

WRITTEN RESOLUTIONS OF SPRINTR LIMITED (Company)

Registered Number: SC575408

Below are copies of resolutions of the Company (**Resolutions**). Resolutions 1, 2 and 4 were duly passed as special resolutions and resolution 3 was duly passed as an ordinary resolution, each by way of written resolution, on 25 January 2018 pursuant to Chapter 2 of Part 13 of the Companies Act 2006.

SPECIAL RESOLUTIONS

- 1 THAT the draft regulations attached to this Resolution are adopted as the new articles of association for the Company ("the New Articles") in substitution for, and to the exclusion of, the existing articles of association.
- 2 THAT each of the existing issued Ordinary Shares of £0.01 each be converted to and redesignated as an A Ordinary Share of £0.01, having the rights and being subject to the restrictions set out in the New Articles to be adopted pursuant to Resolution 1 above.

ORDINARY RESOLUTIONS

- 3 THAT the directors of the Company be and are generally and unconditionally authorised for the purposes of section 551 of the Companies Act 2006 to allot and issue such number of securities and on such terms and conditions as they may in their discretion think fit subject always to the following conditions and to the articles of association of the Company:-
 - 3.1 the maximum amount of securities to be allotted in pursuance of the authority shall be
 - 3.1.1 up to 33 B Ordinary shares of £0.01 each, such B Ordinary Shares carrying the rights, privileges and restrictions set out in the New Articles; and
 - 3.1.2 loan notes convertible into up to a further 67 B Ordinary shares of £0.01 each.
 - 3.2 the authority shall expire, unless sooner revoked or altered by the Company, on the date which is five years after the passing of this resolution, and provided further that the Company may, before the expiry of the authority, make an offer or agreement which would or might require relevant securities to be allotted after the expiry of the authority and the directors may allot securities in pursuance of any such offer or agreement as if the authority conferred by the resolution had not expired.

WEDNESDAY



SCT 07/02/2018 #526
COMPANIES HOUSE

SPECIAL RESOLUTION

- 4 THAT, in accordance with section 570 of the 2006 Act, the directors be generally empowered to allot equity securities (as defined in section 560 of the 2006 Act) pursuant to the authority conferred by resolution 3 as if section 561(1) of the 2006 Act did not apply to such allotments.

A handwritten signature in black ink, appearing to read "Gordon McLachlan". The signature is fluid and cursive, with the first name "Gordon" and the last name "McLachlan" clearly distinguishable.

Date 25/01/2017

Director

Print Name Gordon McLachlan

ARTICLES OF ASSOCIATION

OF SPRINTR LIMITED

Company number SC575408

Adopted by special resolution passed on 25 January 2018

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TABLE OF CONTENTS

1	Interpretation	1
2	Model Articles	7
3	Share capital.....	8
4	Further issue of shares.....	8
5	Transfer of Shares – General Principles	9
6	Permitted transfers	10
7	Compulsory transfers	11
8	Pre-emption Rights.....	12
9	Transfer of Control.....	17
10	Lien.....	18
11	Enforcement of the Company's Lien	20
12	Proceedings at General Meetings	21
13	Number of Directors	22
14	Alternate directors	22
15	Rights and responsibilities of alternate Directors	23
16	Termination of alternate Directorship	23
17	Proceedings of Directors	24
18	Directors' conflicts of interest – Board approval for Situational Conflicts.....	24
19	Directors' Situational Conflicts – pre-approval for all Directors	25
20	Directors' Situational Conflicts – disclosure of interests	26
21	Directors' Situational Conflicts – shareholder approval	26
22	Directors' conflicts of interest – Transactional Conflicts	26
23	Notices.....	27
24	Indemnity	27
25	Insurance.....	28
26	Approvals.....	28

THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION OF SPRINTR LIMITED

Adopted by special resolution passed on

2018

1 Interpretation

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

"A Share"	means an A ordinary share of £0.01 in the capital of the Company;
"Act"	means the Companies Act 2006 including a reference to any statutory modification or re-enactment of any provision thereof for the time being in force;
"Articles"	means the Articles of Association of the Company for the time being in force;
"B Share"	means a B ordinary share of £0.01 in the capital of the Company;
"B Share Majority"	means the holders of greater than 50% of the total number of B shares for the time being in issue;
"Bad Leaver"	<p>means the cessation of employment and/or of the holding of office of Director:</p> <p>(a) in circumstances justifying summary dismissal including without limitation to the foregoing generality for dishonesty or gross misconduct; or</p> <p>(b) where such cessation occurs within two years of the date of commencement of employment or of holding of office or of the date of adoption of these Articles (whichever is later) except in the following circumstances:-</p> <p>(i) wrongful dismissal of the Employee by</p>

the Company as determined by an employment tribunal and/or court having authority in such matters;

- (ii) the Employee leaving employment for reasons of ill health or disability as certified to the Board's reasonable satisfaction by an independent doctor or where the death or long term illness or disability of a spouse, civil partner, long term partner or child of the Employee makes it reasonably necessary for the Employee to provide care for himself or herself to that spouse, partner or child;
 - (iii) the unfair dismissal of the Employee as determined by an employment tribunal and/or court having authority in such matters;
 - (iv) the dismissal of the Employee by reason of redundancy;
 - (v) the death of the Employee or the Director (as the case may be);
 - (vi) the removal of the Employee as a Director or as a consultant in circumstances where simultaneous dismissal as an employee would fall within the category in paragraph (iii) above;
 - (vii) the Board determines that the Leaver is a Good leaver; or
- (c) where such cessation is voluntary and is followed by the person in question taking up employment with, or undertaking the provision of services to, a competitor of the Company within 6 months of the date of such cessation;

"Board"

means the Board of Directors of the Company for the time

	being;
"the Company"	means this company;
"Circulation Date"	shall have the meaning ascribed to it in section 290 of the Act;
"Controlling Interest"	means an interest in any shares in the capital of the Company (within the meaning of sections 820 to 825 inclusive of the Act) conferring in aggregate more than 50 per cent of the total voting rights conferred by all the shares of the capital of the Company from time to time in issue and conferring the right to vote at all general meetings of the Company;
"Confidential Information"	mean all information (whether oral or recorded in any medium) relating to any Group Company's business, financial or other affairs (including future plans of any Group Company) which is treated by a Group Company as confidential (or is marked or is by its nature <i>confidential</i>);
"Director"	means a director of the Company from time to time;
"Employee"	means any member who is also an employee of or consultant acting in a personal capacity for the Company;
"Enhanced Voting Event"	means any of the following:- <ul style="list-style-type: none"> (a) any Founder is a Bad Leaver; (b) the Company is in breach of any financial covenants provided to any of its bankers or otherwise in breach of banking facilities ("Facilities Agreement") granted to or any security, charge or encumbrance granted by the Company or any member of its Group, which breach has not been waived or (if capable of remedy) has not been remedied within 14 days of notice to the Company from a B Share Majority requiring it to be remedied; (c) (in the opinion of a B Share Majority, acting reasonably) either: (i) the working capital of the Group is prejudiced to such an extent that either

(A) the Group is likely to require additional funding so as to preserve a reasonable and prudent working capital position or (B) based on the facts and circumstances relating specifically to the Group, there is a probability that the Group will commit a breach of any covenant arising pursuant to any Facilities Agreement; or (ii) based on the facts and circumstances relating specifically to the Group, there is a probability that the Group will commit a breach of any financial covenants in the Facilities Agreement;

- (d) the Board is proposing a liquidation of the Company other than by way of a members voluntary liquidation;
- (e) all or any part of the principal amount of the Loan Notes, or any interest thereon, has become due for repayment or payment and has not been paid in full, and such situation has not been rectified; or
- (f) a material breach by the Company of clause 3.2 of the shareholders' agreement relating to the Company (the "Shareholders' Agreement") or a breach of these Articles which breach (if capable of remedy) has not been remedied within fourteen days of notice to the Company from a B Share Majority requiring it to be remedied.

"Fair Value"

means the fair value calculated by an expert in accordance with the provisions of Article 8.4.3);

"Family"

means a parent or child or remoter issue (whether natural or adopted) over the age of 18 years of a member of the Company or wife, widow, husband or widower, civil partner or surviving civil partner of any such parent, child or remoter issue or of the member of the Company himself or herself;

"Family Trust"

means, in relation to a member being an individual or a deceased member, a trust (whether arising under a settlement, declaration of trust, testamentary disposition or on an intestacy) which does not permit any of the settled property or the income therefrom to be applied otherwise

than for the benefit of (i) that member and/or his Family or (ii) any charity or charities as default beneficiaries, and no power of control over the voting powers conferred by any shares the subject of the trust is capable of being exercised by or subject to the consent of any person other than the trustees or such member or his Family;

"Founder"	means any of Gordon McLachlan, Bartłomiej Oleszczyk or Espen Brunborg;
"Good Leaver"	means a person ceasing to be an employee and/or Director of the Company (where such person is not a Bad Leaver);
"Group"	means the Company and any company which is a subsidiary undertaking of the Company from time to time and references to "Group Company" and "members of the Group" shall be construed accordingly;
"Group Company Interest"	has the meaning ascribed to that expression in Article 20.1;
"holder"	in relation to shares means the member whose name is entered in the Register of Members as the holder of the shares;
"Lien Enforcement Notice"	has the meaning given to it in Article 11;
"Listing"	<p>means in relation to any of the issued share capital of any member of the Group:</p> <ul style="list-style-type: none"> (a) an announcement has been made in accordance with the "Listing Rules" (as referred to below) regarding the decision of the UKLA to admit the same to the official list of the UKLA; or (b) the grant of permission (and announcement thereof) by the London Stock Exchange for the same to be dealt in on the Alternative Investment Market of the London Stock Exchange; or (c) the admission of or the grant of permission (and announcement thereof if applicable) for the same to be dealt in on some other market similar or equivalent to those aforesaid whether in the UK or

elsewhere; or

- (d) a reverse takeover (within the meaning contained in (and in accordance with) the UKLA publication entitled the "**Listing Rules**" current at the date of this Agreement) by a member of another group of companies any of whose shares are already the subject of a Listing (including for the avoidance of doubt on the Alternative Investment Market of the London Stock Exchange);
- (e) the equivalent to any of above in respect of any jurisdiction other than in the United Kingdom; and

Listed shall be interpreted accordingly;

"Loan Notes"

means the 5% unsecured convertible loan notes 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 on or prior to the date of adoption of these Articles);

"officer"

means an officer of the Company and includes a Director or the Secretary;

"Situational Conflict"

shall mean a direct or indirect interest of a Director which conflicts or may potentially conflict with the interests of the Company (other than a Transactional Conflict or in circumstances which cannot reasonably be regarded as likely to give rise to a conflict of interest). For these purposes a conflict of interest shall include a conflict of interest and duty and a conflict of duties;

"subsidiary"

has the meaning attributed to it in Section 1159 and Schedule 6 of the Act;

"Transactional Conflict"

shall mean a direct or indirect conflict of interest of a Director which arises in relation to an existing or proposed transaction or arrangement with the Company;

"Transfer Notice"

means a Notice given or deemed to be given pursuant to Articles 6.3, 7.2 and 8.1;

"Transfer Price" means the price per share determined in accordance with Article 8.4.

"UKLA" means the UK Listing Authority or its successor or replacement body or authority from time to time.

1.2 Unless the context requires otherwise the words or expressions contained in these Articles bear the same meaning as in the Act, but excluding any statutory provision or modification thereof not in force on the date of adoption of these Articles.

1.3 In the Articles:

1.3.1 Article headings are included for convenience only and shall not affect the construction of these Articles;

1.3.2 words denoting the singular shall include the plural and vice versa;

1.3.3 words denoting one gender include each gender and all genders;

1.3.4 references to persons are deemed to include references to natural persons, to firms, to partnerships, to companies, to corporations, to associations, to organisations and to trusts (in each case whether or not having separate legal personality).

2 Model Articles

2.1 The Model Articles shall apply to the Company except insofar as they are modified by, excluded by, or inconsistent with the Articles.

2.2 The definition of "bankruptcy" in article 1 of the Model Articles shall be amended so that the words "England and Wales or Northern Ireland" are replaced with "Scotland".

2.3 Article 23 of the Model Articles shall not apply. The Company shall be entitled, but shall not be bound, to accept and, in case of acceptance, shall be entitled to record in such manner as it may think fit, notices of any trusts in respect of any of the shares. Notwithstanding any such acceptance and/or the making of any such record, the Company shall not be bound to see to the execution, administration or observance of any trust, whether expressed, implied or constructive in respect of any shares, and shall be entitled to recognise and give effect to the acts and deeds of the holders of such shares as if they were absolute owners thereof. For the purpose of this article, **trust** includes any right in respect of any shares other than an absolute right thereto in the holder thereof for the time being or such other rights in case of transmission of shares as are set out in the Articles.

2.4 Article 37 of the Model Articles shall be supplemented by the addition of a new sub-paragraph (6) as follows:

37(6) "General meetings shall be held at the Company's normal place of business unless otherwise agreed by the holders of 75% in nominal value of the share capital in issue".

3 Share capital

- 3.1 The share capital of the Company at the date of adoption of these Articles is £3.33 divided into 300 A Shares and 33 B Shares.
- 3.2 The B Shares shall not confer on the holders thereof the right to receive dividends but otherwise, except as provided for in these Articles, the A Shares and B Shares shall rank and be treated in all respects *pari passu* as if one class of shares.
- 3.3 The liability of the members is limited to the amount, if any, unpaid on the shares held by them.

4 Further issue of shares

- 4.1 Save with the prior consent of the holders of over 50% in nominal value of the issued shares of the Company:
 - 4.1.1 no shares may be allotted or issued to any person;
 - 4.1.2 the Company shall not exercise any of the powers referred to in article 22(2) of the Model Articles (issue of redeemable shares); and
 - 4.1.3 the Company shall not reduce, consolidate, sub-divide, convert or otherwise make any alteration to its share capital.
- 4.2 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.
- 4.3 Subject to Article 4.1, before any shares in the Company are issued (other than (i) shares or options offered to employees as part of a bona fide employee incentive plan approved by the Board; and (ii) shares allotted to satisfy conversion rights under the Loan Notes), they shall be offered to all the holders of shares in the Company in proportion to the nominal value of shares held by them respectively (and such offer shall be made at the same price and on the same terms to each such holder).
- 4.4 Any offer communicated to the shareholders pursuant to Article 4.3 shall state:
 - 4.4.1 the number of shares offered;
 - 4.4.2 the proportionate entitlement of the relevant member;
 - 4.4.3 the price per share;

- 4.4.4 the period (not being less than 30 days) within which the offer, if not accepted, will be deemed to be declined.
- 4.5 If after the expiration of the period for acceptance there are any shares that are not subscribed for by any of the members ("**Excess Shares**"), the Directors shall offer the Excess Shares to the persons who have, within the said period, accepted all the shares offered to them, which further offer shall state:
 - 4.5.1 the number of Excess Shares being offered;
 - 4.5.2 the period (not being less than 14 days) within which the offer in respect of the Excess Shares, if not accepted, will be deemed to be declined;
 - 4.5.3 that the member may offer to subscribe for any number of Excess Shares (over and above that member's proportionate entitlement to the Excess Shares) that are not subscribed for by the other members.
- 4.6 If the Directors receive acceptances for more than the number of Excess Shares offered for subscription, each member who has offered to subscribe for the Excess Shares shall be entitled to a number of Excess Shares to be allocated as nearly as possible, in the discretion of the Directors, to each of the members, pro rata to their existing holdings of shares but so that no member shall be allocated more Excess Shares than applied for.
- 4.7 Any shares not taken up in accordance with the foregoing provisions shall be under the control of the Directors, who may allot, grant options over or otherwise dispose of the same to such persons, on such terms, and in such manner as they think fit, provided that:
 - 4.7.1 such shares shall not be disposed of on terms which are more favourable to the proposed allottees thereof than the terms on which they were offered to the members;
 - 4.7.2 any disposal shall occur within a period of three months from the date of the offer communicated pursuant to Article 4.3.

5 Transfer of Shares – General Principles

- 5.1 No member shall dispose of any share except:
 - 5.1.1 as permitted by Article 6 (Permitted Transfers);
 - 5.1.2 as required by Article 7 (Compulsory Transfers) or under any other obligation under the Articles;
 - 5.1.3 as permitted by and in accordance with Article 8 (Pre-emption Rights);
 - 5.1.4 in accordance with Article 9 (Transfer of Control);

(but subject always to the restrictions contained in Article 5.3) and the Directors shall decline to register any transfer that is either not made in accordance with the provisions of these Articles or is of shares on which the Company has a lien.

- 5.2 Reference in Article 5.1 to disposing of shares shall include disposing of any interest in or right attaching to any shares or renouncing or assigning any right to receive or subscribe for any shares or creating or permitting to exist any charge, lien, encumbrance or trust over any share or agreeing to do any such thing.
- 5.3 No share shall in any circumstances be issued or transferred to any minor, bankrupt or person of unsound mind.
- 5.4 Any reference in these Articles to the transfer of a share shall include the transfer or purported transfer of the beneficial ownership of such share.

6 Permitted transfers

6.1 A member being:

- 6.1.1 an individual may at any time without restriction as to price or otherwise transfer any or all of the shares held by him to a member of his Family or to the trustee or trustees of a Family Trust PROVIDED, in the case of an Employee being the transferor, that the transferor remains the holder of at least one share in the Company;
- 6.1.2 a company may transfer at any time without restriction as to price or otherwise all or any of its shares in the Company to an associated company, being the holding company or a subsidiary of a corporate member or a subsidiary of the holding company of a corporate member.

6.2 Where the shares are held by trustees upon a Family Trust:

- 6.2.1 such shares may on a change of trustees be transferred to the new trustees of that Family Trust;
- 6.2.2 such shares may at any time be transferred to any person to whom under Article 6.1 the same could have been transferred by the settlor if he had remained the holder thereof.

- 6.3 If a person to whom shares are transferred pursuant to Article 6 ceases to be within the required relationship to the original transferor, then such shares (together with any additional shares derived from, or received by, such person pursuant to any capitalisation, consolidation, subdivision or right or option to subscribe for or convert into shares or arising out of any of the aforementioned) shall be transferred back to the person who transferred them or to any other person falling within the required relationship under Article 6.1 and, if the holder of such shares fails to transfer the shares in those circumstances, such holder shall be deemed to have served a Transfer Notice indicating that he wishes to transfer all of his shares in the Company and shall be

deemed to have constituted the Company the agent for the sale of such shares in accordance with the provisions of Articles 8.3 to 8.10.

- 6.4 The Directors may require to be satisfied in such manner as they may reasonably require that a particular transfer of shares is permitted under these Articles and require the transferring member or person named as the transferee in a transfer lodged for registration to furnish the Directors with such information and evidence as they may think reasonably necessary or relevant, and failing such information or evidence being furnished within a period of 28 days after such request, the Directors shall be free to refuse to register such a transfer.

7 Compulsory transfers

- 7.1 The following events ("**Relevant Events**") shall give rise to the compulsory transfer provisions under this Article:-

- 7.1.1 in relation to a member being an individual:

7.1.1.1 such member is adjudicated bankrupt; or

7.1.1.2 article 18(d) of the Model Articles applies;

- 7.1.2 in relation to a member being a body corporate:

7.1.2.1 an administrator, receiver, manager or administrative receiver is appointed in respect of such member or over all or any part of its undertaking or its assets; or

7.1.2.2 such member enters into liquidation (other than a voluntary liquidation for the purpose of a bona fide scheme of solvent amalgamation or reconstruction); or

7.1.2.3 such member ceases to be controlled (as defined by Section 995 of the Income Tax Act 2007) by the person(s) who controlled such member on the date on which it became the member of the Company or on the date of adoption of these Articles (whichever shall be the later);

- 7.1.3 in the case of a member being an Employee, such member ceasing to be an employee or Director of the Company.

- 7.2 Where a Relevant Event occurs in relation to a member, a Transfer Notice will be deemed to have been given (hereinafter a "**deemed Transfer Notice**") by:

7.2.1 the member in question; and

7.2.2 any person having previously received shares from the member in question pursuant to a permitted transfer under Article 6

in respect of all the shares as shall then be registered in the name of such member(s) (as well as any shares in the Company subsequently acquired by any of them pursuant to a right or interest obtained or granted prior to the Relevant Event and any additional shares derived from, or received by any of them pursuant to any capitalisation, consolidation, sub-division or right or option granted or arising out of, any of aforementioned shares registered in their name(s)) at the Transfer Price determined in accordance with Article 7.3.

7.3 The Transfer Notice shall constitute the Company as the agent for the sale of such shares in accordance with the provisions of Articles 8.3 to 8.10:

7.3.1 at the Transfer Price provided in Article 8.4.2.1 where the member affected by the Relevant Event is a Bad Leaver;

7.3.2 at the Transfer Price provided in Article 8.4.2.2 where the member affected by the Relevant Event is a Good Leaver;

7.3.3 at the Transfer Price provided in Article 8.4.2.3 otherwise.

7.4 An obligation to transfer a share under the provisions of this Article shall be deemed to be an obligation to transfer the entire legal and beneficial interest in such share free from any lien, charge or other encumbrance.

7.5 The provisions of this Article may be waived in whole or in part in any particular case by the Board, provided that the transferor if also a director shall not be entitled to vote.

7.6 The Board shall be entitled to decide that a member, who is affected by a Relevant Event qualifying that member as a Bad Leaver, should instead be treated as a Good Leaver for the purposes of the transfer provisions, including the Transfer Price, under Article 8, provided that the transferor if also a director shall not be entitled to vote.

7.7 Where a member is deemed to have served a Transfer Notice pursuant to Article 7.2, the shares held by such member shall immediately cease to have the right to vote until such time as those shares are transferred to another person in accordance with the provisions of Article 8.

7.8 Any shares ceasing to have the right to vote pursuant to this Article 7 shall also cease to have any rights of pre-emption under Article 4 or Article 8 and shall be ignored in calculating the entitlements of the other shareholders pursuant to those Articles and the provisions of Articles 4 and 8 shall be construed accordingly.

8 Pre-emption Rights

8.1 Transfer Notice

Except where a transfer is permitted pursuant to Article 6 (Permitted Transfers) or except where a Transfer Notice is required to be given pursuant to Article 7 (Compulsory Transfers), a member

wishing to transfer his shares or any of them ("**Transferor**") shall give notice in writing (a "**Transfer Notice**") to the Company specifying:

- 8.1.1 the number of shares which he desires to transfer (the "Sale Shares"); and
- 8.1.2 the price at which he proposes to transfer the shares; and
- 8.1.3 the name of any third party to whom he proposes to sell or transfer the shares.

8.2 Total Transfer Condition

A Transferor (except a transferor under a deemed Transfer Notice) shall be entitled to state in the Transfer Notice a provision that unless all the shares comprised therein are sold, none shall be sold ("**Total Transfer Condition**").

8.3 Service of the Transfer Notice on the members

- 8.3.1 The Directors shall within seven days after receipt of any Transfer Notice from a Transferor, by serving written notice, send a copy of the Transfer Notice to the other members.
- 8.3.2 In the case of a deemed Transfer Notice, the Directors shall similarly serve notice on all the members (including the Transferor) notifying them that the same has been deemed as being given within one month after (i) the date of the event giving rise to the deemed Transfer Notice or (ii) (if later) the date on which the Directors (as a whole) actually became aware of such event.

8.4 Transfer Price

- 8.4.1 The Transfer Price in respect of the Sale Shares, in the case of a Transfer Notice which is not a deemed Transfer Notice, shall be the price per share as all the members (including the Transferor) may agree in writing, or, failing such agreement on price, Fair Value.
- 8.4.2 In the case of a deemed Transfer Notice, the Transfer Price in respect of the Sale Shares shall, unless otherwise agreed between the members or otherwise provided in these Articles, be determined as follows:
 - 8.4.2.1 where the member has ceased to be an employee in accordance with the provisions of Article 7.1.3 and is a Bad Leaver – the lesser of (a) Fair Value and (b) the nominal value of the shares plus any subscription premium paid in respect of those shares; and
 - 8.4.2.2 where the member has ceased to be an employee in accordance with the provisions of Article 7.1.3 and is a Good Leaver, Fair Value.

8.4.2.3 Fair Value – otherwise.

8.4.3 Fair Value shall be determined by an expert (the "**Expert**") appointed by agreement between the members, or in the absence of such agreement, appointed by the President for the time being of the Institute of Chartered Accountants of Scotland. Such Expert shall act as expert and not as an arbitrator and his written determination shall (save in case of manifest error) be final and binding on the parties. The Company will use its best endeavours to procure that the Expert determines the Fair Value within 21 days of being requested to do so. The costs of the Expert shall be borne (a) by the Company where no transfers subsequently occur pursuant to this Article or (b) equally by the Transferor and any transferee(s) where a transfer or transfers subsequently occur pursuant to this Article. Fair Value in respect of the Sale Shares shall be calculated as at the date of the appointment of the Expert and shall be based upon the following assumptions:

- 8.4.3.1 an arm's length sale between a willing vendor and a willing purchaser;
- 8.4.3.2 if the Company is carrying on a business as a going concern, on the assumption that it will continue to do so;
- 8.4.3.3 that the Sale Shares are capable of being transferred without restriction;
- 8.4.3.4 that no account is taken of the minority or majority interest of Sale Shares;
- 8.4.3.5 that the effect on the Company and its valuation of the relevant person ceasing to be an employee, director or consultant (as the case may be) is taken into account.

8.5 Offer Notice

Within seven (7) days of the determination of the Transfer Price pursuant to Article 8.4, the Directors shall, by notice in writing ("**Offer Notice**"):

- 8.5.1 inform the members (including the Transferor) of the Transfer Price;
- 8.5.2 offer the Sale Shares to the members (other than the Transferor) in proportion to the number of shares then held by them respectively, stating their respective proportionate entitlements;
- 8.5.3 state the period (not being less than 14 days) within which the offer, if not accepted, will be deemed to be declined;
- 8.5.4 state whether or not the Transfer Notice contained a Total Transfer Condition;

- 8.5.5 state that each member may offer to subscribe for any number of Sale Shares (over and above that member's proportionate entitlement) that are offered to but not accepted by the other members.

8.6 Revocation by the Transferor of the Transfer Notice

Where the Transfer Price has been determined by an Expert (save in respect of a deemed Transfer Notice), the Transferor shall be entitled to revoke the Transfer Notice if the Transfer Price is not acceptable to him provided that he does so before the expiration of the period for acceptance referred to in Article 8.5.3.

8.7 Allocation of the Sale Shares

- 8.7.1 After the expiration of the period for acceptance referred to in Article 8.5.3, the Directors shall allocate the Sale Shares in the following manner:

8.7.1.1 Sale Shares owned by a Founder (or by any of his permitted transferees pursuant to Article 6) shall be allocated first in the satisfaction of the applications received from other Founders;

8.7.1.2 subject to article 8.7.1.1, the Sale Shares shall be allocated to each member who has agreed to purchase shares ("**Applicant**") in proportion to the number of shares held by him or such lesser number of Sale Shares as he may have applied for;

8.7.1.3 if any Applicant has applied for less than his proportionate entitlement, the excess shall be allocated to Applicants who have applied for all or any part of such excess in proportion to the number of shares then held by them provided always that no Applicant shall be allocated more Sale Shares than such member applied for.

- 8.7.2 If by the foregoing procedure, the Board shall not have received acceptances from members in respect of all the Sale Shares within the period for acceptance as aforesaid, they shall give further notice in writing of the fact to the members, whereupon the holders of over 60% in nominal value of the issued A Shares (excluding the shares held by the Transferor) shall be entitled within a period of 30 days of the date of service of that notice to nominate (by giving notice in writing to the Board) any person or persons (including the Company) to purchase all or any of the Sale Shares.

- 8.7.3 If the Transfer Notice contained a Total Transfer Condition, where acceptances have not been received and/or persons have not been nominated in respect of all the Sale Shares pursuant to the foregoing procedure, all the members shall be deemed to have declined the Sale Shares.

8.8 Completion of the transfers

The Directors shall forthwith upon completing the calculations of the allocations pursuant to Article 8.7 give notice ("**Allocation Notice**") to the Transferor and to each of the Applicants of the allocation of the Sale Shares in accordance with that Article, specifying the number of Sale Shares allocated to each Applicant and/or nominated person(s) and the place and the time (being not later than 7 days after the Allocation Notice) at which each of the parties shall be bound to complete the sale and purchase of such Sale Shares. The Transferor shall be bound, on receipt of the payment of the Transfer Price in respect of each Sale Share, to transfer the Sale Shares comprised in the Allocation Notice to the Applicant named therein at the time and place specified therein.

8.9 Default by the Transferor

If the Transferor defaults in transferring the Sale Shares:

- 8.9.1 the Chairman for the time being of the Company or failing him one of the Directors or some other person duly nominated by the Board for that purpose, shall be deemed to be the duly appointed attorney of the Transferor with full power to execute, complete and deliver in the name and on behalf of the Transferor a transfer of the relevant Sale Shares to the Applicant or nominated person;
- 8.9.2 the Directors may receive and give good discharge for the Transfer Price on behalf of the Transferor and (subject to the transfer being duly stamped) enter the name of the Applicant or nominated person in the Register of Members as the holder by transfer of the relevant Sale Shares;
- 8.9.3 the Directors shall forthwith pay the Transfer Price into a separate bank account in the Company's name and if and when the Transferor shall deliver up his certificate(s) for the relevant Sale Shares to the Company (or an appropriate indemnity in respect of lost certificates) then he shall be paid the Transfer Price without interest and less any sums owed to the Company by the Transferor pursuant to these Articles or otherwise;
- 8.9.4 if such certificate includes any shares which the Transferor has not become bound to transfer as aforesaid, then the Company shall issue to him a balance certificate for such shares.

8.10 Sale of declined Sale Shares

If by the foregoing transfer procedure, not all the Sale Shares have been allocated to Applicants, then the Transferor shall be entitled within a period of 3 months after the date of the Allocation Notice:

- 8.10.1 where the Transfer Notice contained a Total Transfer Condition, to sell all (but not some only) of the Sale Shares to any person (whether or not a member) at any price.

which is not less than the Transfer Price (after deducting, where appropriate, the amount of any net dividend or other distribution to be retained by the Transferor);

- 8.10.2 where the Transfer Notice did not contain a Total Transfer Condition, to sell to any person (whether or not a member) any or all of the Sale Shares for which acceptances were not received from the members pursuant to the foregoing transfer procedure at any price which is not less than the Transfer Price (after deducting, where appropriate, the amount of any net dividend or other distribution to be retained by the Transferor);

and the Directors shall register the transfers pursuant to a sale under articles 8.10.1 or 8.10.2.

- 8.11 Any B Shares transferred to a person who is a holder of A Shares shall, automatically and without further action from the Board or members, be redesignated as A Shares with effect from completion of such transfer.

8.12 Waiver

The provisions of this Article 8 may be waived on a case-by-case basis by the written consent of all the members.

9 Transfer of Control

- 9.1 No sale or transfer of any share (the "**Specified Shares**") conferring the right to vote at general meetings of the Company shall be made or registered without the prior consent in writing of all the members if it would result in a person or persons (other than an existing shareholder or shareholders obtaining direct or indirect control of a Controlling Interest unless before the transfer is lodged for registration the proposed transferee or his nominee has offered to purchase all of the issued shares of the Company at the Specified Price as hereinafter defined.
- 9.2 For the purposes of Article 9.1, the "**Specified Price**" shall mean a price per share at least equal to that offered by the proposed transferee or transferees for the Specified Shares together with all arrears or accruals of dividend or interest thereon and tax credits that would have related to such dividends if such dividends had been paid together with an amount equal to the relevant proportion of any other consideration (in cash or otherwise) received or receivable by the holders of the Specified Shares which having regard to the substance of the transaction as a whole can reasonably be regarded as an addition to the price paid or payable for the Specified Shares. In the event of disagreement about the calculation of the Specified Price, the disagreement shall be referred to an umpire (acting as expert and not as arbitrator) nominated by the parties concerned (or, in the event of disagreement as to the nomination, appointed by the President for the time being of the Institute of Chartered Accountants of Scotland). The decision of the umpire shall (save in case of manifest error) be final and binding. The costs of the umpire shall, unless decided otherwise by the umpire in his sole discretion, be payable equally by the parties in dispute.
- 9.3 Following agreement on the Specified Price, the transferee shall serve a written notice on the shareholders offering to purchase all the shares held by each shareholder at the Specified Price.

The offer shall remain open for acceptance by one or more of the shareholders for 30 days from the date of service. Other than as expressly provided for herein, the purchase of any shares pursuant to this Article shall be on the same terms and conditions as the purchase of the Specified Shares. The purchase of the Specified Shares and the purchase of any other shares pursuant to this Article shall be completed simultaneously.

- 9.4 For the purposes of Article 9.1, the expressions "transfer" and "transferee" shall include respectively the renunciation of a renounceable letter of allotment or renounceable share certificate and the original allottee and the renounee under any such letter of allotment or certificate.

10 Drag along

- 10.1 If the holders of 50% of the Shares in issue for the time being including at least two Founders (**Selling Shareholders**) wish to transfer all (but not some only) of their Shares (**Sellers' Shares**) to a bona fide purchaser on arm's length terms (**Proposed Buyer**), the Selling Shareholders may require all other Shareholders (**Called Shareholders**) to sell and transfer all their shares (**Called Shares**) to the Proposed Buyer (or as the Proposed Buyer directs) in accordance with the provisions of this Article (**Drag Along Option**).

- 10.2 The Selling Shareholders may exercise the Drag Along Option by giving written notice to that effect to the Called Shareholders (**Drag Along Notice**) at any time before the transfer of the Sellers' Shares to the Proposed Buyer. The Drag Along Notice shall specify:

- 10.2.1 that the Called Shareholders are required to transfer all their Called Shares pursuant to this Article 10;
- 10.2.2 the person to whom the Called Shares are to be transferred;
- 10.2.3 the purchase price payable for the Called Shares which shall, for each Called Share, be an amount at least equal to the price per share offered by the Proposed Buyer for the Sellers' Shares; and
- 10.2.4 the proposed date of the transfer.

- 10.3 Once issued, a Drag Along Notice shall be irrevocable. However, a Drag Along Notice shall lapse if, for any reason, the Selling Shareholders have not sold the Sellers' Shares to the Proposed Buyer within 30 Business Days of serving the Drag Along Notice. The Selling Shareholders may serve further Drag Along Notices following the lapse of any particular Drag Along Notice.

- 10.4 No Drag Along Notice shall require a Called Shareholder to agree to any terms except those specifically set out in this Article 10.

- 10.5 Completion of the sale of the Called Shares shall take place on the Completion Date. Completion Date means the date proposed for completion of the sale of the Sellers' Shares unless:

- 10.5.1 all of the Called Shareholders and the Selling Shareholders agree otherwise in which case the Completion Date shall be the date agreed in writing by all of the Called Shareholders and the Selling Shareholders; or
- 10.5.2 that date is less than 10 Business Days after the date on which the Drag Along Notice is served, in which case the Completion Date shall be the tenth Business Day after service of the Drag Along Notice.
- 10.6 The proposed sale of the Sellers' Shares by the Selling Shareholders to the Proposed Buyer is subject to the rights of pre-emption set out in Article 8, but the sale of the Called Shares by the Called Shareholders shall not be subject to those provisions.
- 10.7 On or before the Completion Date, the Called Shareholders shall execute and deliver stock transfer forms for the Called Shares, together with the relevant share certificates (or a suitable indemnity for any lost share certificates) to the Company. On the Completion Date, the Company shall pay the Called Shareholders, on behalf of the Proposed Buyer, the amounts due pursuant to Article 10.2.3 to the extent that the Proposed Buyer has put the Company in the requisite funds. The Company's receipt for the price shall be a good discharge to the Proposed Buyer. The Company shall hold the amounts due to the Called Shareholders in trust for the Called Shareholders without any obligation to pay interest.
- 10.8 To the extent that the Proposed Buyer has not, on the Completion Date, put the Company in funds to pay the purchase price due in respect of the Called Shares, the Called Shareholders shall be entitled to the return of the stock transfer forms and share certificates (or suitable indemnity) for the relevant Called Shares and the Called Shareholders shall have no further rights or obligations under this Article 10 in respect of their Shares.
- 10.9 If any Called Shareholder does not, on or before the Completion Date, execute and deliver (in accordance with Article 10.7) transfer(s) in respect of all of the Called Shares held by it, each defaulting Called Shareholder shall be deemed to have irrevocably appointed any person nominated for the purpose by the Selling Shareholders to be its agent to execute all necessary transfer(s) on its behalf, against receipt by the Company (on trust for such holder) of the purchase price payable for the Called Shares, and to deliver such transfer(s) to the Proposed Buyer (or as it may direct) as the holder thereof. After the Proposed Buyer (or its nominee) has been registered as the holder of the Called Shares, the validity of such proceedings shall not be questioned by any person. Failure to produce a share certificate shall not impede the registration of shares under this Article 10.
- 10.10 Upon any person, following the issue of a Drag Along Notice, becoming a Shareholder (or increasing an existing shareholding) including, without limitation, pursuant to the exercise of any option, warrant or other right to acquire or subscribe for, or to convert any security into, Shares (a New Shareholder), a Drag Along Notice shall be deemed to have been served on the New Shareholder on the same terms as the previous Drag Along Notice. The New Shareholder shall then be bound to sell and transfer all Shares acquired by it to the Proposed Buyer (or as the

Proposed Buyer may direct) and the provisions of this Article 1 shall apply with the necessary changes to the New Shareholder, except that completion of the sale of the Shares shall take place on the Completion Date or immediately upon the New Shareholder becoming a Shareholder of the Company, if later.

11 Lien

11.1 The Company has a lien ("**Company's Lien**") over every share which is registered in the name of any person indebted or under any liability to the company, whether he is the sole registered holder of the share or one of several joint holders, for all monies payable by him (either alone or jointly with any other person) to the Company, whether payable immediately or at some time in the future.

11.2 The Company's Lien over a share:-

11.2.1 takes priority over any third party's interest in that share; and

11.2.2 extends to any dividend or other money payable by the Company in respect of that share and (if the lien is enforced and the share is sold by the Company) the proceeds of sale of that share.

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

12 Enforcement of the Company's Lien

12.1 Subject to the provisions of this article, if:-

12.1.1 a Lien Enforcement Notice has been given in respect of a share; and

12.1.2 the person to whom the notice was given has failed to comply with it

the Company may sell that share in such manner as the Directors decide.

12.2 A Lien Enforcement Notice:-

12.2.1 may only be given in respect of a share which is subject to the Company's Lien if a sum in respect of which the lien exists is payable and the due date for payment of that sum has passed;

12.2.2 must specify the share concerned;

12.2.3 must require payment of the sum payable within 14 days of the notice;

12.2.4 must be addressed either to the holder of the share or to a person entitled to it by reason of the holder's death, bankruptcy or otherwise; and

- 12.2.5 must state the Company's intention to sell the share if the notice is not complied with.
- 12.3 Where shares are sold under this article:-
- 12.3.1 the Directors may authorise any person to execute an instrument of transfer of the shares to the purchaser or a person nominated by the purchaser; and
- 12.3.2 the transferee is not bound to see to the application of the consideration, and the transferee's title is not affected by any irregularity in or invalidity of the process leading to the sale.
- 12.4 The net proceeds of any such sale (after payment of the costs of sale and any other costs of enforcing the lien) must be applied:-
- 12.4.1 first, in payment of so much of the sum for which the lien exists as was payable at the date of the Lien Enforcement Notice;
- 12.4.2 second, to the person entitled to the shares at the date of the sale, but only after the certificate for the shares sold has been surrendered to the company for cancellation or a suitable indemnity has been given for any lost certificates, and subject to a lien equivalent to the Company's Lien for any money payable (whether immediately or at some time in the future) as existed upon the shares before the sale in respect of all the shares registered in the name of such person after the date of the Lien Enforcement Notice.
- 12.5 A statutory declaration by a Director or the company secretary (if any) that the declarant is a Director or the company secretary and that a share has been sold to satisfy the Company's Lien on a specified date:-
- 12.5.1 is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share; and
- 12.5.2 subject to compliance with any other formalities of transfer required by the Articles or by law, constitutes a good title to the share.

13 Proceedings at General Meetings

- 13.1 No business shall be transacted at any meeting of the members of the Company unless a quorum is present at the time when the meeting proceeds to business.
- 13.2 Three persons entitled to vote upon the business to be transacted, each being a member or a proxy for a member or a duly authorised representative of a corporation, shall be a quorum.
- 13.3 If a quorum is not present within half an hour of the time appointed for a General Meeting, the meeting, if convened on the requisition of members, shall be dissolved. In any other case, it shall stand adjourned to the same day in the next week, at the same time and place (or to such other

date and at such other time and place as all the members may agree in writing). If at such adjourned meeting, a quorum is not present within half an hour from the time appointed for the meeting, any two members present in person or by proxy shall be quorum. Article 41 of the Model Articles shall not apply.

- 13.4 A poll may be demanded at any General Meeting by any member present in person or by proxy and entitled to vote. Article 44(2) of the Model Articles shall be modified accordingly.
- 13.5 An instrument appointing a proxy may, in the case of a corporation, be signed on its behalf by a director or the secretary thereof or by its duly appointed attorney or duly authorised representative.
- 13.6 On a show of hands or on a poll, votes may be given either personally or by proxy.
- 13.7 Without limiting article 37 of the Model Articles, a member may participate in a meeting of the Company by means of conference telephone or similar communications equipment whereby all the members participating in the meeting can hear each other and the members participating in a meeting in this manner shall be deemed to be present in person at such a meeting.
- 13.8 If any Enhanced Voting Right occurs then a B Share Majority may serve written notice on the Company of the Enhanced Voting Event in which case, until such notice is withdrawn in writing by a B Share Majority the voting rights of the holders of B Shares shall be increased to 26% of all of the voting rights attaching to all shares.

14 Number of Directors

- 14.1 Unless otherwise determined by ordinary resolution, the number of Directors (other than alternate directors) shall not be more than four excluding any Investor Directors.

15 Alternate directors

- 15.1 Subject to Article 15.2, any Director may appoint as an alternate any other Director, or any other person approved by resolution of the Directors, to:-

- 15.1.1 exercise that Director's powers; and

- 15.1.2 carry out that Director's responsibilities

in relation to the taking of decisions by the Directors in the absence of the alternate's appointor.

- 15.2 An Investor Director may appoint any person to be alternate director and may remove from office an alternate director appointed by him.
- 15.3 Any appointment or removal of an alternate must be effected by notice in writing to the Company signed by the appointor, or in any other manner approved by the Directors.
- 15.4 The notice must:-

- 15.4.1 identify the proposed alternate; and
- 15.4.2 in the case of a notice of appointment, contain a statement signed by the proposed alternate that the proposed alternate is willing to act as the alternate of the Director giving the notice.

16 Rights and responsibilities of alternate Directors

- 16.1 An alternate Director may act as alternate to more than one Director and has the same rights in relation to any decision of the Directors as the alternate's appointor.
- 16.2 Except as the Articles specify otherwise, alternate Directors:-
 - 16.2.1 are deemed for all purposes to be Directors;
 - 16.2.2 are liable for their own acts and omissions;
 - 16.2.3 are subject to the same restrictions as their appointors; and
 - 16.2.4 are not deemed to be agents of or for their appointors
 - 16.2.5 and in particular each alternate Director shall be entitled to receive notice of all meetings of Directors and of all meetings of committees of Directors of which his appointor is a member.
- 16.3 An alternate Director is not entitled to receive any remuneration from the Company for serving as an alternate Director except such part of the alternate's appointor's remuneration as the appointor may direct by notice in writing made to the Company.
- 16.4 In determining the minimum and (if any) the maximum number of Directors, no account shall be taken of any alternate Directors appointed from time to time.
- 16.5 When an alternate Director is also a Director or acts as an alternate for more than one Director, he shall have one vote for every Director represented by him (in addition to his own vote if he is himself a Director) but he shall count only as one for the purpose of determining whether a quorum is present.

17 Termination of alternate Directorship

- 17.1 An alternate Director's appointment as an alternate terminates:-
 - 17.1.1 when the alternate's appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;
 - 17.1.2 on the occurrence in relation to the alternate of any event which, if it occurred in relation to the alternate's appointor, would result in the termination of the appointor's appointment as a Director;

- 17.1.3 on the death of the alternate's appointor; or
- 17.1.4 when the alternate's appointor's appointment as a Director terminates, except that an alternate's appointment as an alternate does not terminate when the appointor vacates his office at a general meeting and is then re-appointed as a Director at the same general meeting.

18 Proceedings of Directors

- 18.1 The Chairman of any meeting of the Directors or any Committee of the Directors shall not be entitled to a second or casting vote. Article 13 of the Model Articles is excluded.
- 18.2 The quorum for the transaction of business of the Directors may be fixed by the Directors and unless so fixed at any other number shall be three Directors.
- 18.3 Without limiting article 10 of the Model Articles, a Director (or where appropriate his alternate) may participate in a meeting of the Board of Directors or of a committee of the Board by means of conference telephone or similar communications equipment whereby all the Directors participating in the meeting can hear each other, and the Directors participating in a meeting in this manner shall be deemed to be present in person at such meeting.
- 18.4 For the purposes of article 8 of the Model Articles, a resolution signed by an alternate Director need not also be signed by his appointor, and if it is signed by a Director who has appointed an alternate Director, it need not be signed by the alternate Director in that capacity.

19 Directors' conflicts of interest – Board approval for Situational Conflicts

- 19.1 If a situation arises or exists in which a Director has or could have a Situational Conflict, without prejudice to the provisions of Articles 20 to 22 (inclusive), the Director concerned, or any other Director, may propose to the Board that such Situational Conflict be authorised, such proposal to be made in writing and delivered to the other Directors or made orally at a meeting of the Board, in each case setting out particulars of the Situational Conflict in question. Subject to the Act, the Directors may authorise such Situational Conflict and the continuing performance by the relevant Director of his duties as a Director of the Company on such terms as they may think fit.
- 19.2 The relevant Director shall not be counted in the quorum at the relevant meeting of the Directors to authorise such Situational Conflict nor be entitled to vote on the resolution authorising it. If the relevant Director is the sole Investor Director, for the purposes of any part of the meeting of the Directors at which a resolution authorising the relevant Situational Conflict pursuant to section 175(4)(b) of the Act is to be considered, the quorum requirement for such part of the meeting shall be any two Directors, neither of whom have any interest in the matter and notwithstanding the provisions of Article 18.2 it shall not be necessary for such Investor Director or his alternate to be present during such part of the meeting for the quorum requirement to be met.

20 Directors' Situational Conflicts – pre-approval for all Directors

20.1 Subject to compliance by him with his duties as a Director under Part 10 of the Act (other than the duty in section 175(1) of the Act which is the subject of this Article 20.1), a Director (including the chairman of the Company (if any) and any other non-executive Director) may:

20.1.1 be an officer of, employed by, or hold Shares or other securities (whether directly or indirectly) in the Company; or

20.1.2 be a director or other officer of, employed by or hold shares or other securities (whether directly or indirectly) in, or otherwise be interested, whether directly or indirectly, in any other Group Company,

(in either case a **Group Company Interest**) and notwithstanding his office or the existence of an actual or potential conflict between any Group Company Interest and the interests of the Company, which would fall within the ambit of that section 175(1), the relevant Director:

20.1.2.1 shall be entitled to attend any meeting or part of a meeting of the Directors or a committee of the Directors at which any matter which may be relevant to the Group Company Interest may be discussed, and to vote on any resolution of the Directors or a committee thereof relating to such matter, and any board papers relating to such matter shall be provided to the relevant Director at the same time as the other Directors (save that a Director may not vote on any resolution in respect of matters relating to his employment with the Company or other Group Company);

20.1.2.2 shall not be obliged to account to the Company for any remuneration or other benefits received by him in consequence of any Group Company Interest;

20.1.2.3 shall be entitled to consult freely about the Group and its affairs with, and to disclose Confidential Information to the Group's auditors, lenders and proposed lenders (or with and to any of its or their professional advisers);

20.1.2.4 for the purposes of facilitating a sale of shares in the Company or Listing, shall be entitled to disclose any Confidential Information to any proposed purchaser, underwriter, sponsor or broker, subject to the relevant Director using his reasonable endeavours to procure that any such recipient is made aware that it is Confidential Information and agrees to treat it accordingly; and

20.1.2.5 will not be obliged to disclose to the Company or use for the benefit of the Company any confidential information received by him by virtue of his Group Company Interest and otherwise than by virtue of his position

as a Director, if to do so would breach any duty of confidentiality to any other Group Company or third party.

21 Directors' Situational Conflicts – disclosure of interests

- 21.1 Any Director who has a Group Company Interest and any Investor Director who has an Investor Director Interest shall, as soon as reasonably practicable following the relevant interest arising, disclose to the Board the existence of such interest and the nature and extent of such interest so far as the relevant Investor Director or other Director is able at the time the disclosure is made PROVIDED that no such disclosure is required to be made of any matter in respect of which the relevant Director owes any duty of confidentiality to any third party. A disclosure made to the Board under this Article 21 may be made either at a meeting of the Board or by notice in writing to the Company marked for the attention of the Directors.

22 Directors' Situational Conflicts – shareholder approval

- 22.1 Notwithstanding the provisions of Articles 19.1 and 20.1, the holders of 50% of the issued shares which are held by shareholders who are not the same person as or connected persons in relation to the relevant Director from time to time may, at any time, by notice in writing to the Company, authorise, on such terms as they shall think fit and shall specify in the notice:

- 22.1.1 any Situational Conflict which has been notified to the Board by any Director under Article 19.1; or
- 22.1.2 any Group Company Interest or Investor Director Interest which has been disclosed to the Board under Article 21.1

(whether or not the matter has already been considered under, or deemed to fall within, Article 19.1 or 20.1, as the case may be).

- 22.2 No contract entered into shall be liable to be avoided by virtue of:

- 22.2.1 any Director having an interest of the type referred to in Article 19.1 where the relevant Situational Conflict has been approved as provided by that Article or which is authorised pursuant to Article 22.1; or
- 22.2.2 any Director having a Group Company Interest which falls within Article 20.1 or which is authorised pursuant to Article 22.1.

- 22.3 For the purposes of this Article, **connected persons** shall have the meaning as set out in section 252 of the Act.

23 Directors' conflicts of interest – Transactional Conflicts

- 23.1 The provisions of Articles 19 to 22 (inclusive) shall not apply to Transactional Conflicts but the following provisions of this Article 23.1 and Article 23.2 shall so apply. Any Director may be

interested in an existing or proposed transaction or arrangement with the Company provided that he complies with the section 177 or 182 (as applicable) of the Act. Article 14 of the Model Articles is excluded.

- 23.2 *Without prejudice to the obligation of each Director to declare the nature and extent of his interest in accordance with the Act, a Director may vote at a meeting of the Board or of a committee of the Board on any resolution concerning a matter in which he has an interest, whether direct or indirect, which relates to a transaction or arrangement with the Company, or in relation to which he has a duty. Having so declared any such interest or duty he may have, the Director shall be counted in the quorum present when any such resolution is under consideration and if he votes on such resolution his vote shall be counted.*

24 Notices

- 24.1 A notice communicated by immediate transmission shall be deemed to be given at the time it is transmitted to the person to whom it is addressed. Notices sent by airmail overseas shall be deemed to be given at the expiry of a period of 5 days after the envelope containing it was posted.

25 Indemnity

- 25.1 Subject to Article 25.2 and any agreement made between a director and the company in accordance with the Act, a relevant director of the Company or an associated company may be indemnified out of the Company's assets against—

25.1.1 any liability incurred by that director in connection with any negligence, default, breach of duty or breach of trust in relation to the Company or an associated company;

25.1.2 any liability incurred by that director in connection with the activities of the Company or an associated company in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the Act); and

25.1.3 any other liability incurred by that director as an officer of the Company or an associated company.

- 25.2 This Article 25 does not authorise any indemnity which would be prohibited or rendered void by any provision of the Act or by any other provision of law.

- 25.3 In this Article 25 —

25.3.1 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate, and

25.3.2 a "relevant director" means any director or former director of the Company or an associated company.

26 Insurance

26.1 Subject to the Companies Acts, the directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant officer in respect of any relevant loss.

26.2 In this Article:

26.2.1 a "relevant director" means any director or former director of the Company or an associated company; and

26.2.2 a "relevant loss" means any loss or liability which has been or may be incurred by a relevant officer in connection with that relevant officer's duties or powers or responsibilities in relation to the Company or an associated company or any pension fund or employees' share scheme of the Company or associated company; and

26.2.3 "associated company" shall have the meaning ascribed to it in Article 25.3.1.

27 Approvals

Where the approval, agreement or consent of any member or Director is required under any provision of these Articles to any particular matter, such approval, agreement or consent may be given subject to such terms and conditions as that member or Director may require and any breach of such terms and conditions shall ipso facto be deemed to be a breach of these Articles.