

SHERIDANS

THE COMPANIES ACT 2006

COMPANY LIMITED BY SHARES

NEW ARTICLES OF ASSOCIATION

of

SERNOVA FINANCIALS LIMITED

Company Number 09829920

(adopted by a resolution passed on 8 February 2024)

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1. INTRODUCTION

- 1.1 The model articles for private companies limited by shares contained or incorporated in Schedule 1 to the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the date of adoption of these articles, (the **"Model Articles"**) shall apply to the Company, save insofar as they are varied or excluded by, or are inconsistent with, the following Articles.
- 1.2 In these Articles and the Model Articles any reference to any statutory provision shall be deemed to include a reference to each and every statutory amendment, modification, re-enactment and extension thereof for the time being in force.
- 1.3 In these Articles:
- 1.3.1 article headings are used for convenience only and shall not affect the construction or interpretation of these Articles;
 - 1.3.2 words denoting the singular include the plural and vice versa and reference to one gender includes the other gender and neuter and vice versa;
 - 1.3.3 Articles 8(2), 9(4), 10(3), 11(2), 12, 13, 14, 17(2), 17(3), 19, 20, 21, 26(5), 27, 28, 29, 44(4), 51, 52 and 53 of the Model Articles shall not apply to the Company;
 - 1.3.4 reference to "issued Shares" of any class shall exclude any Shares of that class held as Treasury Shares from time to time, unless stated otherwise; and
 - 1.3.5 reference to the "holders" of Shares or a class of Share shall exclude the Company holding Treasury Shares from time to time, unless stated otherwise.

2. DEFINITIONS

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

"2023 Investor Majority"	the holders of the majority of 2023 Fundraising Shares;
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"2023 Fundraising Shares"	means the 2,151 Ordinary Shares issued on 11 December 2023;
"Accepting Shareholder"	has the meaning given in Article 16.5;
"Act"	means the Companies Act 2006 (as amended from time to time);
"Acting in Concert"	has the meaning given to it in The City Code on Takeovers and Mergers published by the Panel on Takeovers and Mergers (as amended from time to time);
"Actions"	has the meaning given in Article 5;
"Allocation Notice"	has the meaning given in Article 12.7.2;
"Anti-Dilution Shares"	has the meaning given in Article 7.1;
"Applicant"	has the meaning given in Article 12.7.2;
"Articles"	means these articles of association, as amended from time to time;
"Asset Sale"	means the disposal by the Company of all or substantially all of its undertaking and assets or the grant of an exclusive license over all or substantially all of the intellectual property of the Company (other than, in either case, such a disposal or grant to another Group Company);
"Associate"	<p>in relation to any person means:</p> <p>(a) any person who is an associate of that person and the question of whether a person is an associate of another is to be determined in accordance with section 435 of the Insolvency Act 1986 and (whether or not an associate as so determined); and</p> <p>(b) any Member of the same Group;</p>
"Auditors"	mean the auditors of the Company from time to time;
"Available Profits"	means profits available for distribution within the meaning of part 23 of the Act;
"Board"	means the board of Directors and any committee of the board constituted for the purpose of taking any action or decision contemplated by these Articles;

"Bonus Issue" or "Reorganisation"	means any return of capital, bonus issue of shares or other securities of the Company by way of capitalisation of profits or reserves (other than a capitalisation issue in substitution for or as an alternative to a cash dividend which is made available to Shareholders) or any consolidation or sub-division or redenomination or any repurchase or redemption of shares or any variation in the subscription price or conversion ratio applicable to any other outstanding shares of the Company;
"Business Day"	means a day on which English clearing banks are ordinarily open for the transaction of normal banking business in the City of London (other than a Saturday or Sunday);
"Called Shareholders"	has the meaning given in Article 17.1;
"Called Shares"	has the meaning given in Article 17.2;
"Capitalised Sum"	has the meaning given in Article 31.1.2;
"Chairman"	has the meaning given in Article 23.2.1;
"Civil Partner"	means in relation to a Shareholder, a civil partner (as defined in the Civil Partnership Act 2004) of the Shareholder;
"Company"	means Sernova Financials Limited (company number 09829920);
"connected"	has the meaning given in section 252 of the Act;
"Continuing Shareholders"	has the meaning given in Article 12.6.1;
"Controlling Interest"	means an interest in shares giving to the holder or holders control of the Company within the meaning of section 1124 of the CTA 2010;
"CTA 2010"	means the Corporation Tax Act 2010;
"Date of Adoption"	means 15 December 2023;
"Director(s)"	means a director or directors of the Company from time to time;
"Drag-Along Completion Date"	has the meaning given in Article 17.7;
"Drag Along Notice"	has the meaning given in Article 17.2;
"Drag Along Option"	has the meaning given in Article 17.1;
"Drag Documents"	has the meaning given in Article 17.6;
"electronic address"	has the same meaning as in section 333 of the Act;
"electronic form"	and "electronic means" have the same meaning as in section 1168 of the Act;

"Eligible Director"	means a Director who would be entitled to vote on a matter had it been proposed as a resolution at a meeting of the Directors;
"Employee"	means an individual who is employed by or provides consultancy services to the Company or any member of the Group;
"Employee Investment Shares"	means (i) 1,111 Ordinary Shares allotted on 4 March 2016 held by Sanjay Patel; and (ii) 2,399 Ordinary Shares allotted on 25 May 2016 held by Ulf Bacher;
"Employee Share Option Plan" or "ESOP"	means an employee share option plan, share ownership or other equity or equity-related incentivisation scheme of the Company, the terms of which have been approved by the Board;
"Employee Share Options"	means the share options granted pursuant to the ESOP(s) and the maximum number of share options which remain capable of being granted pursuant to the ESOP(s) (having regard to the maximum number of Ordinary Shares in respect of which options may be granted under such ESOP(s));
"Employee Shares"	<p>means in relation to an Employee or Former Employee, all Ordinary Shares in the Company (other than Employee Investment Shares) held by:</p> <ul style="list-style-type: none"> (a) the Employee or Former Employee in question; and (b) each Shareholder who shall have received or acquired shares as nominee or directly or indirectly from the Employee or Former Employee pursuant to one or more Permitted Transfers (including where such shares were subscribed by such Shareholder and that Shareholder would have been entitled to receive a Permitted Transfer from the Employee or Former Employee in question) other than those Ordinary Shares held by those persons that the Board declares itself satisfied were not acquired directly or indirectly from the Employee or Former Employee or by reason of that person's relationship with the Employee or Former Employee;
"Encumbrance"	means any mortgage, charge, security interest, lien, pledge, assignment by way of security, equity, claim, right of pre-emption, option, covenant, restriction, reservation, lease, trust, order, decree, judgment, title defect (including without limitation any retention of title claim), conflicting claim of ownership or any other encumbrance of any nature whatsoever (whether or not perfected other than liens arising by operation of law);

"Equity Securities"	has the meaning given in sections 560(1) to (3) inclusive of the Act and for the avoidance of doubt an allotment of Equity Securities includes a transfer of shares which immediately before such transfer were held by the Company as Treasury Shares;
"Excess Securities"	has the meaning given in Article 9.4.3;
"Exit"	means a Share Sale, an Asset Sale or an IPO;
"Exit Event"	has the meaning given in the ESOP, or if no such term is contained in the ESOP, an Exit (as defined in this Article 2);
"Expert Valuers"	has the meaning given in Article 13.2;
"Fair Value"	is as determined in accordance with Article 13.3;
"Family Trusts"	means as regards any particular individual member or deceased or former individual member, trusts (whether arising under a settlement, declaration of trust or other instrument by whomsoever or wheresoever made or under a testamentary disposition or on an intestacy) under which no immediate beneficial interest in any of the shares in question is for the time being vested in any person other than the individual and/or Privileged Relations of that individual; and so that for this purpose a person shall be considered to be beneficially interested in a share if such share or the income thereof is liable to be transferred or paid or applied or appointed to or for the benefit of such person or any voting or other rights attaching thereto are exercisable by or as directed by such person pursuant to the terms of the relevant trusts or in consequence of an exercise of a power or discretion conferred thereby on any person or persons;
"Financial Year"	has the meaning set out in section 390 of the Act;
"Former Employee"	means an individual who was at any time, but who is no longer an Employee;
"Group"	means the Company and its Subsidiary Undertaking(s) (if any) from time to time and "Group Company" shall be construed accordingly;
"hard copy form"	has the same meaning as in section 1168 of the Act;
"Holding Company"	means a newly formed holding company, pursuant to which the membership, pro rata shareholdings and classes of shares comprised in such holding company matches that of the Company (excluding Treasury Shares) immediately prior to the transfer of the issued share capital of the Company to such holding company;
"Independent Director"	has the meaning given in Article 23.1.1;

"Interested Director"	has the meaning given in Article 26.4;
"IPO"	means the admission of all or any of the Shares or securities representing those shares (including, without limitation, depositary interests, American depositary receipts, American depositary shares and/or other instruments) on NASDAQ or the Official List of the United Kingdom Listing Authority or the AIM Market operated by the London Stock Exchange Pic or any other recognised investment exchange (as defined in section 285 of the Financial Services and Markets Act 2000);
"ITA 2010"	means the Income Tax Act 2007;
"ITEPA"	means Income Tax (Earnings and Pensions) Act 2003;
"Member of the same Group"	means as regards any company, a company which is from time to time a Parent Undertaking or a Subsidiary Undertaking of that company or a Subsidiary Undertaking of any such Parent Undertaking;
"Minimum Transfer Condition"	has the meaning given in Article 12.2.4;
"Model Articles"	has the meaning given in Article 1.1;
"NASDAQ"	means the NASDAQ Stock Market of NASDAQ, Inc.;
"New Securities"	means any shares or other securities convertible into, or carrying the right to subscribe for, those shares issued by the Company after the Date of Adoption (other than shares or securities issued as a result of the events or in the circumstances set out in Article 9.8) excluding for the avoidance of doubt any Treasury Shares transferred by the Company after the Date of Adoption;
"New Shareholder"	has the meaning given in Article 17.12;
"Offer"	has the meaning given in Article 16.2;
"Offer Period"	has the meaning given in Article 16.3;
"Ordinary Shareholders"	mean the holders from time to time of the Ordinary Shares (but excluding the Company holding Treasury Shares) and "Ordinary Shareholder" means any one of them as the context requires;
"Ordinary Shares"	means the ordinary shares of £0.01 each in the capital of the Company;
"Original Shareholder"	has the meaning given in Article 11.1;
"Permitted Transfer"	means a transfer of Shares permitted in accordance with Article 11;

"Permitted Transferee"	(a) any member who receives shares pursuant to a Permitted Transfer, or (b) in respect of a member, any person to whom such member is entitled to transfer Shares pursuant to Article 11, as the context requires;
"Pre-emption Offer Period"	has the meaning given in Article 12.6.1;
"Primary Holder"	has the meaning given in Article 27.8;
"Privileged Relation"	in relation to a Shareholder who is an individual member or deceased or former member means a spouse, Civil Partner, child or grandchild (including a step or adopted or illegitimate child and their issue);
"Proposed Exit"	has the meaning given in Article 5;
"Proposed Purchaser"	means a proposed purchaser who at the relevant time has made an offer (including a conditional offer) on arm's length terms;
"Proposed Sale Date"	has the meaning given in Article 16.3;
"Proposed Sale Notice"	has the meaning given in Article 16.3;
"Proposed Sale Shares"	has the meaning given in Article 16.3;
"Proposed Seller"	means any person proposing to transfer any shares in the capital of the Company;
"Proposed Transfer"	has the meaning given in Article 16.1;
"Qualifying Company"	means a company in which a Shareholder or Trustee(s) holds the entire issued share capital and over which that Shareholder or Trustee(s) exercises control (within the meaning of section 1124 of the CTA2010);
"Qualifying Issue"	has the meaning given in Article 7.1;
"Qualifying Person"	has the meaning given in section 318(3) of the Act;
"Recipient"	has the meaning given in Article 29;
"Recipient Group Companies"	has the meaning given in Article 29;
"Relevant Interest"	has the meaning given in Article 26.4;
"Relevant Sum"	has the meaning given in Article 16.7;
"Restricted Member"	has the meaning given in Article 15.1;
"Restricted Shares"	has the meaning given in Article 15.2;
"Sale Shares"	has the meaning given in Article 12.2.1;
"Seller"	has the meaning given in Article 12.2;

"Sellers' Shares"	has the meaning given in Article 17.1;
"Selling Shareholders"	has the meaning given in Article 17.1;
"Shareholder"	means any holder of any Shares (but excludes the Company holding Treasury Shares);
"Shareholder Majority"	means Shareholders holding at least 70% of the Ordinary Shares in issue;
"Shareholder Majority Consent"	means the prior written consent of the Shareholder Majority;
"Shareholders Entitled"	has the meaning given in Article 31.1.2;
"Shares"	means the Ordinary Shares in issue and outstanding from time to time, or any of them, as the context requires;
"Share Sale"	means the sale of (or the grant of a right to acquire or to dispose of) any of the shares in the capital of the Company (in one transaction or as a series of transactions) which will result in the purchaser of those shares (or grantee of that right) and persons Acting in Concert with him together acquiring a Controlling Interest in the Company, except where the sale is a sale of the entire issued share capital of the Company to a Holding Company;
"Specified Price"	has the meaning given in Article 16.7.2;
"Starting Price"	means £232.40, subject to adjustment to take account of any Bonus Issue or Reorganisation (in which circumstances the provisions of Article 10.3 shall apply);
"Subscription Period"	has the meaning given in Article 9.4.2;
"Subsidiary"	"Subsidiary Undertaking" and "Parent Undertaking" have the respective meanings set out in sections 1159 and 1162 of the Act;
"Transfer Notice"	has the meaning given in Article 12.2;
"Transfer Price"	has the meaning given in Articles 12.2 (subject to Articles 10.7 and 13.1);
"Treasury Shares"	means shares in the capital of the Company held by the Company as treasury shares from time to time within the meaning set out in section 724(5) of the Act; and
"Trustees"	in relation to a Shareholder means the trustee or the trustees of a Family Trust.

3. SHARE CAPITAL

- 3.1 In these Articles, unless the context requires otherwise, references to shares of a particular class shall include shares allotted and/or issued after the Date of Adoption and ranking pari passu in all respects (or in all respects except only as

to the date from which those shares rank for dividend) with the shares of the relevant class then in issue.

- 3.2 Whenever as a result of a consolidation of Shares any Shareholders would become entitled to fractions of a Share, the Directors may, on behalf of those Shareholders, sell the Shares representing the fractions for the best price reasonably obtainable to any person (including, subject to the provisions of the Act, the Company) and distribute the net proceeds of sale in due proportion among those Shareholders, and the Directors may authorise any person to execute an instrument of transfer of the Shares to, or in accordance with the directions of, the purchaser. The transferee shall not be bound to see to the application of the purchase money nor shall his title to the Shares be affected by any irregularity in or invalidity of the proceedings in reference to the sale.
- 3.3 When the Company sub-divides or consolidates all or any of its Shares, the Company may, subject to the Act and to these Articles, by ordinary resolution determine that, as between the Shares resulting from the sub-division or consolidation, any of them may have any preference or advantage or be subject to any restriction as compared with the others.
- 3.4 The words "and the directors may determine the terms, conditions and manner of redemption of any such shares" shall be deleted from article 22(2) of the Model Articles.
- 3.5 Paragraph (c) of article 24(2) of the Model Articles shall be amended by the replacement of the words "that the shares are fully paid; and" with the words "the amount paid up on them; and".
- 3.6 In article 25(2) of the Model Articles, the words "payment of a reasonable fee as the directors decide" in paragraph (c) shall be deleted and replaced by the words "payment of the expenses reasonably incurred by the Company in investigating such evidence as the directors may determine"
- 3.7 Subject to the Act, the Company may purchase its shares in accordance with section 692(1ZA) of the Act.
- 3.8 For the avoidance of doubt, the Company shall not exercise any right in respect of any Treasury Shares, including without limitation any right to:
 - 3.8.1 receive notice of or to attend or vote at any general meeting of the Company;
 - 3.8.2 receive or vote on any proposed written resolution; and
 - 3.8.3 receive a dividend or other distribution,save as otherwise permitted by section 726(4) of the Act.

4. **DIVIDENDS**

- 4.1 Available Profits which the Company may determine to distribute in respect of any Financial Year will be distributed among the Ordinary Shareholders pro rata to their respective holdings of Ordinary Shares.
- 4.2 Subject to the Act and these Articles, the Board may pay interim dividends if justified by the Available Profits in respect of the relevant period.
- 4.3 Every dividend shall accrue on a daily basis assuming a 365 day year. All dividends are expressed net and shall be paid in cash.

- 4.4 If there are nil paid or partly paid share(s), any holder of such share(s) shall only be entitled, in case of any dividend, to be paid an amount equal to the amount of the dividend multiplied by the percentage of the amount that is paid up (if any) on such share(s) during any portion or portions of the period in respect of which a dividend is paid.
- 4.5 A capitalised sum which was appropriated from profits available for distribution may be applied in or towards paying up any sums unpaid on existing Shares held by the persons entitled to such capitalised sum.
- 4.6 Article 31(1) of the Model Articles shall be amended by:
- 4.6.1 the replacement of the words "either in writing or as the directors may otherwise decide" at the end of paragraphs (a), (b) and (c) of that article 31(1) with the words "in writing"; and
- 4.6.2 the replacement of the words "either in writing or by such other means as the directors decide" from the end of paragraph (d) of that article 31(1) with the words "in writing".

5. **EXIT PROVISIONS**

In the event of an Exit approved by the Board and a Shareholder Majority (the "**Proposed Exit**"), all Shareholders shall consent to, vote for, raise no objections to and waive any applicable rights (including but not limited to rights of pre-emption) in connection with the Proposed Exit ("**Actions**"). The Shareholders shall be required to take all Actions with respect to the Proposed Exit as are required by the Board and a Shareholder Majority to facilitate the Proposed Exit. If any Shareholder fails to comply with the provisions of this Article, the Company shall be constituted the agent of each defaulting Shareholder for taking the Actions as are necessary to effect the Proposed Exit and the Directors may authorise an officer or member of the Company to execute and deliver on behalf of such defaulting Shareholder the necessary documents and the Company may receive any purchase money due to the defaulting Shareholder and hold it in trust for that defaulting Shareholder.

6. **VOTES IN GENERAL MEETING**

- 6.1 Subject to Article 10.6.1, the Ordinary Shares shall confer on each holder of Ordinary Shares the right to receive notice of and to attend, speak and vote at all general meetings of the Company and to receive and vote on proposed written resolutions of the Company.
- 6.2 Where Ordinary Shares confer a right to vote, on a show of hands each holder of such shares who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or by proxy shall have one vote and on a poll each such holder so present shall have one vote for each Ordinary Share held by him,
- 6.3 No voting rights attached to a share which is nil paid or partly paid may be exercised:
- 6.3.1 at any general meeting, at any adjournment of it or at any poll called at or in relation to it; or
- 6.3.2 on any proposed written resolution,
- unless all of the amounts payable to the Company in respect of that share have been paid.

7. ANTI-DILUTION PROTECTION

- 7.1 If New Securities are issued by the Company at a price per New Security which equates to less than the Starting Price (a "**Qualifying Issue**") (which in the event that the New Security is not issued for cash shall be a price certified by the Auditors or another third party valuer appointed by the Board, acting as experts and not as arbitrators, as being in their opinion the current cash value of the non-cash consideration for the allotment of that New Security) then the Company shall, unless a 2023 Investor Majority has specifically waived the rights of all of the holders of 2023 Fundraising Shares under this Article 7, offer (such offer, unless waived, to remain open for acceptance for not less than 10 Business Days) to each holder of 2023 Fundraising Shares (an "**Exercising Investor**") a number of new Ordinary Shares determined by applying the following formula (and rounding the product, N, down to the nearest whole share), subject to adjustment as certified in accordance with Article 7.3 (the "**Anti-Dilution Shares**"):

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

where:

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

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

SIP = the Starting Price

ESC = the number of Ordinary Shares in issue plus the aggregate number of shares in respect of which options to subscribe have been granted, or which are subject to convertible securities (including but not limited to warrants) in each case immediately prior to the Qualifying Issue

QISP = the lowest per share price of the New Securities issued pursuant to the Qualifying Issue (which in the event that that New Security is not issued for cash shall be the sum certified by the Auditors or another third party valuer appointed by the Board, acting as experts and not as arbitrators, as being in their opinion the current cash value of the non-cash consideration for the allotment of that New Security)

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

Z = the number of 2023 Fundraising Shares held by the Exercising Investor prior to the Qualifying Issue.

- 7.2 The Anti-Dilution Shares shall:

- 7.2.1 be paid up by the automatic capitalisation of available reserves of the Company, unless and to the extent that the same shall be impossible or unlawful or a 2023 Investor Majority shall agree otherwise, in which event the Exercising Investor(s) shall be entitled to subscribe for the Anti-Dilution Shares in cash at par and the entitlement of such Exercising Investors to Anti-Dilution Shares shall be increased by adjustment to the formula set out in Article 7.1 so that the Exercising Investor(s) shall be in no worse position than if they had not so subscribed at par. In the event of any dispute between the Company and any Exercising Investor as to the effect of Article 7.1 or this Article 7.2, the matter shall be referred (at

the cost of the Company) to the Auditors or another third party valuer appointed by the Board, acting as experts and not as arbitrators, for certification of the number of Anti-Dilution Shares to be issued. Such certification of the matter shall in the absence of manifest error be final and binding on the Company and the Exercising Investor(s); and

7.2.2 subject to the payment of any cash payable pursuant to Article 7.2.1 (if applicable), be issued, credited fully paid up in cash and shall rank *pari passu* in all respects with the existing Ordinary Shares, within five Business Days of the expiry of the offer being made by the Company to the Exercising Investor(s).

7.3 If a Bonus Issue or Reorganisation occurs after the Date of Adoption, the Starting Price shall be subject to adjustment on such basis as may be agreed between the Company and a 2023 Investor Majority within 10 Business Days after completion of such Bonus Issue or Reorganisation. If the Company and a 2023 Investor Majority cannot agree such adjustment within such period, the question shall be referred to the Auditors whose determination shall, in the absence of manifest error, be final and binding on the Company and each of the Shareholders. The costs of the Auditors shall be borne by the Company.

7.4 For the purposes of this Article 7, any Shares held as Treasury Shares by the Company shall be disregarded when calculating the number of Anti-Dilution Shares to be issued.

8. **VARIATION OF RIGHTS**

8.1 Whenever the share capital of the Company is divided into different classes of shares, the special rights attached to any such class may only be varied or abrogated (either whilst the Company is a going concern or during or in contemplation of a winding-up) with the consent in writing of the holders of a majority in nominal value of the issued shares of that class.

8.2 The creation and/or issue of a new class of shares which has preferential rights to one or more existing classes of shares shall not constitute a variation of the rights to any existing classes of shares.

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

9.1 Subject to the remaining provisions of this Article 9, and in replacement of any existing authority to allot shares, the Directors are generally and unconditionally authorised for the purpose of section 551 of the Act to exercise any power of the Company to:

9.1.1 allot Shares; or

9.1.2 grant rights to subscribe for or convert any securities into Shares,

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

9.1.3 this authority shall be limited to a maximum nominal amount of £100;

9.1.4 this authority shall only apply insofar as the Company in general meeting has not waived or revoked it; and

9.1.5 this authority may only be exercised for a period of five years commencing upon the Date of Adoption, save that the Directors may make an offer or agreement which would or might require Shares to be allotted or rights granted to subscribe for or convert any security into Shares after the

expiry of such authority (and the Directors may allot Shares or grant such rights in pursuance of an offer or agreement as if such authority had not expired).

- 9.2 Sections 561(1) and 562(1) to (5) (inclusive) of the Act do not apply to an allotment of Equity Securities made by the Company.
- 9.3 Subject to Articles 9.4 and 9.8, unless otherwise agreed by special resolution passed in general meeting or as a written resolution passed in accordance with part 13 of the Act, if the Company proposes to allot any New Securities those New Securities shall not be allotted to any person unless the Company has in the first instance offered them to the Shareholders on the same terms and at the same price as those New Securities are being offered to other persons on a pari passu and pro rata basis to the number of Shares held by those holders (as nearly as may be without involving fractions) (a **"Shareholder Offer"**).
- 9.4 A Shareholder Offer:
- 9.4.1 shall be in writing, and shall give details of the number and subscription price of the New Securities;
 - 9.4.2 shall remain open for a period of at least 21 days from the date of service of the offer (the **"Subscription Period"**); and
 - 9.4.3 shall stipulate that any Shareholder who wishes to subscribe for a number of New Securities in excess of the proportion to which each is entitled shall in their acceptance state the number of excess New Securities (**"Excess Securities"**) for which they wish to subscribe.
- 9.5 If at the end of the Subscription Period, the number of New Securities applied for is equal to or exceeds the number of New Securities, the New Securities shall be allotted to the subscribers who have applied for New Securities on a pro rata basis to the number of Shares held by such subscribers which procedure shall be repeated until all New Securities have been allotted (as nearly as may be without involving fractions or increasing the number allotted to any Subscriber beyond that applied for by him).
- 9.6 If, at the end of the Subscription Period, the number of New Securities applied for is less than the number of New Securities, the New Securities shall be allotted to the subscribers in accordance with their applications and any remaining New Securities shall be offered to any other person as the Directors may determine at the same price and on the same terms as the offer to the Shareholders.
- 9.7 Subject to Articles 9.3 to 9.6 (inclusive) and to the provisions of section 551 of the Act, any New Securities shall be at the disposal of the Board who may allot, grant options over or otherwise dispose of them to any persons at those times and generally on the terms and conditions they think proper..
- 9.8 For the purposes of Article 7 and this Article 10, an issue of new "New Securities" shall not include:
- 9.8.1 the grant of any options to subscribe for Ordinary Shares under the Employee Share Option Plan provided such grant is approved by the Board;
 - 9.8.2 the issue of Ordinary Shares pursuant to the exercise of any option granted under the Employee Share Option Plan (provided the option was granted in accordance with the terms of such Employee Share Option Plans and these Articles);

- 9.8.3 any Shares or other securities issued by the Company in order for the Company to comply with its obligations under these Articles, including (without limitation) the issue of any Anti-Dilution Shares;
 - 9.8.4 any Shares or other securities issued by the Company in consideration of a *bona fide* acquisition by the Company of any company or business provided that both the acquisition and the terms of the proposed issuance of Shares or other securities have been approved by the Board and a Shareholder Majority;
 - 9.8.5 any Shares or other securities issued by the Company to customers, suppliers or other strategic partners in connection with a *bona fide* supply of goods or services to or from them provided that both the supply of such goods and/or services and the terms of the proposed issuance of Shares or other securities have been approved by the Board;
 - 9.8.6 any Shares or other securities issued by the Company as part of any *bona fide* venture debt financing approved by the Board and a Shareholder Majority; and
 - 9.8.7 any Shares issued by the Company pursuant to a share split or other reorganisation or other Bonus Issue or Reorganisation, in each case, which has been approved by the Board and a Shareholder Majority.
- 9.9 No Shares shall be allotted (nor any Treasury Shares transferred) to any Employee, Director, prospective Employee or prospective director of the Company, who in the opinion of the Board is subject to taxation in the United Kingdom, unless such person has entered into a joint section 431 ITEPA election with the Company.

10. **TRANSFERS OF SHARES - GENERAL**

- 10.1 In Articles 10 to 17 inclusive, reference to the transfer of a Share includes the transfer or assignment of a beneficial or other interest in that Share or the creation of a trust or Encumbrance over that Share and reference to a Share includes a beneficial or other interest in a Share.
- 10.2 No Share may be transferred unless the transfer is made in accordance with these Articles.
- 10.3 If a Shareholder transfers or purports to transfer a Share otherwise than in accordance with these Articles he will if requested by the Directors in writing to remedy the position take such steps as are necessary to ensure that such transfer (or purported transfer) is in accordance with these Articles and if the holder fails to remedy that situation to the reasonable satisfaction of the Directors within 10 Business Days of receipt of such written notice, he shall be deemed immediately to have served a Transfer Notice in respect of all Shares held by him.
- 10.4 Any transfer of a Share by way of sale which is required to be made under Articles 12 (*Transfers of Shares subject to Pre-Emption Rights*), 14 (*Compulsory Transfers – General*), 16 (*Mandatory Transfer on a Change of Control*), or 17 (*Drag Along*) will be deemed to include a warranty that the transferor sells with full title guarantee.
- 10.5 Directors may refuse to register a transfer if:
- 10.5.1 it is a transfer of a Share to a bankrupt, a minor or a person of unsound mind;

- 10.5.2 the transfer is to an Employee, Director or prospective Employee or prospective director of the Company, who in the opinion of the Board is subject to taxation in the United Kingdom, and such person has not entered in a joint section 431 ITEPA election with the Company;
- 10.5.3 it is a transfer of a Share which is not fully paid:
 - (a) to a person of whom the Directors do not approve; or
 - (b) on which Share the Company has a lien;
- 10.5.4 the transfer is not lodged at the registered office or at such other place as the Directors may appoint;
- 10.5.5 the transfer is not accompanied by the certificate for the Shares to which it relates (or an indemnity in respect of any lost share certificate in a form acceptable to the Board) and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer;
- 10.5.6 the transfer is in respect of more than one class of Shares;
- 10.5.7 the transfer is in favour of more than four transferees; or
- 10.5.8 these Articles otherwise provide that such transfer shall not be registered.

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

- 10.6 To enable the Directors to determine whether or not there has been any disposal of shares in the capital of the Company (or any interest in shares in the capital of the Company) in breach of these Articles the Directors may require any holder or the legal personal representatives of any deceased holder or any person named as transferee in any transfer lodged for registration or any other person who the Directors may reasonably believe to have information relevant to that purpose, to furnish to the Company that information and evidence the Directors may request regarding any matter which they deem relevant to that purpose, including (but not limited to) the names, addresses and interests of all persons respectively having interests in the shares in the capital of the Company from time to time registered in the holder's name. If the information or evidence is not provided to enable the Directors to determine to their reasonable satisfaction that no breach has occurred, or where as a result of the information and evidence the Directors are reasonably satisfied that a breach has occurred, the Directors shall immediately notify the holder of such shares in the capital of the Company in writing of that fact and if the holder fails to remedy that situation to the reasonable satisfaction of the Board within 10 Business Days of such notification the following shall occur:

- 10.6.1 the relevant shares shall cease to confer upon the holder of them (including any proxy appointed by the holder) any rights to:
 - (a) vote (whether on a show of hands or on a poll and whether exercisable at a general meeting or on a written resolution of the Company or at any separate meeting or written resolution of the class in question); or

- (b) receive dividends or other distributions otherwise attaching to those shares or to any further shares issued in respect of those shares; and

10.6.2 the holder may be required at any time following receipt of the notice to transfer some or all of its Shares to any person(s) at the price that the Directors may require by notice in writing to that holder.

The rights referred to in 10.6.1 above may be reinstated by the Board and shall in any event be reinstated upon the completion of any transfer referred to in 10.6.2 above.

10.7 In any case where the Board requires a Transfer Notice (as defined in Article 12.2) to be given in respect of any Shares, if a Transfer Notice is not duly given within a period of 10 Business Days of demand being made, a Transfer Notice shall be deemed to have been given at the expiration of that period. If a Transfer Notice is required to be given or is deemed to have been given under these Articles, the Transfer Notice will be treated as having specified that:

10.7.1 the Transfer Price for the Sale Shares will be as agreed between the Board (any director who is a Seller or with whom the Seller is connected (within the meaning of section 252 of the Act) not voting) and the Seller, or, failing agreement within five Business Days after the date on which the Board becomes aware that a Transfer Notice has been deemed to have been given, will be the Fair Value of the Sale Shares;

10.7.2 it does not include a Minimum Transfer Condition (as defined in Article 12.2.4); and

10.7.3 the Seller wishes to transfer all of the Shares held by it.

10.8 If a Transfer Notice is required to be given by the Board or is deemed to have been served, the Shareholder who has been required or deemed to serve the Transfer Notice shall not be entitled to serve a voluntary Transfer Notice other than in accordance with the requirements of the Board until such time as any transfers of Shares to be made pursuant to an Allocation Notice given in respect of that Transfer Notice have been completed.

10.9 Shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the Directors, which is executed by or on behalf of:

10.9.1 the transferor; and

10.9.2 (if any of the shares is partly or nil paid) the transferee.

11. **PERMITTED TRANSFERS**

11.1 Any share in the capital of the Company may at any time be transferred by a Shareholder who is not a Permitted Transferee (the "**Original Shareholder**") without restriction as to price or otherwise:

11.1.1 by a Shareholder who is an individual, to any of his Privileged Relations or Trustees; or

11.1.2 by a Shareholder which is an undertaking (as defined in section 1161(1) of the Act), to any Member of the same Group;

save that no Restricted Shares shall be transferred to a Permitted Transferee.

- 11.2 Where under the provision of a deceased Shareholder's will or laws as to intestacy, the persons legally or beneficially entitled to any Shares, whether immediately or contingently, are Permitted Transferees of the deceased Shareholder, the legal representative of the deceased Shareholder may transfer any Share to those Permitted Transferees, in each case without restriction as to price or otherwise.
- 11.3 If a Permitted Transferee who was a Member of the same Group as the Original Shareholder ceases to be a Member of the same Group as the Original Shareholder, the Permitted Transferee must not later than five Business Days after the date on which the Permitted Transferee so ceases, transfer the Shares held by it to the Original Shareholder or a Member of the same Group as the Original Shareholder (which in either case is not in liquidation) without restriction as to price or otherwise failing which it will be deemed to have given a Transfer Notice in respect of those Shares when required to do so by the Board.
- 11.4 Trustees may: (i) transfer Shares to a Qualifying Company; or (ii) transfer Shares to the Original Shareholder or to another Permitted Transferee of the Original Shareholder; or (iii) transfer Shares to the new or remaining trustees upon a change of Trustees without restrictions as to price or otherwise.
- 11.5 No transfer of Shares may be made to Trustees unless the Board is satisfied:
- 11.5.1 with the terms of the trust instrument and in particular with the powers of the trustees;
- 11.5.2 with the identity of the proposed trustees;
- 11.5.3 that the proposed transfer will not result in 50% or more of the aggregate of the Ordinary Shares being held by trustees of that and any other trusts; and
- 11.5.4 that no costs incurred in connection with the setting up or administration of the Family Trust in question are to be paid by the Company.
- 11.6 If a Permitted Transferee who is a Qualifying Company of the Original Shareholder ceases to be a Qualifying Company of the Original Shareholder, it must within five Business Days of so ceasing, transfer the Shares held by it to the Original Shareholder (or, to any Permitted Transferee of the Original Shareholder) (any may do so without restriction as to price or otherwise) failing which it will be deemed (unless it obtains the approval of the Board) to have given a Transfer Notice in respect of such Shares.
- 11.7 If a Permitted Transferee who is a spouse or Civil Partner of the Original Shareholder ceases to be a spouse or Civil Partner of the Original Shareholder whether by reason of divorce or otherwise he must, within 15 Business Days of so ceasing either:
- 11.7.1 execute and deliver to the Company a transfer of the Shares held by him to the Original Shareholder (or, to any Permitted Transferee of the Original Shareholder) for such consideration as may be agreed between them; or
- 11.7.2 give a Transfer Notice to the Company in accordance with Article 12.2, failing which he shall be deemed to have given a Transfer Notice.
- 11.8 On the death (subject to Article 11.2), bankruptcy, liquidation, administrator or administrative receivership of a Permitted Transferee (other than a joint holder) his personal representatives or trustee in bankruptcy, or its liquidator,

administrator or administrative receiver must within five Business Days after the date of the grant of probate, the making of the bankruptcy order or the appointment of the liquidator, administrator or the administrative receiver execute and deliver to the Company a transfer of the Shares held by the Permitted Transferee without restriction as to price or otherwise. The transfer shall be to the Original Shareholder if still living or in existence (and not bankrupt or in liquidation) or, if so directed by the Original Shareholder, to any Permitted Transferee of the Original Shareholder. If the transfer is not executed and delivered within five Business Days of such period or if the Original Shareholder has died or is bankrupt or is in liquidation, administration or administrative receivership, the personal representative or trustee in bankruptcy or liquidator, administrator or administrative receiver will be deemed to have given a Transfer Notice.

- 11.9 Any Shares may at any time be transferred free from the transfer restrictions in the Articles and free from the requirements of Article 12 where there is a sale of the entire issued share capital of the Company to a Holding Company, which has been approved by the Board acting with Shareholder Majority Consent.

12. **TRANSFERS OF SHARES SUBJECT TO PRE-EMPTION RIGHTS**

- 12.1 Save in respect of:

12.1.1 where the provisions of Articles 5 (*Exit Provisions*), 10.6.2 (*Disposal not in compliance with these Articles*) or 11 (*Permitted Transfer*) apply; or

12.1.2 a transfer of Accepting Shareholders' Shares pursuant to Article 16 (*Mandatory Offer on a Change of Control*) (as detailed further in Article 16.6); or

12.1.3 a transfer of Shares to a Proposed Purchaser in accordance with or pursuant to Article 17 (*Drag Along*),

any transfer of Shares by a Shareholder shall be subject to the pre-emption rights contained in this Article 12.

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

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

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

12.2.3 subject to Articles 10.7.1 and 13.1, the price per Sale Share (in cash) at which he wishes to transfer the Sale Shares; and

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

and if no cash price is specified by the Seller, the price at which the Sale Shares are to be transferred (the "**Transfer Price**") must be agreed by the Board. In addition, if the price is not specified in cash, an equivalent cash value price must be agreed between the Seller and the Board. In both cases, the price will be

deemed to be the Fair Value of the Sale Shares if no price is agreed within 5 Business Days of the Company receiving the Transfer Notice.

12.3 Subject to Article 13.8 and except with the written consent of the Board, no Transfer Notice once given or deemed to have been given under these Articles may be withdrawn.

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

12.5 As soon as practicable following the later of:

12.5.1 receipt of a Transfer Notice; and

12.5.2 in the case where the Transfer Price has not been specified in the Transfer Notice, agreed or otherwise determined in accordance with these Articles, the determination of the Transfer Price under Article 13,

the Board shall offer the Sale Shares for sale to the Shareholders in the manner set out in Article 12.6. Each offer must be in writing and give details of the number and Transfer Price of the Sale Shares offered.

12.6 *Transfers: Offer*

12.6.1 The Board shall offer the Sale Shares to all Shareholders other than the Seller (the "**Continuing Shareholders**") inviting them to apply in writing within the period from the date of the offer to the date 15 Business Days after the offer (inclusive) (the "**Pre-emption Offer Period**") for the maximum number of Sale Shares they wish to buy.

12.6.2 If the Sale Shares are subject to a Minimum Transfer Condition then any allocation made under this Article 12.6 will be conditional on the fulfilment of the Minimum Transfer Condition.

12.6.3 If, at the end of the Pre-emption Offer Period, the number of Sale Shares applied for is equal to or exceeds the number of Sale Shares, the Board shall allocate the Sale Shares to each Continuing Shareholder who has applied for Sale Shares in the proportion (fractional entitlements being rounded to the nearest whole number) which his existing holding of the relevant class(es) of Shares bears to the total number of the relevant class(es) of Shares held by those Continuing Shareholders who have applied for Sale Shares which procedure shall be repeated until all Sale Shares have been allocated but no allocation shall be made to a Shareholder of more than the maximum number of Sale Shares which he has stated he is willing to buy.

12.6.4 If, at the end of the Pre-emption Offer Period, the number of Sale Shares applied for is less than the number of Sale Shares, then, subject to Article 12.7.1, the Board shall allocate the Sale Shares to the Continuing Shareholders in accordance with their applications and the balance will be dealt with in accordance with Article 12.7.5.

12.7 *Completion of transfer of Sale Shares*

12.7.1 If the Transfer Notice includes a Minimum Transfer Condition and the total number of Shares applied for does not meet the Minimum Transfer Condition the Board shall notify the Seller and all those to whom Sale Shares have been conditionally allocated under Article 12.6 stating the

condition has not been met and that the relevant Transfer Notice has lapsed with immediate effect.

12.7.2 If:

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

the Board shall, when no further offers are required to be made under Article 12.6 and once the requirements of Article 16 have been fulfilled to the extent required, give written notice of allocation (an "**Allocation Notice**") to the Seller and each Shareholder to whom Sale Shares have been allocated (an "**Applicant**") specifying the number of Sale Shares allocated to each Applicant and the place and time (being not less than 10 Business Days nor more than 20 Business Days after the date of the Allocation Notice) for completion of the transfer of the Sale Shares.

12.7.3 Upon service of an Allocation Notice, the Seller must, against payment of the Transfer Price, transfer the Sale Shares in accordance with the requirements specified in it.

12.7.4 If the Seller fails to comply with the provisions of Article 12.7.3:

- (a) the chairman of the Company or, failing him, one of the directors, or some other person nominated by a resolution of the Board, may on behalf of the Seller:
 - (i) complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Applicants;
 - (ii) receive the Transfer Price and give a good discharge for it; and
 - (iii) (subject to the transfer being duly stamped) enter the Applicants in the register of Shareholders as the holders of the Shares purchased by them; and
- (b) the Company shall pay the Transfer Price into a separate bank account in the Company's name on trust (but without interest) or otherwise hold the Transfer Price on trust for the Seller until he has delivered to the Company his certificate or certificates for the relevant Shares (or an indemnity for lost certificate in a form acceptable to the Board).

12.7.5 Subject to Article 12.7.6, the Seller may, within eight weeks after the expiry of the Pre-emption Offer Period, transfer the unallocated Sale Shares to any person at a price at least equal to the Transfer Price.

12.7.6 The right of the Seller to transfer Shares under Article 12.7.5 does not apply if the Board is of the opinion on reasonable grounds that:

- (a) the transferee is a person (or a nominee for a person) who the Board determine in their absolute discretion is a competitor with (or an Associate of a competitor with) the business of the Company or with a Subsidiary Undertaking of the Company;

- (b) the sale of the Sale Shares is not *bona fide* or the price is subject to a deduction, rebate or allowance to the transferee; or
- (c) the Seller has failed or refused to provide promptly information available to it or him and reasonably requested by the Board for the purpose of enabling it to form the opinion mentioned above.

13. **VALUATION OF SHARES**

- 13.1 If the Transfer Price or Fair Value cannot be agreed in accordance with Articles 10.7.1, or 12.2 or otherwise then, within five Business Days of deadline for agreement, the Board shall either;
 - 13.1.1 appoint an expert valuer in accordance with Article 13.2 to certify the Fair Value of the Sale Shares; or
 - 13.1.2 if the Fair Value has been certified by Expert Valuers within the preceding 12 weeks, specify that the Fair Value of the Sale Shares will be calculated by dividing any Fair Value so certified by the number of Sale Shares to which it related and multiplying such Fair Value by the number of Sale Shares the subject of the Transfer Notice
- 13.2 The Expert Valuer will be either:
 - 13.2.1 the Auditors; or
 - 13.2.2 a third party valuer appointed by the Board.
- 13.3 The "**Fair Value**" of the Sale Shares shall be as determined by the Expert Valuers on the following assumptions and bases:
 - 13.3.1 valuing the Sale Shares as on an arm's-length sale between a willing seller and a willing buyer;
 - 13.3.2 if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;
 - 13.3.3 that the Sale Shares are capable of being transferred without restriction;
 - 13.3.4 valuing the Sale Shares as a rateable proportion of the total value of all the issued Ordinary Shares (excluding any Shares held as Treasury Shares) without any premium or discount being attributable to the percentage of the issued share capital of the Company which they represent but taking into account the rights attaching to the Sale Shares; and
 - 13.3.5 reflecting any other factors which the Expert Valuers reasonably believe should be taken into account.
- 13.4 If any difficulty arises in applying any of these assumptions or bases then the Expert Valuers shall resolve that difficulty in whatever manner they shall in their absolute discretion think fit.
- 13.5 The Expert Valuers shall be requested to determine the Fair Value within twenty (20) Business Days of their appointment and to notify the Board of their determination.
- 13.6 The Expert Valuers shall act as experts and not as arbitrators and their determination shall be final and binding on the parties (in the absence of fraud or manifest error).

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

in which case the Seller shall bear the cost.

14. **COMPULSORY TRANSFERS - GENERAL**

- 14.1 A person entitled to a Share in consequence of the bankruptcy of a Shareholder shall be deemed to have given a Transfer Notice in respect of that Share at a time determined by the Directors.
- 14.2 If a Share remains registered in the name of a deceased Shareholder for longer than one year after the date of his death the Directors may require the legal personal representatives of that deceased Shareholder either:
- 14.2.1 to effect a Permitted Transfer of such Shares (including for this purpose an election to be registered in respect of the Permitted Transfer); or
- 14.2.2 to show to the satisfaction of the Directors that a Permitted Transfer will be effected before or promptly upon the completion of the administration of the estate of the deceased Shareholder.

If either requirement in this Article 18.2 shall not be fulfilled to the satisfaction of the Directors a Transfer Notice shall be deemed to have been given in respect of each such Shares save to the extent that the Directors may otherwise determine.

- 14.3 If a Shareholder which is a company, either suffers or resolves for the appointment of a liquidator, administrator or administrative receiver over it or any material part of its assets (other than as part of a *bona fide* restructuring or reorganisation), the relevant Shareholder (and all its Permitted Transferees) shall be deemed to have given a Transfer Notice in respect of all the shares held by the relevant Shareholder and its Permitted Transferees save to the extent that the Directors may determine.
- 14.4 If there is a change in control (as control is defined in section 1124 of the CTA 2010) of any Shareholder which is a company, it shall be bound at any time, if and when required in writing by the Directors to do so, to give (or procure the giving in the case of a nominee) a Transfer Notice in respect of all the Shares registered in its name and its nominee's names save that, in the case of a Permitted Transferee, it shall first have 10 Business Days from the date of service of a notice by the Company requiring it to serve a Transfer Notice to transfer those Shares back to the Original Shareholder from whom it received its Shares or to

any other Permitted Transferee of the Original Shareholder before being required to serve a Transfer Notice.

15. DEPARTING EMPLOYEES

- 15.1 All voting rights attached to Employee Shares held by an Employee or by any Permitted Transferee of that Employee (the "**Restricted Member**"), if any, shall at the time he ceases to be an Employee be suspended unless the Board and a Shareholder Majority notify him otherwise.
- 15.2 Any Employee Shares whose voting rights are suspended pursuant to Article 15.1 ("**Restricted Shares**") shall confer on the holders of Restricted Shares the right to receive a notice of and attend all general meetings of the Company but shall have no right to vote either in person or by proxy or to vote on any proposed written resolution. Voting rights suspended pursuant to Article 15.1 shall be automatically restored immediately prior to an IPO. If a Restricted Member transfers any Restricted Shares in accordance with these Articles all voting rights attached to the Restricted Shares so transferred shall upon completion of the transfer (as evidenced by the transferee's name being entered in the Company's register of members) automatically be restored.
- 15.3 On an Exit, the provisions of this Article 15 shall cease to apply to all relevant Employee Shares.

16. MANDATORY OFFER ON A CHANGE OF CONTROL

- 16.1 Except in the case of Permitted Transfers and transfers pursuant to Article 14, after going through the pre-emption procedure in Article 12, the provisions of Article 16.2 will apply if one or more Proposed Sellers propose to transfer in one or a series of related transactions any Shares (the "**Proposed Transfer**") which would, if put into effect, result in any Proposed Purchaser (and Associates of his or persons Acting in Concert with him) acquiring a Controlling Interest in the Company.
- 16.2 A Proposed Seller must, before making a Proposed Transfer procure the making by the Proposed Purchaser of an offer (the "**Offer**") to all of the other Shareholders to acquire all of the issued Shares for a consideration per Share the value of which is at least equal to the Specified Price (as defined in Article 16.7).
- 16.3 The Offer must be given by written notice (a "**Proposed Sale Notice**") at least 10 Business Days (the "**Offer Period**") prior to the proposed sale date ("**Proposed Sale Date**"). The Proposed Sale Notice must set out, to the extent not described in any accompanying documents, the identity of the Proposed Purchaser, the purchase price and other terms and conditions of payment, the Proposed Sale Date and the number of Shares proposed to be purchased by the Proposed Purchaser (the "**Proposed Sale Shares**").
- 16.4 If any other Shareholder is not given the rights accorded him by this Article, the Proposed Sellers will not be entitled to complete their sale and the Company will not register any transfer intended to carry that sale into effect.
- 16.5 If the Offer is accepted by any Shareholder (an "**Accepting Shareholder**") within the Offer Period, the completion of the Proposed Transfer will be conditional upon the completion of the purchase of all the Shares held by Accepting Shareholders.
- 16.6 The Proposed Transfer is subject to the pre-emption provisions of Article 16 but the purchase of the Accepting Shareholders' shares shall not be subject to Article 16.

16.7 For the purpose of this Article:

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

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

(a) in the Proposed Transfer; or

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

plus an amount equal to the Relevant Sum (as defined in Article 16.7.3 below), of any other consideration (in cash or otherwise) paid or payable by the Proposed Purchaser or any other person Acting in Concert with the Proposed Purchaser, which having regard to the substance of the transaction as a whole, can reasonably be regarded as an addition to the price paid or payable for the Shares (the "**Supplemental Consideration**");

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

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

C = the Supplemental Consideration

17. **DRAG-ALONG**

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

17.2 The Selling Shareholders may exercise the Drag Along Option by giving a written notice to that effect (a "**Drag Along Notice**") to the Company which the Company shall forthwith copy to the Called Shareholders within two (2) Business days from the service of the Drag Along Notice. A Drag Along Notice shall specify that:

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

17.2.2 the person to whom they are to be transferred;

17.2.3 the consideration for which the Called Shares are to be transferred; and

17.2.4 the proposed date of transfer,

(and, in the case of Article 17.2.2 to 17.2.4 (inclusive) above, whether actually specified or to be determined in accordance with a mechanism described in the Drag Along Notice). No Drag Along Notice or Sale Agreement may require a Called Shareholder to agree to any terms except those specifically provided for in this Article 17.

- 17.3 Drag Along Notices shall be irrevocable but will lapse if for any reason there is not a sale of the Sellers' Shares by the Selling Shareholders to the Proposed Purchaser within 30 Business Days after the date of service of the Drag Along Notice. The Selling Shareholders shall be entitled to serve further Drag Along Notices following the lapse of any particular Drag Along Notice.
- 17.4 The consideration (in cash or otherwise) for which the Called Shareholders shall be obliged to sell each of the Called Shares shall be at least equal to the price per Share offered by the Proposed Purchaser for the Sellers' Shares.
- 17.5 A Called Shareholder may be required by a Drag Along Notice to sell its shares on the same terms and conditions as are agreed by the Selling Shareholders.
- 17.6 Within five Business Days after service of a Drag Along Notice on the Called Shareholders, the Called Shareholders shall deliver to the Company:
- 17.6.1 stock transfer forms for their Shares in favour of the Proposed Purchaser or as the Proposed Purchaser shall direct;
- 17.6.2 the relevant share certificate(s) (or a suitable indemnity in a form acceptable to the Board),
- (together the "**Drag Documents**").
- 17.7 Completion of the sale and purchase of the Called Shares ("**Drag-Along Completion Date**") shall take place on the same date and in the same manner as, and conditional upon the completion of, the sale and purchase of the Sellers' Shares unless:
- 17.7.1 all of the Called Shareholders and the Selling Shareholders otherwise agree; or
- 17.7.2 that date is less than five Business Days after the date of service of the Drag Along Notice, in which case completion of the sale and purchase of the Called Shares shall take place 15 Business Days after the date of service of the Drag Along Notice.
- 17.8 On the later of:
- 17.8.1 the Drag-Along Completion Date; and
- 17.8.2 where the amount of the consideration payable by the Proposed Purchaser for the Sellers' Shares and the Called Shares is to be adjusted based upon accounts of the Company as at the Drag-Along Completion Date, the date which is no more than 5 Business Days after the final agreement or determination of those accounts, being no more than 60 Business Days after the Drag-Along Completion Date,
- the Company shall pay the Called Shareholders, on behalf of the Proposed Purchaser, the amounts they are due pursuant to Article 17.4 to the extent the Proposed Purchaser has put the Company in the requisite funds. The Company's receipt for the amounts due pursuant to Article 17.4 shall be a good discharge to the Proposed Purchaser. Pending payment to the Called Shareholders, the Company shall hold the amounts due to the Called Shareholders pursuant to Article 17.4 in trust for the Called Shareholders without any obligation to pay interest.
- 17.9 To the extent that the Proposed Purchaser has not, on the Drag-Along Completion Date, put the Company in funds to pay the amounts due pursuant to Article 17.4, the Called Shareholders shall be entitled to the return of Drag Documents and the

Called Shareholders shall have no further rights or obligations under this Article 17 in respect of that Drag Along Notice.

- 17.10 If a Called Shareholder fails to deliver the Drag Documents to the Company prior to the Drag- Along Completion Date, the Company and each Director shall be constituted the agent of such defaulting Called Shareholder to take such actions and enter into any Drag Document or such other agreements or documents (including, but not limited to, any document to be executed as a deed) as are necessary to effect the transfer of the Called Shareholder's Shares pursuant to this Article 17 and the Directors shall, if requested by the Proposed Purchaser, authorise any Director to transfer the Called Shareholder's Shares on the Called Shareholder's behalf to the Proposed Purchaser (or its nominee(s)) to the extent the Proposed Purchaser has, at the Drag-Along Completion Date, put the Company in funds to pay the amounts due pursuant to Article 17.4 for the Called Shareholder's Shares offered to him). The Board shall then authorise registration of the transfer once appropriate stamp duty has been paid. The defaulting Called Shareholder shall surrender his share certificate for his Shares (or provide a suitable indemnity) to the Company. On surrender, he shall be entitled to the amount then due to him pursuant to Article 17.4.
- 17.11 Any transfer of Shares to a Proposed Purchaser (or as they may direct) in accordance with or pursuant to this Article 17 shall not be subject to the provisions of Articles 12 or 16 or any other provision of these Articles which would otherwise fetter the ability of the Selling Shareholders to transfer their Shares or the Shares of the Called Shareholders to a Proposed Purchaser on the terms of this Article 17.
- 17.12 On any person, following the issue of a Drag Along Notice, becoming a Shareholder of the Company pursuant to the: (i) exercise of a pre-existing option or warrant to acquire shares in the Company; or (ii) conversion of any convertible security of the Company (in each case a "**New Shareholder**"), a Drag Along Notice shall be deemed to have been served on the New Shareholder on the same terms as the previous Drag Along Notice and the New Shareholder shall then be bound to sell and transfer all Shares so acquired to the Proposed Purchaser or as the Proposed Purchaser may direct and the provisions of this Article 17 shall apply with the necessary changes to the New Shareholder, except that if the date on which the Drag Along Notice was deemed to have been served on the New Shareholder is after the Drag- Along Completion Date, completion of the sale of the Shares shall take place five Business Days after the date on which the Drag Along Notice was deemed served on the New Shareholder, or on such later date as may be approved in writing by the Board and the Selling Shareholders.

18. **GENERAL MEETINGS**

- 18.1 If the Directors are required by the Shareholders under section 303 of the Act to call a general meeting, the Directors shall convene the meeting for a date not later than 28 days after the date on which the Directors became subject to the requirement under section 303 of the Act.
- 18.2 The provisions of section 318 of the Act shall apply to the Company.
- 18.3 If any two or more Shareholders (or Qualifying Persons representing two or more Shareholders) attend the meeting in different locations, the meeting shall be treated as being held at the location specified in the notice of the meeting, save that if no one is present at that location so specified, the meeting shall be deemed to take place where the largest number of Qualifying Persons is assembled or, if no such group can be identified, at the location of the chairman.
- 18.4 If a demand for a poll is withdrawn under article 44(3) of the Model Articles, the demand shall not be taken to have invalidated the result of a show of hands

declared before the demand was made and the meeting shall continue as if the demand had not been made.

- 18.5 Polls must be taken in such manner as the chairman directs. A poll demanded on the election of a chairman or on a question of adjournment must be held immediately. A poll demanded on any other question must be held either immediately or at such time and place as the chairman directs not being more than 14 days after the poll is demanded. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded,
- 18.6 No notice need be given of a poll not held immediately if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken.
- 18.7 If the poll is to be held more than 48 hours after it was demanded the Shareholders shall be entitled to deliver proxy notices in respect of the poll at any time up to 24 hours before the time appointed for taking that poll. In calculating that period, no account shall be taken of any part of a day that is not a working day.

19. **PROXIES**

- 19.1 Paragraph (c) of article 45(1) of the Model Articles shall be deleted and replaced by the words: "is signed by or on behalf of the shareholder appointing the proxy and accompanied by the authority under which it is signed (or a certified copy of such authority or a copy of such authority in some other way approved by the directors)".
- 19.2 The instrument appointing a proxy and any authority under which it is signed or a certified copy of such authority or a copy in some other way approved by the Directors may:
 - 19.2.1 be sent or supplied in hard copy form, or (subject to any conditions and limitations which the Board may specify) in electronic form, to the registered office of the Company or to such other address (including electronic address) as may be specified for this purpose in the notice convening the meeting or in any instrument of proxy or any invitation to appoint a proxy sent or supplied by the Company in relation to the meeting at any time before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote;
 - 19.2.2 be delivered at the meeting or adjourned meeting at which the person named in the instrument proposes to vote to the chairman or to the company secretary or to any Director; or
 - 19.2.3 in the case of a poll, be delivered at the meeting at which the poll was demanded to the chairman or to the company secretary or to any Director, or at the time and place at which the poll is held to the Chairman or to the company secretary or to any Director or scrutineer,

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

20. **DIRECTORS' BORROWING POWERS**

The Directors may exercise all the powers of the Company to borrow or raise money and to mortgage or charge its undertaking, property and uncalled capital

and to issue debentures, debenture stock and other securities as security for any debt, liability of obligation of the Company or of any third party.

21. NO ALTERNATE DIRECTORS

Notwithstanding any provision of these Articles to the contrary, no Director shall be entitled to appoint any person to act as his alternate for any purpose.

22. NUMBER OF DIRECTORS

The number of Directors shall be not less than two (2).

23. APPOINTMENT OF DIRECTORS

23.1 Independent Director

23.1.1 The Board shall have the right to nominate up to one natural person to act as Director (each, an "**Independent Director**") and to remove any Director so appointed and, upon his removal whether by the Board or otherwise, to appoint another Director in his place.

23.1.2 Appointment and removal of an Independent Director shall take effect upon a resolution being passed by the Board.

23.2 Chairman

23.2.1 The Independent Director shall be appointed as chairman of the Board ("**Chairman**").

23.2.2 The Chairman will not have a casting vote.

23.3 Expenses

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

24. DISQUALIFICATION OF DIRECTORS

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

24.1.1 he is convicted of a criminal offence (other than a minor motoring offence) and the Directors resolve that his office be vacated; or

24.1.2 if a majority of his co-Directors serve notice on him in writing, removing him from office.

25. PROCEEDINGS OF DIRECTORS

25.1 The quorum for Directors' meetings shall be any two (2) Directors, (save that where a Relevant Interest of a Director is being authorised by other Directors in accordance with section 175(s)(a) of the Act, any interested Director shall not be included in the quorum required for the purpose of such authorisation but shall be included for the purpose of forming the quorum at the meeting). If such a quorum is not present within half an hour from the time appointed for the meeting, or if during a meeting such quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week at the same time and place or at such

time and place as determined by the Directors present at such meeting. If a quorum is not present at any such adjourned meeting within half an hour from the time appointed, then the meeting shall proceed.

- 25.2 If all the Directors participating in a meeting of the Directors are not physically in the same place, the meeting shall be deemed to take place where the largest group of participators in number is assembled. In the absence of a majority the location of the chairman shall be deemed to be the place of the meeting.
- 25.3 Notice of a Directors' meeting need not be given to Directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the Company at any time before or after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.
- 25.4 Provided (if these Articles so require) that he has declared to the Directors, in accordance with the provisions of these Articles, the nature and extent of his interest (and subject to any restrictions on voting or counting in a quorum imposed by the Directors in authorising a Relevant Interest), a Director may vote at a meeting of the Directors or of a committee of the Directors on any resolution concerning a matter in which he has an interest, whether a direct or an indirect interest, or in relation to which he has a duty and shall also be counted in reckoning whether a quorum is present at such a meeting with the Company.
- 25.5 Questions arising at any meeting of the Directors shall be decided by a majority of votes.
- 25.6 A decision of the Directors may take the form of a resolution in writing, where each Eligible Director has signed one or more copies of it, or to which each Eligible Director has otherwise indicated agreement in writing (including confirmation given by electronic means). Reference in article 7(1) of the Model Articles to article 8 of the Model Articles shall be deemed to include a reference to this article also.

26. **DIRECTORS' INTERESTS**

Specific interests of a Director

- 26.1 Subject to the provisions of the Act and provided (if these Articles so require) that he has declared to the Directors in accordance with the provisions of these Articles, the nature and extent of his interest, a Director may (save as to the extent not permitted by law from time to time), notwithstanding his office, have an interest of the following kind:
- 26.1.1 where a Director (or a person connected with him) is party to or in any way directly or indirectly interested in, or has any duty in respect of, any existing or proposed contract, arrangement or transaction with the Company or any other undertaking in which the Company is in any way interested;
- 26.1.2 where a Director (or a person connected with him) is a director, employee or other officer of, or a party to any contract, arrangement or transaction with, or in any way interested in, any body corporate promoted by the Company or in which the Company is in any way interested;
- 26.1.3 where a Director (or a person connected with him) is a shareholder in the Company or a shareholder in, employee, director, member or other officer of, or consultant to, a Parent Undertaking of, or a Subsidiary Undertaking of a Parent Undertaking of, the Company;

- 26.1.4 where a Director (or a person connected with him) holds and is remunerated in respect of any office or place of profit (other than the office of auditor) in respect of the Company or body corporate in which the Company is in any way interested;
- 26.1.5 where a Director (or a person connected with him) is given a guarantee, or is to be given a guarantee, in respect of an obligation incurred by or on behalf of the Company or any body corporate in which the Company is in any way interested;
- 26.1.6 where a Director (or a person connected with him or of which he is a member or employee) acts (or any body corporate promoted by the Company or in which the Company is in any way interested of which he is a director, employee or other officer may act) in a professional capacity for the Company or any body corporate promoted by the Company or in which the Company is in any way interested (other than as auditor) whether or not he or it is remunerated for this;
- 26.1.7 an interest which cannot reasonably be regarded as likely to give rise to a conflict of interest; or
- 26.1.8 any other interest authorised by ordinary resolution.

Interests of which a Director is not aware

- 26.2 For the purposes of this Article 26, an interest of which a Director is not aware and of which it is unreasonable to expect him to be aware shall not be treated as an interest of his.

Accountability of any benefit and validity of a contract

- 26.3 In any situation permitted by this Article 26 (save as otherwise agreed by him) a Director shall not by reason of his office be accountable to the Company for any benefit which he derives from that situation and no such contract, arrangement or transaction shall be avoided on the grounds of any such interest or benefit.

Terms and conditions of Board authorisation

- 26.4 Any authority given in accordance with section 175(5)(a) of the Act in respect of a Director ("**Interested Director**") who has proposed that the Directors authorise his interest ("**Relevant Interest**") pursuant to that section may, for the avoidance of doubt:
 - 26.4.1 be given on such terms and subject to such conditions or limitations as may be imposed by the authorising Directors as they see fit from time to time, including, without limitation:
 - (a) restricting the Interested Director from voting on any resolution put to a meeting of the Directors or of a committee of the Directors in relation to the Relevant Interest;
 - (b) restricting the Interested Director from being counted in the quorum at a meeting of the Directors or of a committee of the Directors where such Relevant Interest is to be discussed; or
 - (c) restricting the application of the provisions in Articles 26.5 and 26.6, so far as is permitted by law, in respect of such Interested Director;
 - 26.4.2 be withdrawn, or varied at any time by the Directors entitled to authorise the Relevant Interest as they see fit from time to time; and

an Interested Director must act in accordance with any such terms, conditions or limitations imposed by the authorising Directors pursuant to section 175(5)(a) of the Act and this Article 26.

Director's duty of confidentiality

26.5 Subject to Article 26.6 (and without prejudice to any equitable principle or rule of law which may excuse or release the Director from disclosing information, in circumstances where disclosure may otherwise be required under this Article 26), if a Director, otherwise than by virtue of his position as director, receives information in respect of which he owes a duty of confidentiality to a person other than the Company, he shall not be required:

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

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

26.6 Where such duty of confidentiality arises out of a situation in which a Director has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company, Article 26.5 shall apply only if the conflict arises out of a matter which falls within Article 26.1 or Article 26.2 or has been authorised under section 175(5X3) of the Act.

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

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

26.7.1 absenting himself from any discussions, whether in meetings of the Directors or otherwise, at which the relevant situation or matter falls to be considered; and

26.7.2 excluding himself from documents or information made available to the Directors generally in relation to such situation or matter and/or arranging for such documents or information to be reviewed by a professional adviser to ascertain the extent to which it might be appropriate for him to have access to such documents or information.

Requirement of a Director to declare an interest

26.8 Subject to section 182 of the Act, a Director shall declare the nature and extent of any interest permitted by Article 26.1 or Article 26.2 at a meeting of the Directors, or by general notice in accordance with section 184 (notice in writing) or section 185 (general notice) of the Act or in such other manner as the Directors may determine, except that no declaration of interest shall be required by a Director in relation to an interest:

26.8.1 falling under Article 26.1.7;

26.8.2 if, or to the extent that, the other Directors are already aware of such interest (and for this purpose the other Directors are treated as aware of anything of which they ought reasonably to be aware); or

- 26.8.3 if, or to the extent that, it *concerns* the terms of his service contract (as defined by section 227 of the Act) that have been or are to be considered by a meeting of the Directors, or by a committee of Directors appointed for the purpose under these Articles.

Shareholder approval

- 26.9 Subject to section 239 of the Act, the Company may by ordinary resolution ratify any contract, transaction or arrangement, or other proposal, not properly authorised by reason of a contravention of any provisions of this Article 26,
- 26.10 For the purposes of this Article 26:
- 26.10.1 a conflict of interest includes a conflict of interest and duty and a conflict of duties;
- 26.10.2 the provisions of section 252 of the Act shall determine whether a person is connected with a Director;
- 26.10.3 a general notice to the Directors that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the Director has an interest in any such transaction of the nature and extent so specified.

27. NOTICES

- 27.1 Subject to the requirements set out in the Act, any notice given or document sent or supplied to or by any person under these Articles, or otherwise sent by the Company under the Act, maybe given, sent or supplied:
- 27.1.1 in hard copy form;
- 27.1.2 in electronic form; or
- 27.1.3 (by the Company only) by means of a website (other than notices calling a meeting of Directors),

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

Notices shall be given and documents supplied in accordance with the procedures set out in the Act, except to the extent that a contrary provision is set out in this Article 27.

Notices in hard copy form

- 27.2 Any notice or other document in hard copy form given or supplied under these Articles may be delivered or sent by first class post (airmail if overseas):
- 27.2.1 to the Company or any other company at its registered office; or
- 27.2.2 to the address notified to or by the Company for that purpose; or
- 27.2.3 in the case of an intended recipient who is a member or his legal personal representative or trustee in bankruptcy, to such member's address as shown in the Company's register of members; or
- 27.2.4 in the case of an intended recipient who is a Director, to his address as shown in the register of Directors; or

- 27.2.5 to any other address to which any provision of the Companies Acts (as defined in the Act) authorises the document or information to be sent or supplied; or
 - 27.2.6 where the Company is the sender, if the Company is unable to obtain an address falling within one of the addresses referred to in 27.2.1 to 27.2.5 above, to the intended recipient's last address known to the Company,
- 27.3 Any notice or other document in hard copy form given or supplied under these Articles shall be deemed to have been served and be effective:
- 27.3.1 if delivered, at the time of delivery;
 - 27.3.2 if posted, on receipt or 48 hours after the time it was posted, whichever occurs first.

Notices in electronic form

- 27.4 Subject to the provisions of the Act, any notice or other document in electronic form given or supplied under these Articles may:
- 27.4.1 if sent by fax or email (provided that a fax number or an address for email has been notified to or by the Company for that purpose), be sent by the relevant form of communication to that address;
 - 27.4.2 if delivered or sent by first class post (airmail if overseas) in an electronic form (such as sending a disk by post), be so delivered or sent as if in hard copy form under Article 27.2; or
 - 27.4.3 be sent by such other electronic means (as defined in section 1168 of the Act) and to such address(es) as the Company may specify:
 - (a) on its website from time to time; or
 - (b) by notice (in hard copy or electronic form) to all members of the Company from time to time.
- 27.5 Any notice or other document in electronic form given or supplied under these Articles shall be deemed to have been served and be effective:
- 27.5.1 if sent by facsimile or email (where a fax number or an address for email has been notified to or by the Company for that purpose), on receipt or 48 hours after the time it was sent, whichever occurs first;
 - 27.5.2 if posted in an electronic form, on receipt or 48 hours after the time it was posted, whichever occurs first;
 - 27.5.3 if delivered in an electronic form, at the time of delivery; and
 - 27.5.4 if sent by any other electronic means as referred to in Article 27.4.3, at the time such delivery is deemed to occur under the Act.
- 27.6 Where the Company is able to show that any notice or other document given or sent under these Articles by electronic means was properly addressed with the electronic address supplied by the intended recipient, the giving or sending of that notice or other document shall be effective notwithstanding any receipt by the Company at any time of notice either that such method of communication has failed or of the intended recipient's non-receipt.

Notice by means of a website

- 27.7 Subject to the provisions of the Act, any notice or other document or information to be given, sent or supplied by the Company to Shareholders under these Articles may be given, sent or supplied by the Company by making it available on the Company's website.

General

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

28. **INDEMNITIES AND INSURANCE**

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

28.1.1 every Director or other officer of the Company (excluding the Company's auditors) shall be entitled to be indemnified by the Company (and the Company shall also indemnify directors of any associated company (as defined in section 256 of the Act)) out of the Company's assets against all liabilities incurred by him in the actual or purported execution or discharge of his duties or the exercise or purported exercise of his powers or otherwise in relation to or in connection with his duties, powers or office, provided that no director of the Company or any associated company is indemnified by the Company against:

- (a) any liability incurred by the director to the Company or any associated company; or
- (b) any liability incurred by the director to pay a fine imposed in criminal proceedings or a sum payable to a regulatory authority by way of a penalty in respect of non-compliance with any requirements of a regulatory nature; or
- (c) any liability incurred by the director:
 - (i) in defending any criminal proceedings in which he is convicted;
 - (ii) in defending civil proceedings brought by the Company or any associated company in which final judgment (within the meaning set out in section 234 of the Act) is given against him; or
 - (iii) in connection with any application under sections 661(3) or 661(4) or 1157 of the Act (as the case may be) for which the court refuses to grant him relief,

save that, in respect of a provision indemnifying a director of a company (whether or not the Company) that is a trustee of an occupational pension scheme (as that term is used in section 235 of the Act) against liability incurred in connection with that company's activities as trustee of the scheme, the Company shall also be able to indemnify any such director without the restrictions in Articles 28.1.1(a), 28.1.1(c)(ii) and 28.1.1(c)(iii) applying;

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

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

29. **DATA PROTECTION**

Each of the Shareholders and Directors consent to the processing of their personal data by the Company, the Shareholders and Directors (each a "**Recipient**") for the purpose of due diligence exercises, compliance with applicable laws, regulations and procedures and the exchange of information among themselves. A Recipient may process the personal data either electronically or manually. The personal data which may be processed under this Article shall include any information which may have a bearing on the prudence or commercial merits of investing, or disposing of any shares (or other investment or security) in the Company. Other than as required by law, court order or other regulatory authority, that personal data may not be disclosed by a Recipient or any other person except to a Member of the same Group ("**Recipient Group Companies**") and to employees, directors and professional advisers of that Recipient or the Recipient Group Companies and funds managed by any of the Recipient Group Companies. Each of the Shareholders and Directors consent to the transfer of relevant personal data to persons acting on behalf of the Recipient and to the offices of any Recipient both within and outside the European Economic Area for the purposes stated above, where it is necessary or desirable to do so.

30. **SECRETARY**

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

31. **AUTHORITY TO CAPITALISE AND APPROPRIATION OF CAPITALISED SUMS**

31.1 The Board may, if authorised to do so by an ordinary resolution:

31.1.1 decide to capitalise any profits of the Company (whether or not they are available for distribution) which are not required for paying a preferential dividend, or any sum standing to the credit of the Company's share premium account or capital redemption reserve; and

31.1.2 appropriate any sum which they so decide to capitalise (a "**Capitalised Sum**") to such Shareholders and in such proportions as the Board may in their absolute discretion deem appropriate (the "**Shareholders Entitled**").

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

- 31.3 Capitalised Sums may be applied on behalf of such Shareholders and in such proportions as the Board may in its absolute discretion deem appropriate.
- 31.4 Any Capitalised Sum may be applied in paying up new Shares up to the nominal amount (or such amount as is unpaid) equal to the Capitalised Sum, which are then allotted credited as fully paid to the Shareholders Entitled or as they may direct.
- 31.5 A Capitalised Sum which was appropriated from profits available for distribution may be applied in paying up new debentures of the Company which are allotted credited as fully paid to the Shareholders Entitled or as they may direct.
- 31.6 Subject to the Articles the Board may:
- 31.6.1 apply Capitalised Sums in accordance with Articles 31.3 and 31.4 partly in one way and partly another;
 - 31.6.2 make such arrangements as they think fit to deal with Shares or debentures becoming distributable in fractions under this Article 31; and
 - 31.6.3 authorise any person to enter into an agreement with the Company on behalf of all of the Shareholders Entitled which is binding on them in respect of the allotment of Shares or debentures under this Article 31.