After such one-year anniversary, any such Shareholder may transfer or assign his, her or its Shares to any Permitted Transferee without the consent of the Board, provided that all rights, powers or benefits of the transferring Shareholder, other than the right to receive distributions to which the transferring Shareholder would be entitled with respect to the transferred Shares, shall terminate concurrent with such transfer or assignment.

Rights of First Offer

- 5.4 In the event that the Company, (i) any of the Founding Shareholders (including, for the avoidance of doubt, persons controlling a Founding Shareholder), (ii) any Principal Shareholder, or (iii) any Class B Shareholder desires to solicit, obtain, receive, negotiate or accept a bona fide offer from any person, firm, corporation or other legal entity (whether or not yet identified) that:-
- 5.4.1 would result in the sale, lease, transfer or other disposition, directly or indirectly, of all or substantially all of the Company's assets, equity, business, any line of business or any product (including, without limitation, by way of merger, consolidation or combination and whether in one or more transactions); or
 - 5.4.2 relates to any sale, lease, transfer or other disposition, directly or indirectly, of all or any part of the Shares held by any Founding Shareholder or any Principal Shareholder other than (i) pursuant to Articles 8.1 to 8.3 (inclusive) following a Drag Resolution or (ii) to any of such transferring Shareholder's Permitted Transferees; or

5.4.3 relates to any sale, lease, transfer or other disposition of all or any of the Class B Shares (excluding transfers (i) to a subsidiary or an Affiliate of a Class B Shareholder or (ii) pursuant to Articles 8.1 to 8.3 (inclusive) following a Drag Resolution),

then:-

- 5.4.3.1. in the case of Article 5.4.1, there shall be delivered to the Class B Shareholders by the Company; or,
- 5.4.3.2. in the case of Article 5.4.2, there shall be delivered to the Class B Shareholders, by the relevant Founding Shareholder(s) or Principal Shareholder(s); or,
- 5.4.3.3. in the case of Article 5.4.3, there shall be delivered to the Company, the Founding Shareholders, and the non-selling Class B Shareholders by the applicable selling Class B Shareholders,

a written agreement (each applicable recipient of such written agreement as described in sub-paragraphs 5.4.3.1 to 5.4.3.3 above, a "Recipient"). Such written agreement shall be capable of being accepted by the applicable Recipients, in each case setting forth all of the terms and conditions of the Proposed Transaction (each such written agreement, an "Offer"). The Offer must be signed by:-

- 5.4.3.4. in the case of Article 5.4.1, an authorized officer of the Company;
- 5.4.3.5. in the case of Article 5.4.2, the relevant Founding Shareholder(s) and/or Principal Shareholder(s); and
- 5.4.3.6. in the case of Article 5.4.3, an authorized officer of the selling Class B Shareholder(s),

(each such executing person, an "Offeror").

5.5 The period of 60 days following the applicable Recipients' receipt of the Offer is referred to in these Articles as the "Exclusive Period".

5.6 If, during the Exclusive Period, neither the applicable Recipients, in the case of an Offer, accepts the same and nor is an Alternate Offer made by the Founding Shareholders, then the Offeror shall have the right for a period of 90 days after the expiration of the Exclusive Period to enter into definitive agreements with any persons with respect to the Proposed Transaction; provided, however, that (i) no Offeror may enter into such a definitive agreement unless the terms and conditions thereof (taken as a whole) are, in the aggregate, more favourable to (1) the Company and its Shareholders, in the case of a transaction described in Article 5.4.1 above, (2) the Founding Shareholders and/or the Principal Shareholders, as the case may be, in the case of a transaction described in Article 5.4.2 above, (3) the selling Class B Shareholder(s), in the case of a transaction described in Article 5.4.3 above, as applicable, than the terms and provisions (taken as a whole) proposed in the Offer or, if applicable, the Alternate Offer, and (ii) if the Offeror does not enter into such a definitive agreement within 90 days after expiration of the Exclusive Period, then the Company, the Founding Shareholders and/or the Principal Shareholders, the selling Class B Shareholder(s) must again satisfy the requirements of this provision.

6. PRE-EMPTION RIGHTS

6.1 Subject to Article 6.6, each Shareholder shall have the right to purchase for cash a portion of any New Securities that the Company may from time to time propose to issue or sell to any person equal to the Percentage Interest (in respect of Economic Interests) represented by such Shareholder's Shares. The Company shall give written notice (an "Issuance Notice") of any such proposed issuance or sale to each Shareholder within five (5) Business Days following any meeting of the Board at which such issuance or sale is approved. The Issuance Notice shall, if applicable, be accompanied by a written offer from any prospective purchaser seeking to purchase New Securities (a "Prospective Purchaser") and shall set forth the material terms and conditions of the proposed issuance or sale, including:

- 6.1.1 the number and description of the New Securities proposed to be issued and the percentage of the Company's Shares then outstanding (both in the aggregate and with respect to each class or series of Shares proposed to be issued) that such issuance would represent;
- 6.1.2 the proposed issuance date, which shall be at least thirty (30) Business Days from the date of the Issuance Notice;
- 6.1.3 the proposed purchase price per unit of the New Securities; and
- 6.1.4 if the consideration to be paid by the Prospective Purchaser includes non-cash consideration, the Board's good-faith determination of the Fair Market Value thereof.

The Issuance Notice shall also be accompanied by a current copy of the Company's schedule of Shareholders indicating each person's Percentage Interest (in respect of Economic Interests) in the Company in a manner that enables each Shareholder to calculate the Percentage Interest (in respect of Economic Interests) represented by such Shareholder's Shares.

- 6.2 Each Shareholder shall for a period of thirty (30) Business Days following the receipt of an Issuance Notice (Exercise Period) have the right to elect irrevocably to purchase all or any portion of the New Securities it is entitled to purchase pursuant to Article 3.5 at the cash purchase price set forth in the Issuance Notice by delivering a written notice to the Company (an "Acceptance Notice") specifying the number of New Securities it desires to purchase. The delivery of an Acceptance Notice by a Shareholder shall be a binding and irrevocable offer by such Shareholder to purchase the New Securities described therein. The failure of a Shareholder to deliver an Acceptance Notice by the end of the Exercise Period shall constitute a waiver of its rights under Article 3.5 with respect to the purchase of such New Securities but shall not affect its rights with respect to any future issuances or sales of New Securities.
- 6.3 No later than five (5) Business Days following the expiration of the Exercise Period, the Company shall notify each Shareholder in writing of the number (including if the number is zero) of New Securities that each Shareholder has agreed to purchase (Over-allotment Notice). Each Shareholder exercising its rights to purchase all of the New Securities it is entitled to purchase pursuant to Article 3.5 (an "Exercising Shareholder") shall have a right of over-allotment such that if any other Shareholder has failed to exercise its right to purchase all of the New Securities it is entitled to purchase pursuant to Article 3.5 (each, a "Non-Exercising Shareholder"), such Exercising Shareholder may purchase some of or all of such Non-Exercising Shareholder's allotment by giving written notice to the Company within five (5) Business Days of receipt of the Over-allotment Notice (Over-allotment Exercise Period). If more than one Exercising Shareholder chooses to so purchase, such Shareholders may purchase their pro rata portion of such New Securities in accordance with their respective Percentage Interests (in respect of Economic Interests) of Shares, or as otherwise agreed among such Shareholders within the Over-Allotment Exercise Period.
- 6.4 Following the expiration of the Exercise Period and, if applicable, the Over-allotment Exercise Period, the Company shall be free to complete the proposed issuance or sale of New Securities described in the Issuance Notice with respect to which the Shareholders declined to exercise the pre-emptive right set forth in Article 3.5 on terms no less favourable to the Company than those set forth in the Issuance Notice (except that the amount of New Securities to be issued or sold by the Company may be reduced); provided that: (i) such issuance or sale is closed within twenty (20) Business Days of the expiration of the Exercise Period and, if applicable, the Over-allotment Exercise Period (subject to the extension of such twenty (20) Business Day period for a reasonable time not to exceed forty (40) Business Days in total to the extent reasonably necessary to obtain any third-party approvals); and (ii) for the avoidance of doubt, the price at which the New Securities are sold to the Prospective Purchaser is at least equal to or higher than the purchase price described in the Issuance Notice. In the event the Company has not sold such New Securities within such time period, the Company shall not thereafter issue or sell any New Securities without first again offering such securities to the Shareholders in accordance with the procedures set forth in Articles 6.1 to 6.3 (inclusive).
- 6.5 The closing of any purchase by Shareholders contemplated by Article 3.5 shall be consummated concurrently with the consummation of the issuance or sale described in the Issuance Notice. Upon the issuance or sale of any New Securities in accordance with Articles 3.5, 6.1 and 6.2, the Company shall deliver the New Securities free and clear of any liens or other encumbrances (other than those arising

hereunder and those attributable to the actions of the purchasers thereof), and the Company shall so represent and warrant to the Exercising Shareholders, and further represent and warrant to the Exercising Shareholders that such New Securities shall be, upon issuance thereof to the Exercising Shareholders and after payment therefor, duly authorised, validly issued, fully paid and non-assessable. Each Exercising Shareholder shall deliver to the Company the purchase price for the New Securities purchased by it by certified or bank check or wire transfer of immediately available funds. Each party to the purchase and sale of New Securities shall take all such other actions as may be reasonably necessary to consummate the purchase and sale including, without limitation, entering into such additional agreements as may be necessary or appropriate.

- 6.6 Articles 6.1 to 6.5 (inclusive) shall not apply to any shares which the Company may at any time by resolution of its members holding no less than 75% of the voting rights in the Company (of which must include the the Class B Shareholders) declare shall not be subject to the provisions of Articles 6.1 to 6.5 (inclusive).
- 6.7 Pursuant to the Act, all statutory rights of pre-emption shall be excluded from applying to the Company. In accordance with section 567(1) of the Act, sections 561 and 562 of the Act shall not apply to an allotment of equity securities (as defined in section 560(1) of the Act) made by the Company.

7. LIMITATION ON CHANGE OF CONTROL – TAG ALONG RIGHTS

- 7.1 Without limitation of the rights set forth in Articles 5.4 to 5.6 (inclusive), except for certain transfers to the Company or any of its Employee Shareholders or to a Shareholder's Permitted Transferee or Affiliate if any Shareholder, after complying with Article 5.1 hereof, shall determine to sell ("Seller"), directly or indirectly, some or all of his, her or its Equity Interests to another person (a "Third Party Purchaser"), the Seller shall deliver a written notice (a "Transaction Notice") to the Company, the Class B Shareholders, (for the avoidance of doubt, other than the Seller, if applicable) stating that he, she or it intends to sell all or part of his, her or its Equity Interests and setting forth the terms of such sale (including the amount and description of the Equity Interests to be sold and the consideration for such sale) as well as the material terms and conditions of such sale (such subject transaction, the "Underlying Transaction"). In the event that the Underlying Transaction if consummated would result in the Third Party Purchaser acquiring more than fifty percent (50%) of the then outstanding Shares (a "Change in Control"), the Seller shall also deliver the Transaction Notice to all Class A Shareholders (for the avoidance of doubt, other than the Seller, if applicable).
- 7.2 The Class B Shareholders (other than the Seller, if applicable), and only if the Underlying Transaction if consummated would result in a Change in Control, the Class A Shareholders shall each be entitled, but not obligated, to sell to the Third Party Purchaser, without having to comply with any of Articles 5.1, 5.6 and 6.1 hereof, the product of (x) the total number of Shares proposed to be sold by the Seller and (y) a fraction, the numerator of which is the Percentage Interest (in respect of Economic Interests) represented by the Shares of such Shareholder, and the denominator of which is the sum of the Percentage Interests (in respect of Economic Interests) of the Seller and the other participating parties before such proposed sale (including, for the avoidance of doubt such Shareholder), on the same terms and conditions as the Seller in the Underlying Transaction if, within 30 days of its receipt of the Transaction Notice, the participating Shareholder delivers a notice (a "Purchaser Notice") to the Company and the Seller stating that it intends to exercise its rights hereunder to effect such sale. Such sale, however, shall not occur earlier than 30 days after delivery of the Purchaser Notice and only simultaneously with and subject to the Underlying Transaction, and the Underlying Transaction shall not be effected unless such sale by the Seller is simultaneously effected therewith.
- 7.3 In the event that the consideration being paid in the Underlying Transaction consists of more than one form of consideration, then each party participating in such Underlying Transaction (including each Shareholder exercising its tag-along rights) shall receive its pro-rata share of each such form of consideration on a per-Share sold basis. If a Third Party Purchaser shall purchase all or part of the participating parties' Shares for consideration other than for cash, such consideration shall be allocated among the participating parties (including each Shareholder exercising its tag-along rights) on a per-Share sold basis. In connection with any sale covered by this provision, (i) no employment agreement shall be entered into with any participating party other than for future employment with terms and

compensation in accordance with industry norm, (ii) no consideration shall be paid to any participating party by or on behalf of any Third Party Purchaser in respect of any non-competition agreement with such participating party and (iii) no consideration shall be paid to any participating party by or on behalf of any Third Party Purchaser for past services rendered.

8. SALE BY QUALIFYING MAJORITY – DRAG ALONG RIGHTS

- 8.1 Subject to the other provisions of this Article 8, provided that a resolution in favour (a “Drag Resolution”) is passed by the votes of Shareholders with an aggregate Percentage Interest (in respect of voting interests) in excess of 50%, such persons voting in favour of a Drag Resolution (Dragging Shareholders) shall be entitled collectively to sell 100% of their Shares in the Company to any independent third party making a bona fide offer on arms’ length basis (Intended Purchaser) at any time free of the restrictions contained in Article 5.1. In the case of such a sale of 100% of such Shares under such circumstances, all other Shareholders shall be obliged to sell and shall sell, their Shares to the Intended Purchaser on the same terms and contemporaneously with the sale by the Dragging Shareholders to the Intended Purchaser, provided always that any obligation on any Class B Shareholder to transfer Class B Shares shall be subject to the conditions in Article 7.2.
- 8.2 The Class B Shareholders shall not be compelled to sell their Class B Shares pursuant to an exercise of any drag-along rights set forth herein (or which may arise by operation of law) unless the aggregate valuation of the Company implied by such transaction or series of related transactions (taking into account the form of the consideration to be paid and the schedule for the payment of such consideration) is at least equal to the Fair Market Value of the Company (as established in writing by an independent accounting, appraisal or investment banking firm of national standing that is unaffiliated with the Company or any Principal Shareholder and that is selected by the Board and reasonably acceptable to the Designated Class B Shareholder, an “Independent Valuation Firm”). The Class B Shareholders shall not be compelled to sell their Class B Shares pursuant to an exercise of any drag-along rights set forth herein in the event that the aggregate valuation of the Company implied by such transaction or series of related transactions is less than the sum of £100,000 net of any fees associated with the transaction, and after the repayment of any indebtedness held within the Company.
- 8.3 In connection with any sale covered by this provision, (i) no employment agreement shall be entered into with any participating party other than for future employment with terms and compensation in accordance with industry norm, (ii) no consideration shall be paid to any participating party by or on behalf of any Third Party Purchaser in respect of any non-competition agreement with such participating party and (iii) no consideration shall be paid to any participating party by or on behalf of any Third Party Purchaser for past services rendered.

9. DIVESTMENT FOR CAUSE

- 9.1 In the event of the occurrence or existence of a Cause Event (defined below) by a Class C Shareholder who has received shares from the Company in return for services and, as such has not paid cash into the business to acquire the shares, (a “Cause Shareholder”), the Company, acting pursuant to a resolution of a majority vote of the members of the Board (excluding for the purposes of such meeting any Director which is also a Cause Shareholder or any Director appointed by a Cause Shareholder), shall be entitled to require any Cause Shareholder to sell its Shares in the Company to the Company in consideration for payment of the Cause Repurchase Price.
- 9.2 The “Cause Repurchase Price” shall be equal to fifty percent (50%) of the Fair Market Value of the Shares (determined as set out below). The Cause Repurchase Price shall be paid in cash and/or, at the election of the Company, by issuing a promissory note for any amount not paid in cash, at the closing of the transfer transaction contemplated hereby, which closing shall occur (except as otherwise agreed by the parties to the transfer) at the principal offices of the Company on a date selected by the Company on or prior to the 30th day following the delivery of the written notice from the Company of its exercise of its rights hereunder; provided that any such promissory note shall be due and payable in four (4) equal annual instalments, with the first such instalment due and payable on the date that is the later of

(x) 180 days from the date of such written notice and (y) 30 days after the transfer contemplated hereby;

9.3 "Cause Event" shall mean the occurrence or existence of any of the following events:

- 9.3.1 material breach (directly or indirectly) of the ARX Defence Services Formation Documents or any other agreement or obligation of the breaching party to the Company which is not cured or remedied within fifteen (15) days of notice of such breach;
- 9.3.2 any act of fraud, misappropriation, dishonesty, embezzlement or similar conduct against the Company or against any of its Affiliates;
- 9.3.3 indictment (or its equivalent in the applicable jurisdiction) for commission of a felony or any crime involving moral turpitude;
- 9.3.4 performance of any services under the ARX Defence Services Formation Documents while under the influence of drugs or any controlled substance; or
- 9.3.5 the insolvency of any Shareholder, or any event which is associated with, or could result in, the insolvency of any Shareholder.

9.4 The determination of a Cause Event shall be by the Board acting reasonably and in good faith. The Fair Market Value of Shares shall be determined by the Board from time to time in its discretion acting reasonably and in good faith in accordance with customary methodology applied on a basis consistent with past practices; provided that in determining Fair Market Value, the Board shall be entitled to rely on advice of an outside advisor the Board reasonably believes to be qualified to provide such advice; provided, further, that the Board shall be under no obligation to determine, or update a previous determination of, Fair Market Value of Shares with any frequency or in connection with any particular occurrence or event.

10. PROCEEDINGS AT GENERAL MEETINGS

- 10.1 If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, and such meeting was convened on the requisition of members, then the chairman of the meeting must dissolve the meeting.
- 10.2 If the persons attending an adjourned general meeting within half an hour of the time at which the adjourned meeting was due to start do not constitute a quorum, then the members present shall be a quorum.
- 10.3 On a show of hands or on a poll, votes may be given either personally or by proxy, or if a corporation, by its Corporate Representative.

11. WRITTEN RESOLUTIONS

11.1 Where a resolution is to be proposed as a written resolution and such written resolution is accepted by or on behalf of:-

- 11.1.1 in the case of an ordinary resolution, over 50%; and
- 11.1.2 in the case of a special resolution, 75% or more

of the members who would be entitled to receive notice of and to attend and vote at a general meeting at which such resolution was to be proposed shall, subject always to the provisions of the Act from time to time, be valid, effectual and binding on all of the members of the Company. Any such written resolution may consist of several documents in materially the same form, each accepted by or on behalf of the requisite number of members. Acceptance of a written resolution shall be in terms of the procedure set out in section 296 of the Act. In the case of a corporation which is a member of the Company, acceptance (following section 296 of the Act) by a director or its secretary or by a duly appointed and authorised attorney or Corporate Representative shall be sufficient.

- 11.2 A proposed written resolution circulated to the members shall lapse if it is not passed by the requisite number of members before the expiration of three months from the Circulation Date stated on the proposed written resolution.

12. NUMBER OF DIRECTORS

- 12.1 The Board shall be comprised of at least three (3) Directors at all times (unless such number of Directors is increased pursuant to this Article).
- 12.2 The Class A Shareholders shall collectively be entitled to appoint up to two (2) Directors to the Board from time to time, and to remove and replace such Directors, in accordance with the terms of the Shareholders' Agreement.
- 12.3 The Class B Shareholders (acting through the Designated Class B Shareholder) shall collectively be entitled to appoint a number of Directors equal to the Requisite Class B Board Representation and to remove and replace such Director(s), in accordance with the terms of the Shareholders' Agreement.
- 12.4 The Class B Shareholders shall collectively be entitled to appoint and remove an Alternate Director to serve when a Director appointed by them is unavailable and who shall have full rights to attend each meeting of the Board, and shall receive notice of each such meeting and the materials to be presented to the Directors for the purposes thereof. Any such appointment or removal of such Alternate Director shall be made by the delivery of a notice in writing signed by or on behalf of the Designated Class B Shareholder, to the secretary of the Company at its registered office at a meeting of the Directors and shall be effective upon delivery of such notice.

13. APPOINTMENT OF DIRECTORS AND TERMINATION OF APPOINTMENT

- 13.1 Subject to the terms of the Shareholders' Agreement, the Company may by ordinary resolution appoint a person who is willing to act as a Director, either to fill a vacancy or as an additional Director.
- 13.2 Subject to the terms of the Shareholders' Agreement, the Directors may appoint any person who is willing to act as a Director, either to fill a casual vacancy or as an additional Director.
- 14.3 Subject to the terms of the Shareholders' Agreement, the Directors may remove from office any Director by decision of a majority of Directors from time to time.
- 14.4 Subject to the terms of the Shareholders' Agreement, in addition to any other ground of termination of a Director's appointment as may be set out in these Articles or in the Model Articles, the Board may also terminate a Director's appointment by reason of that person's mental health, as soon as a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have.

14. PROCEEDINGS OF DIRECTORS

The quorum for the transaction of business of the Directors shall be two Directors, comprised of at least one Class A Director and one Class B Director.

15. DIRECTORS' CONFLICT 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 (a "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.
- 15.4 This will not affect anything done by the Director prior to such termination or variation in accordance with the terms of the authorisation.
- 15.5 In authorising a Conflict the Directors may decide (whether at the time of giving the authorisation or subsequently) that if a Director has obtained any information through his involvement in the Conflict otherwise than as a Director of the Company and in respect of which he owes a duty of confidentiality to another person, the Director is under no obligation to:-
 - 15.5.1 disclose such information to the Directors or to any Director or other officer or employee of the Company; or
 - 15.5.2 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.
- 15.6 Where the Directors authorise a Conflict they may (whether at the time of giving the authorisation or subsequently) provide, without limitation, that the Director:-
 - 15.6.1 is excluded from discussions (whether at meetings of Directors or otherwise) related to the Conflict;
 - 15.6.2 is not given any documents or other information relating to the Conflict; and
 - 15.6.3 may or may not vote (or may or may not be counted in the quorum) at any future meeting of Directors in relation to any resolution relating to the Conflict.
- 15.7 Where the Directors authorise a Conflict:-
 - 15.7.1 the Director will be obliged to conduct himself in accordance with any terms imposed by the Directors in relation to the Conflict; and
 - 15.7.2 the Director will not infringe any duty he owes to the Company by virtue of 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.
- 15.8 A Director is not required, by reason of being a Director (or because of the fiduciary relationship established by reason of being a Director), to account to the Company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the Directors 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. OBSERVERS AND INFORMATION RIGHTS

- 16.1 Subject to Article 16.2, for so long as a member of the Company holds 5% or more of the fully issued share capital in the Company from time to time, he/she/it shall be entitled from time to time to appoint a person to attend all meetings of the Directors and all meetings of any committee of the Directors as an observer and any person so appointed shall be given (at the same time as the Directors) notice of all meetings of the Directors and all agendas, minutes and other papers pertaining to such meetings and to

speaking and placing items on the agenda for discussion but not to vote. For the purposes of this Article, attendance at a meeting of the Directors shall include dialling into a meeting of the Directors by conference call.

16.2 Observers shall be subject to the following obligations of confidentiality:

17.2.1 Subject to the provisions of Article 16.2.2, any Observer shall keep all Confidential Information confidential and not to disclose any of the Confidential Information to any third party except:-

- (i) as may be required by any Laws;
- (ii) as may be required by any regulatory authority to which it is subject;
- (iii) where it is necessarily revealed as part of any application to the UK Patent Office or any equivalent office (in the UK or otherwise) for patents, design rights or trademarks;
- (iv) where it is necessary to secure such regulatory approval as may be required to enable the intellectual property rights of the Company to be commercialised by the Company; or
- (v) with the prior written consent of the Board.

17.2.2 The obligations contained in Article 16.2.1 shall not apply to Confidential Information which:-

- (i) at the date of adoption these Articles is within the public domain; or
- (ii) after the date of adoption these Articles comes into the public domain, otherwise than by reason of a breach of this Article 16.2 or any other undertaking.

17. REPRESENTATION OF CORPORATIONS

17.1 Any corporation which is a member or Director (in this Article called the “**Corporate Appointor**”) may, by resolution of its directors or other governing body, authorise any person to act as its representative (a “**Corporate Representative**”) at, in the case of a member, any general meeting of the Company or at any separate meeting of the holders of any class of shares or, in the case of a Director, at any meeting of the Directors.

17.2 The Company may require a certified copy of such a resolution to be delivered at the meeting to the chairman of the meeting or secretary, and unless such certified copy of such resolution is so delivered the authority granted by such resolution may at the discretion of the Board not be treated as valid. The authority granted by any such resolution shall, unless the contrary is stated in the certified copy thereof delivered to the Company pursuant to this Article, be treated as valid for any adjournment of any meeting at which such authority may be used as well as at such meeting.

17.3 For the purposes of these Articles, the Corporate Appointor shall be deemed to be present personally at any meeting at which a Corporate Representative is present.

17.4 A vote given or, in the case of a general meeting of the Company, poll demanded by a Corporate Representative shall be valid notwithstanding that he is no longer authorised to represent the Corporate Appointor unless notice of the termination was delivered in writing to the Company not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the Corporate Representative proposes to vote.

18. THE SEAL

18.1 The Company shall not have a seal.

19. INDEMNITY

- 19.1 Without prejudice to any indemnity to which any person referred to in this Article 19 may otherwise be entitled, every present and former Director, alternate Director, secretary or other officer of the Company (excluding any present or former Auditors) (an “Indemnified Person”) shall be indemnified by the Company against all liabilities, costs, charges and expenses incurred by him in the execution and discharge of his duties to the Company and any Associated Company, including any liability incurred by any Indemnified Person in defending any proceedings, civil or criminal, which relate to anything done or omitted or alleged to be done or omitted by him as an officer or employee of the Company or an Associated Company provided that such indemnity shall not extend to any liability arising out of the fraud or dishonesty of the relevant Indemnified Person (or the obtaining of any personal profit or advantage to which the relevant Indemnified Person was not entitled) and no Indemnified Person shall be entitled to be indemnified for:
- 19.1.1 any liability incurred by him to the Company or any Associated Company of the Company as above defined;
 - 19.1.2 any fine imposed in any criminal proceedings;
 - 19.1.3 any sum payable to a regulatory authority by way of a penalty in respect of non-compliance with any requirement of a regulatory nature howsoever arising;
 - 19.1.4 any amount for which he has become liable in defending any criminal proceedings in which he is convicted and such conviction has become final;
 - 19.1.5 any amount for which he has become liable in defending any civil proceedings brought by the Company or any Associated Company in which a final judgment has been given against him;
 - 19.1.6 any amount for which he has become liable in connection with any application under sections 661(3) or (4) or 1157 of the Act in which the court refuses to grant him relief and such refusal has become final; and
 - 19.1.7 any liability incurred by a Director or other officer of the Company pursuant to any future investment or subscription agreement (if any).

20. INSURANCE

- 20.1 The Company shall have power to purchase and maintain for (i) any Indemnified Person (as defined in Article 19), (ii) any director, secretary or other officer (other than any present or former auditors) or employee of an Associated Company and (iii) any persons who are or were at any time trustees of any pension fund or employees' share scheme in which employees of any Associated Company are interested, insurance against any liability incurred by him in connection with any negligence, default, breach of duty or breach of trust (actual or purported) by him in relation to the Company or any Associated Company or any such pension fund or employees' share scheme or otherwise in connection with his duties, powers or office.

21. NOTICES

- 21.1 Subject to Article 21.2 anything sent or supplied by or to the Company under the Articles may be sent or supplied in any way in which the Act provides for documents or information which are authorised or required by any provision of the Act to be sent or supplied by or to the Company.
- 21.2 Any notice required or permitted to be given by the Company to a member shall be sufficiently given to that member if sent in a legible form by first class or express registered post (“post”), or airmail, or by personal delivery, including courier delivery, to the registered address of the member, or by electronic mail (“e-mail”) to the e-mail address of the member notified to the Company. A notice shall be deemed to have been received: (i) in the case of post, thirty-six hours from midnight (00.00 hrs) on the date of posting, postage prepaid, evidenced by the relevant proof of posting; (ii) in the case of airmail, on the seventh Business Day following mailing, if mailed by airmail, postage prepaid, evidenced by the relevant proof of posting; (iii) in the case of personal delivery, thirty minutes after the time of delivery,

evidenced, where appropriate, by the courier's receipt duly counter-signed for or on behalf of the addressee and (iv) in the case of e-mail, when a successful delivery receipt is generated during that or the next Business Day. Where the deemed day of receipt of a notice is not a Business Day or where deemed receipt occurs at the place of delivery on a Business Day but after 1700hrs, that notice shall be deemed to have been received at 0930hrs on the next Business Day.

- 21.3 Subject to the Articles, any notice or document to be sent or supplied to a Director in connection with the taking of decisions by Directors may also be sent or supplied by the means by which that Director has asked to be sent or supplied with such notices or documents for the time being.
- 21.4 A Director may agree with the Company that notices or documents sent to that Director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than as expressly required in these Articles.

22. GOVERNING LAW

These Articles shall be governed by, and construed in accordance with, the Laws of Scotland and the Company, its officers and its members, from time to time, prorogate the non-exclusive jurisdiction of the Scottish Courts.