

Company No 3479984

THE COMPANIES ACTS 1985 AND 1989

COMPANY LIMITED BY SHARES

SPECIAL RESOLUTION
of
KUDOS PHARMACEUTICALS LIMITED

At an Extraordinary General Meeting of the Company held at 327 Cambridge Science Park on 30 June 2005 the following resolution was passed as a special resolution of the Company:-

SPECIAL RESOLUTION

That the regulations contained in the printed document as presented to the meeting and attached to the notice of meeting be and are hereby approved and adopted as the Articles of Association of the Company in substitution for and to the exclusion of all existing Articles thereof.


.....
CHAIRMAN



THE COMPANIES ACTS 1985 AND 1989

COMPANY LIMITED BY SHARES

NEW ARTICLES OF ASSOCIATION
of
KuDOS PHARMACEUTICALS LIMITED

(as adopted on 30 June 2005 by Special Resolution passed on 30 June 2005)

1 PRELIMINARY

1.1 The regulations contained in Table A as prescribed by the regulations made under the Act in force at the date of the Adoption of these Articles of Association (hereinafter referred to as "**Table A**") shall apply to the Company, but only insofar as these Articles do not exclude or modify Table A. A reference herein to any "**Regulation**" is to that regulation as set out in Table A. Regulations 54, 73-80 (inclusive), 85, 86, 94-98 (inclusive) and 118 of Table A shall not apply to the Company.

1.2 In these Articles the following words and expressions shall have the meaning set out below:

the Act the Companies Act 1985 including every statutory modification or re-enactment thereof for the time being in force

Adoption the date of the passing of the Special Resolution approving the adoption of these Articles

Advent Advent Private Equity Fund III 'A'
Advent Private Equity Fund III 'B'
Advent Private Equity Fund III 'C'
Advent Private Equity Fund III 'D'
Advent Private Equity Fund III GmbH & Co KG
Advent Private Equity Fund III Affiliates
Advent Management III Limited Partnership
Advent Nominees Limited

Advent Private Equity Fund II 'A'

Advent Private Equity Fund II 'B'
Advent Private Equity Fund II 'C'
Advent Private Equity Fund II 'C'
Advent Nominees Limited
Advent VCT plc
Advent 2 VCT plc
Advent First Limited Partnership
Advent First Technology Limited Partnership
Advent First Limited Partnership 'A'
Advent First Limited Partnership 'B'
Advent Nominees Limited

Advent Associated Entity

any person who is:

- (i) a manager, general partner or adviser of any member entity of Advent, or
- (ii) a subsidiary of, holding company of or another subsidiary of the holding company of a manager, general partner or adviser of any member entity of Advent, or
- (iii) a fund, partnership, company, syndicate or other entity whose principal business is to make investments whose manager, general partner or adviser falls into category (i) or (ii) above whether or not such person was formed or registered as at the date of this agreement

A Ordinary Shares

'A' ordinary shares of one penny each in the capital of the Company having the rights set out herein and as consolidated or sub-divided from time to time

Arrears

in relation to any share, all accruals, deficiencies and arrears of any dividend payable in respect of such share (and in relation to any B Ordinary Share, includes any B Ordinary Preferred Dividend in respect of such share and in relation to any A Ordinary Share, includes any A Ordinary Preferred Dividend in respect of such share), whether or not earned or declared and irrespective of whether or not the Company has had at any time sufficient distributable profits to pay such dividend together with all interest and other amounts payable thereon

the Auditors	the auditors for the time being of the Company
Authority Amount	for the first instance of the Authority Period the Authority Amount shall be the amount of the authorised but unissued share capital of the Company on the date of Adoption and for any other prescribed period shall be the amount stated in a special resolution passed by the members of the Company in general meeting increasing such Authority Amount and the nominal amount of any securities shall be taken to be, in the case of rights to subscribe for or to convert any securities into shares of the Company, the nominal amount of such shares which may be allotted pursuant to such rights
Authority Period	in the first instance the period from the date of Completion to the date on which a special resolution is passed by the members of the Company increasing the Authority Amount or the fifth anniversary of the date of adoption of such articles, whichever is the earlier, and shall thereafter mean any period (not exceeding 5 years on any occasion) for which the authority and power conferred by articles 8.1 or 8.2 above are renewed by a resolution of the Company for such period in accordance with the Act
B Ordinary Shares	'B' ordinary shares of one penny each in the capital of the Company having the rights set out herein and as consolidated or sub-divided from time to time
Bridge Loan Advance	the entire principal amount of the advance made pursuant to the Bridge Loan Agreement
Bridge Loan Agreement	the agreement dated [16 June] 2005 relating to the advance of £5 million to the Company by certain Investors
Business Day	a day (other than a Saturday or Sunday or a public bank holiday in England)
Business Sale	(1) the sale of the whole or substantially the whole of the business and assets of the Company and its subsidiaries; or (2) the sale of the whole or substantially the whole of the

	Company IPR
Capitalisation Issue	any increase in the issued share capital of the Company by way of an allotment of shares credited as fully or partly paid pursuant to a capitalisation of profits or reserves (including any share premium account or capital redemption reserves)
Company IPR	all Intellectual Property Rights used by the Company to carry on its business and either owned or licensed to the Company
Completion	completion of the subscription for B Ordinary Shares in accordance with clause 5 of the Investment Agreement
Controlling Interest	an interest in shares (as defined in Part 1 of Schedule 13 of the Act) in a company conferring in the aggregate 50% or more of the total voting rights conferred by all the issued shares in that company
Conversion Ratio	initially equals 1, subject to any adjustment made in accordance with article 5.13
the Directors	the directors for the time being of the Company or a quorum of such directors present at a meeting of the directors
Euclid	Euclid SR Partners and Euclid SR Biotechnology Partners
Executives	Prof. Stephen Jackson, Dr J. Barrie Ward and David Dally, in each case, if and for so long as he is a Relevant Executive
Executive Shares	those Ordinary Shares held by the Executives
Family Trusts	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 that 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 or may become 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 or may become liable to be 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

Further Funding Round

an issue by the Company of Relevant Equity Securities for the purposes of raising further finance (excluding, for the avoidance of doubt, (i) any issue of Shares pursuant to the Company's employee share option plan in accordance with the Investment Agreement, (ii) any issue of Shares issued in connection with the acquisition by the Company of any other company or business in accordance with the Investment Agreement (iii) any issue of shares as part of a Qualified Listing, or (iv) any issue of Relevant Equity Securities pursuant to the terms of the Bridge Loan Agreement)

Group

the relevant company, any Holding Company and/or a Subsidiary of the relevant company and/or a Subsidiary of any such Holding Company, and "**member of its Group**" or "**Group member**" shall be construed accordingly

Holder

in relation to shares, the member whose name is entered in the register of members of the Company as the holder of the shares

Holding Company

has the meaning given in the Act

Intellectual Property Right

any patent, patent application, know-how, database right, registered and/or unregistered trade mark, trade mark application, trade name, service name, business name, registered design, unregistered design right, utility model, database right, copyright or other similar intellectual or industrial property right and including for the avoidance of doubt copyright

	in software and computer algorithms, applications and the right to make applications for any of the foregoing, extensions and renewals thereof and all rights of a similar nature, in each case anywhere in the world
Investment Agreement	the investment agreement dated the date of Adoption and between the Company and its members relating, inter alia, to the subscription for shares in the Company, as varied and supplemented from time to time
Investment Fund	any person, company, trust, limited partnership or fund holding shares for investment purposes and not being a member of the Company by virtue of being a Relevant Member
Investor Majority	for so long as any B Ordinary Shares are in issue, the Holders of not less than 60% of all issued B Ordinary Shares from time to time
Investors	has the meaning given in the Investment Agreement
JJDC	Johnson & Johnson Development Corporation
KKLF	Kay Kendall Leukaemia Fund
Listing	the admission of any of the Company's shares to trading on, or the granting of permission for any of the Company's shares to be dealt on, a Recognised Investment Exchange
Liquidation Event	(i) a Sale or (ii) a return of assets by the Company on a liquidation or capital reduction or otherwise
LSP	Life Sciences Partners II B.V.
LSP Directorship Period	the period commencing on the date of Adoption and ending on the first occurrence of the completion of a Further Funding Round subsequent to the date of Adoption pursuant to which Further Funding Round: (i) the Company issues some or all of the Relevant Equity Securities so issued to any person who is not an Investor nor a member of the Company on the date of Adoption; and (ii) the investors agree to subscribe and/or otherwise pay/advance not less

	than £7,000,000 to the company in respect of Relevant Equity Securities
Minimum Proceeds	£46,000,000 plus any amount actually subscribed and/or deemed paid up in respect of Shares issued by the Company subsequent to the date of Completion
Ordinary Shares	ordinary shares of one penny each in the capital of the Company having the rights set out herein and as consolidated or sub-divided from time to time
Permitted Transfer	a transfer of shares authorised by article 11
Permitted Transferee	a person, firm or unincorporated association to whom or which shares have been transferred pursuant to a Permitted Transfer
Prescribed Period	has the meaning given in article 12.5
Prescribed Price	that price determined in accordance with articles 12.3 and/or 12.4
Privileged Relation	in relation to an individual member or deceased or former individual member, the husband or wife or the widower or widow of such member and all the lineal descendants and ascendants in direct line of such member and a husband or wife or widower or widow of any of the above persons and for the purposes aforesaid a step-child or adopted child or illegitimate child of any person shall be deemed to be his or her lineal descendant, or such person(s) as the Directors may approve (with the consent of a majority of the Special Directors)
Qualified Listing	a Listing which (1) raises gross proceeds for the Company of £35,000,000 or more and (2) where the offer price per share at which new shares are offered by the Company to be subscribed by investors in connection with such Listing is not less "Y" multiplied by three, where "Y" is the offer price for each new share offered in connection with such Listing which is (having regard to any reorganisation of the Company's share capital since Adoption, including any bonus or capitalisation issue, sub-division or consolidation) would be equivalent to the

Subscription Price per B Ordinary Share paid by the Investors for each B Ordinary Share subscribed by the Investors pursuant to the Investment Agreement; and (3) which Listing if made under the Securities Act is made under Form F1 of Regulation 1 of the Securities Act (or, if not made under the Securities Act, is made on terms considered by an Investor Majority to be reasonably similar to Form F1 of Regulation 1 of the Securities Act or otherwise acceptable to such Investor Majority)

Recognised Investment Exchange

a recognised investment exchange as defined by section 285 of the Financial Services and Markets Act 2000 (and including, without limitation, the Official List of the London Stock Exchange plc, NASDAQ Europe, the Alternative Investment Market of the London Stock Exchange plc and NASDAQ)

Relevant Equity Security

any share in the share capital of the Company from time to time, or any other security, agreement or instrument which contains or provides for any right to subscribe or exchange for, convert into or otherwise call for any issue of any share(s) in the capital of the Company from time to time

Relevant Executive

a director or employee of, or a consultant to, the Company or any Subsidiary of the Company

Relevant Member

a member who is a Relevant Executive, or a member who shall have acquired shares directly or indirectly from a Relevant Executive pursuant to one or more Permitted Transfers under article 11.1.2 or 11.1.3 (including where such shares were subscribed by such member and that member would have been entitled to receive a Permitted Transfer from the Relevant Executive under article 11.1.3)

the Relevant Shares

(so far as the same remain for the time being held by the trustees of any Family Trusts or by any Transferee Company) the shares originally acquired by such trustees or Transferee Company and any additional shares issued to such trustees or transferee Company by way of capitalisation or acquired by such trustees or

	Transferee Company in exercise of any right or option granted or arising by virtue of the holding of such shares or any of them or the membership thereby conferred
Remuneration Committee	has the meaning given in the Investment Agreement
Sale	(1) a Business Sale; or (2) a sale of the whole or any part of the issued share capital of the Company to any person resulting in that person together with any person acting in concert (within the meaning given in the City Code on Takeovers and Mergers as in force at the date of the Adoption) with such person holding a Controlling Interest in the Company
Securities Act	the United States of America's Securities Act of 1933 as amended
Service Agreement	includes any written or other contract of employment or for services
Shares	A Ordinary Shares, B Ordinary Shares and Ordinary Shares
Special Director Majority	a majority in number of the Special Directors (including at least one A Ordinary Special Director in such majority) unless no Special Director holds office in which case Special Director Majority shall mean an Investor Majority
Special Directors	those directors of the Company appointed pursuant to article 21
Subscription Price	in relation to any share, the amount paid up or credited as paid up thereon (including the full amount of any premium at which such share was issued whether or not such premium is applied for any purpose thereafter)
Subsidiary	has the meaning given in the Act
Transferee Company	a company for the time being holding shares in consequence, directly or indirectly, of a transfer or series of transfers of shares between Members of the same Group (the relevant Transferor Company in the case of a series of

such transfers being the first transferor in such series)

Transferor Company a company (other than a Transferee Company) which has transferred or proposes to transfer shares to a member of its Group

Transfer Notice a notice in accordance with article 12 that a member desires to transfer his shares

2 SHARES CAPITAL

The authorised share capital of the Company at the date of Adoption is £100,000 divided into 1,500,000 A Ordinary Shares of 1 pence each, 6,500,000 B Ordinary Shares of 1 pence each and 2,000,000 Ordinary Shares of 1 pence each.

3 DIVIDENDS

3.1 The provisions of this article 3 shall at all times be subject to the Act.

3.2 The profits of the Company available for distribution shall be used to pay dividends of such amounts as the Directors may determine and recommend to the members of the Company.

3.3 Notwithstanding article 3.2, the profits of the Company available for distribution shall be used to pay dividends in the following order of priority:

(a) first in paying to the holders of B Ordinary Shares a fixed cumulative preferential dividend (the "**B Ordinary Preference Dividend**") at the rate of 8 per cent. per annum which shall accrue (whether or not declared, resolved or approved) from the date of Completion on a daily basis on the Subscription Price of each B Ordinary Share (and which, for the avoidance of doubt, to the extent not actually paid shall be a dividend Arrear in respect of the B Ordinary Shares regardless of whether such amount is then payable) and payable in full immediately prior to a Liquidation Event (or, if earlier, a Listing (and in respect of a Qualified Listing the payment of the B Ordinary Preference Dividend shall be satisfied by the issue of Ordinary Shares in accordance with article 5.11));

(b) second, as from 26 June 2008 (and not before), in paying to the holders of A Ordinary Shares, a fixed cumulative preferential dividend (the "**A Ordinary Preference Dividend**") at the rate of 8 per cent. per annum which shall accrue (whether or not declared, resolved or approved) from 26 June 2008 on a daily basis on the Subscription Price for such A Ordinary Shares (and which, for the avoidance of doubt, to the extent not actually paid shall be a dividend Arrear in respect of the A Ordinary Shares regardless of whether such amount is then payable), and payable half-yearly in arrears on 30 June and on 31 December in each year provided the A Ordinary Preference Dividend shall cease to accrue on the day following the day on which the

aggregate of all A Ordinary Preference Dividends accrued (whether actually paid or not) in respect of all A Ordinary Shares is equal to £13,000,000.

- (c) third, in paying dividends to the holders of A Ordinary Shares, B Ordinary Shares and Ordinary Shares.
- 3.4** No dividend shall be payable on the A Ordinary Shares in respect of any financial year unless on the proposed payment date each of the following conditions is satisfied:
- (a) there are no dividend Arrears in respect of B Ordinary Shares (whether or not such Arrears are then payable or are debts due by the Company); and
 - (b) all B Ordinary Shares which have fallen due for redemption pursuant to article 10 have been redeemed in accordance with these Articles.
- 3.5** No dividend shall be payable on the Ordinary Shares in respect of any financial year unless on the proposed payment date each of the following conditions is satisfied:
- (a) there are no dividend Arrears in respect of B Ordinary Shares and/or A Ordinary Shares (whether or not such Arrears are then payable or are debts due by the Company); and
 - (b) all B Ordinary Shares which have fallen due for redemption pursuant to article 10 have been redeemed in accordance with these Articles.
- 3.6** Every dividend shall be distributed to the appropriate shareholders pro rata according to the number of Shares held by them respectively.
- 3.7** All dividends are expressed net and shall be paid in cash (save as required by any rule, law or regulation applicable to any such payment and in respect of which the Company is obliged to make any deduction or withholding).
- 3.8** The A Ordinary Preference Dividend and the B Ordinary Preference Dividend are each cumulative.
- 3.9** The A Ordinary Preference Dividend and the B Ordinary Preference Dividend shall each to the extent the Company has on their respective payment dates profits available for distribution, automatically be a debt due by the Company and shall be paid immediately on those dates.
- 3.10** If any dividend Arrears arise and are due for payment the dividend Arrears shall, to the extent the Company has profits available for distribution, automatically be a debt due by the Company and shall be paid immediately.
- 3.11** Payments of the A Ordinary Preference Dividend and the B Ordinary Preference Dividend (or any part of them) shall be made notwithstanding:
- (a) regulations 102 to 108 (inclusive) of Table A;

- (b) any other provision of these Articles (other than this article 3); and
- (c) that there has not been a recommendation of the directors or a resolution of the Company in general meeting.

3.12 The Company shall procure that each of its Subsidiaries and, so far as it is able, each of its subsidiary undertakings (as defined in the Act) which has profits available for distribution shall from time to time declare and pay to the Company such dividends to the extent possible as are necessary to permit lawful and prompt payment by the Company of any Arrears or amounts payable to the Holders of any class of Share, in accordance with these Articles.

4 DISTRIBUTION ON A LIQUIDATION EVENT

4.1 If at the time of a Liquidation Event all or any part of the Bridge Loan Advance has not been converted into shares or repaid pursuant to the Bridge Loan Agreement, then the assets of the Company remaining after the payment of its liabilities or the proceeds of such Sale (as the case may be) shall be applied first in repaying the Investors an amount equal to 125% (one hundred and twenty five per cent) of the amount advanced by such Investor under the Bridge Loan Agreement plus all accrued interest and articles 4.2 and 4.3 shall be deemed to be amended accordingly.

4.2 Subject to articles 4.1 and 4.3, on a Liquidation Event, the assets of the Company remaining after the payment of its liabilities or the proceeds of such Sale (as the case may be), shall be applied amongst the Holders of Shares (or in the case of a Sale (other than a Business Sale) amongst the Holders of Shares transferred as part of such Sale) in the following order of priority:

4.2.1 first, in paying to the Holders of the B Ordinary Shares in respect of their holdings of such shares *pari passu* and *pro rata* as to the number of such shares held, an amount equal to the Subscription Price of such B Ordinary Shares (save that in the case of a Sale (other than a Business Sale) such payment shall only be made in respect of such Shares transferred as part of such Sale);

4.2.2 second, in paying to the Holders of B Ordinary Shares in respect of their holdings of such shares *pari passu* and *pro rata* as to the number of such shares held, an amount equal to any accrued but unpaid dividend Arrears thereon (save that in the case of a Sale (other than a Business Sale) such payment shall only be made in respect of such Shares transferred as part of such Sale);

4.2.3 third, in paying to the holders of A Ordinary Shares in respect of their holdings of such shares *pari passu* and *pro rata* as to the number of such shares held, an amount equal to the Subscription Price of such A Ordinary Shares (save that in the case of a Sale (other than a Business Sale) such

payment shall only be made in respect of such Shares transferred as part of such Sale);

- 4.2.4 fourth, in paying to the holders of A Ordinary Shares in respect of their holdings of such shares *pari passu* and *pro rata* as to the number of such shares held, an amount equal to any accrued but unpaid dividend Arrears thereon (save that in the case of a Sale (other than a Business Sale) such payment shall only be made in respect of such Shares transferred as part of such Sale); and
- 4.2.5 fifth, in paying the balance, if any, to the holders of B Ordinary Shares, A Ordinary Shares and Ordinary Shares *pro rata* to the number of shares of all such classes held by such persons.
- 4.3 Subject to article 4.1, in the event of a Sale which is a sale of the entire issued share capital of the Company or a Business Sale, and the proceeds of which are not less than the Minimum Proceeds then, notwithstanding the provisions of article 4.2, the proceeds of such Sale shall (subject to the prior payment in full of all dividend Arrears) be paid to the Holders of Shares *pro rata* to the number of Shares held by such persons.
- 4.4 For the avoidance of doubt, the Holders of A Ordinary Shares and/or B Ordinary Shares may exercise their respective rights to convert such Shares into Ordinary Shares pursuant to article 5 prior to any distribution pursuant to articles 4.12 or 4.3 and, for the avoidance of doubt, any Ordinary Shares created on such conversion shall rank *pari passu* with all existing Ordinary Shares for the purposes of this article 4.

5 CONVERSION

B Ordinary Shares

- 5.1 Each holder of B Ordinary Shares may at any time, and must where specified in the Bridge Loan Agreement, convert all, or any part of, its holding of B Ordinary Shares into a number of Ordinary Shares calculated as follows:

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

W = the applicable Conversion Ratio (excluding for the purposes of such calculation any issue of shares pursuant to article 5.11)

X = the aggregate nominal value of the B Ordinary Shares to be converted,

Y = the nominal value of one Ordinary Share,

Z = the number of Ordinary Shares into which the B Ordinary Shares to be so converted shall so convert.

Such right of conversion may be affected by notice in writing given to the Company signed by the Holder of the relevant B Ordinary Shares.

- 5.2** All of the B Ordinary Shares in issue (or in respect of which the Company has granted a right to subscribe) shall automatically be converted into a number of Ordinary Shares calculated in accordance with article 5.1 immediately prior to a Qualified Listing.
- 5.3** A conversion under article 5.1 shall take effect immediately upon the date of delivery of a notice to the Company in accordance therewith (unless such notice states that the conversion is to be effective when any condition(s) specified in the notice have been fulfilled in which case conversion shall take effect when such condition(s) have been fulfilled). A conversion under article 5.2 shall take effect immediately prior to the relevant Qualified Listing.
- 5.4** Forthwith upon a conversion taking effect the Holders of the resulting Ordinary Shares shall send to the Company the certificates in respect of their respective holdings of B Ordinary Shares. Following receipt of the certificate for the B Ordinary Shares or an indemnity in favour of the Company in respect of a lost certificate, the Company shall issue to such holders certificates for the Ordinary Shares resulting from the relevant conversion.

A Ordinary Shares

- 5.5** Each holder of A Ordinary Shares may at any time, and must where specified in the Bridge Loan Agreement, convert all, or any part of, its holding of A Ordinary Shares into a number of Ordinary Shares calculated as follows:

$$\left(\frac{WxX}{Y} \right) = Z$$

W = the applicable Conversion Ratio (excluding for the purposes of such calculation any issue of shares pursuant to article 5.11)

X = the aggregate nominal value of the A Ordinary Shares to be converted,

Y = the nominal value of one Ordinary Share,

Z = the number of Ordinary Shares into which the A Ordinary Shares to be so converted shall so convert.

Such right of conversion may be affected by notice in writing given to the Company signed by the Holder of the relevant A Ordinary Shares.

- 5.6 All of the A Ordinary Shares in issue (or in respect of which the Company has granted a right to subscribe) shall automatically be converted into a number of Ordinary Shares calculated in accordance with article 5.5 immediately prior to a Qualified Listing.
- 5.7 A conversion under article 5.5 shall take effect immediately upon the date of delivery of a notice to the Company in accordance therewith (unless such notice states that the conversion is to be effective when any condition(s) specified in the notice have been fulfilled in which case conversion shall take effect when such condition(s) have been fulfilled). A conversion under article 5.6 shall take effect immediately prior to the relevant Qualified Listing.
- 5.8 Forthwith upon a conversion taking effect the Holders of the resulting Ordinary Shares shall send to the Company the certificates in respect of their respective holdings of A Ordinary Shares. Following receipt of the certificate for the A Ordinary Shares or an indemnity in favour of the Company in respect of a lost certificate, the Company shall issue to such holders certificates for the Ordinary Shares resulting from the relevant conversion.

General

- 5.9 The Ordinary Shares resulting from a conversion pursuant to this article 5 shall rank from the date of conversion *pari passu* in all respects with the other Ordinary Shares in the Company.
- 5.10 Nothing in this article 5 shall entitle any person to any fraction of any Share and any such balancing fraction of a share shall be disregarded and may be otherwise applied by the Company at the discretion of the Directors in accordance with the Act.
- 5.11 Immediately upon a conversion pursuant to articles 5.1, 5.2, 5.5 and/or 5.6, all dividend Arrears in respect of all A Ordinary Shares and/or B Ordinary Shares (as the case may be) to be so converted shall be capitalised into Ordinary Shares which Ordinary Shares the Company shall immediately allot and issue (together with share certificates in respect thereof) to the Holders of A Ordinary Shares and/or B Ordinary Shares. The number of Ordinary Shares to be so allotted and issued to each such Holder (the "**Relevant Holder**") shall be calculated as follows:

$$J = \frac{K}{L}$$

- J = number of Ordinary Shares to be issued to the Relevant Holder,
- K = the aggregate of all dividend Arrears in respect of all A Ordinary Shares and B Ordinary Shares to be so converted and held by the Relevant Holder,
- L = the Subscription Price per Ordinary Share which (having regard to any reorganisation of the Company's share capital since Adoption,

including any bonus or capitalisation issue, sub-division or consolaion) would be equivalent to the Subscription Price per B Ordinary Share paid by the Investors for each B Ordinary Share subscribed by the Investors pursuant to the Investment Agreement, or, if lower and in the event of a conversion pursuant to articles 5.2 or 5.6 (but not otherwise) the offer price for each new share offered by the Company to be subscribed by investors in connection with the relevant Qualified Listing.

If the number, J, calculated in accordance with this article 5.11 is not a whole number, the number of Ordinary Shares to be actually issued and allotted by the Company to the Relevant Holder in respect of a capitalisation of the aggregate of all dividend Arrears in respect of all A Ordinary Shares and B Ordinary Shares held by the Relevant Holder shall be such whole number as is closest to, but less than, J (and the balancing fraction of a share shall be disregarded and any corresponding dividend Arrears shall cease to be payable).

- 5.12** Any conversion of A Ordinary Shares and/or B Ordinary Shares (or any dividend Arrears thereon) into Ordinary Shares pursuant to this article 5 shall be effected in such manner as the Directors and as the law may allow.
- 5.13** In the event of a Capitalisation Issue the Conversion Ratio shall be adjusted in such manner as is determined by the Auditors (acting as experts and not as arbitrators) (at the cost of the Company) to be fair and reasonable.

6 CLASS RIGHTS

- 6.1** Whenever the capital of the Company is divided into different classes of shares the special rights attached to any class may (subject to the Act, and in particular section 125(3) of the Act) be varied or abrogated either whilst the Company is a going concern or during or in contemplation of a winding up, only with the consent in writing of the holders of not less than 60% of the issued shares of that class.

Without prejudice to the generality of this article 6.1 the special rights attached to the B Ordinary Shares shall be deemed to be varied by the Company and/or any Subsidiary of the Company:

- (a) the amending its memorandum of association or articles of association; or
- (b) varying in any way (whether directly or indirectly) the rights attached to any of the shares in the capital of such company from time to time (other than pursuant to a conversion in accordance with article 5);
- (c) the capitalising of any reserves of such company or the applying of any amount for the time being standing to the credit of the share premium account or capital redemption reserve of such company for any purpose; or
- (d) any alteration, increase, reduction, sub-division, cancellation, purchase, or consolidation of the whole or part of the authorised or issued share capital of

such company (other than the granting of options and the issue of shares pursuant to the Share Option Scheme Rules (as defined in the Investment Agreement)); or

- (e) any such company ceasing to trade or the taking of steps for the voluntary winding up of any such company or the placing of any such company in administration or the taking of similar proceedings in respect of any such company, save where such company or the Board has been advised that such company is insolvent or in the reasonable opinion of the Board there is no reasonable prospect of such company avoiding insolvency; or
- (f) disposing of its undertaking or any substantial part thereof; or
- (g) disposing of or acquiring any interest in any share in the capital of any company.

6.2 Sections 89 and 90 of the Act shall apply to the Company as though the Shares constitute one class of share but the special rights attached to each of the A Ordinary Shares and B Ordinary Shares shall be deemed to be varied by any disapplication, exclusion, limitation or variation of the provisions of Section 89 of the Act.

6.3 Any issue of Relevant Equity Securities by the Company shall be deemed not to vary or abrogate the rights attaching to A Ordinary Shares (as a class) and/or Ordinary Shares (as a class).

7 VOTING

7.1 Subject to any special rights or restrictions as to voting attached to any shares by or in accordance with these articles:

7.1.1 each Ordinary Share shall carry one vote per Share;

7.1.2 each A Ordinary Share shall carry one vote per Shares (save in the event that the applicable Conversion Ratio is greater than 1, in which event the number of votes carried by each A Ordinary Shares shall be equal to 1 multiplied by the applicable Conversion Ratio); and

7.1.3 each B Ordinary Share shall carry one vote per Shares (save in the event that the applicable Conversion Ratio is greater than 1, in which event the number of votes carried by each B Ordinary Shares shall be equal to 1 multiplied by the applicable Conversion Ratio).

7.2 Votes on Shares may be exercised:

7.2.1 on a show of hands, by every member who (being an individual) is present in person or by proxy or (being a corporation) is present by a representative or by proxy, not being himself a member (in which case each member holding Shares shall have one vote); and

- 7.2.2 on a poll, by every member who (being an individual) is present in person or by proxy or (being a corporation) is present by a representative or by a proxy (in which case each member holding Shares shall have such number of votes attributable to the Shares so held calculated by reference to article 7.1).

8 ISSUE OF SHARES

Subject always to the provisions of the Act, the Investment Agreement and these Articles having been duly and properly complied with:

8.1 Section 80 authority to allot

The Directors shall be generally and unconditionally authorised pursuant to and in accordance with section 80 of the Act to exercise all the powers of the Company for each Authority period to allot relevant securities up to an aggregate nominal amount equal to the Authority Amount.

8.2 Section 95 disapplication of section 89

During each Authority Period the Directors shall be empowered pursuant to section 95 of the Act to allot equity securities wholly for cash pursuant to and within the terms of the general authority conferred by article 8.1, as if section 89(1) of the Act did not apply to that allotment.

8.3 Authority to make offers or agreements which might require allotment after section 80 authority has expired

By the authority and power conferred by articles 8.1 and 8.2, the Directors may, during the Authority Period, make offers or agreements which would or might require the allotment of equity securities or other relevant securities after such period expires and in such circumstances the Directors may allot securities in pursuant of that offer or agreement as if such authority and power had not expired.

9 ANTI DILUTION AND PRE-EMPTION

- 9.1 In the event that the Company proposes to issue (a “**Relevant Issue**”) any Relevant Equity Securities after Adoption (other than pursuant to (i) any option granted in accordance with the terms of any share option scheme adopted by the Company in accordance and in compliance with the Investment Agreement, (ii) any option to subscribe for Shares existing as at the date of Adoption, (iii) any option granted to any lending and/or venture capital institutions that provide finance to the Company granted in accordance and in compliance with the Investment Agreement, (iv) any conversion of all or part of the Bridge Loan Advance or accrued interest pursuant to the Bridge Loan Agreement, or (v) the exercise of any warrants issued pursuant to the Bridge Loan Agreement) at a Subscription Price per Share (or in the case of the issue of a Relevant Equity Security, other than a Share, which provides for any right to subscribe or exchange for, convert into or otherwise call for any issue of any share(s) in the capital of the Company from time to time, the Subscription Price of any such

share to be so issued) (in each case, the “**Third Party Price**”) less than the price which (having regard to any reorganisation of Company’s share capital since Adoption, including any bonus or capitalisation issue, sub-division or consolidation) would be equivalent to the Subscription Price per B Ordinary Share paid by the Investors for each B Ordinary Share subscribed by the Investors pursuant to the Investment Agreement, THEN the Company shall procure (to the extent that it is lawfully able to do so) the issue to the Holders of B Ordinary Shares by way of capitalisation of the Company’s share premium account or otherwise in accordance with all applicable laws (and in a manner approved by an Investor Majority (such consent not to be unreasonably withheld or delayed)) in respect of any B Ordinary Shares held by them of such number of additional B Ordinary Shares calculated as follows:

$$X = \frac{FR + WA}{2}$$

X = the actual number of additional B Ordinary Shares to be issued to the relevant Holder of B Ordinary Shares pursuant to this article 9.1,

FR = (full ratchet) such number of additional B Ordinary Shares which if issued to a holder of B Ordinary Shares would result in such Holder of B Ordinary Shares holding in aggregate such number of B Ordinary Shares as would otherwise be held if the Subscription Price per B Ordinary Share paid by the Investors for each B Ordinary Share subscribed by the Investors pursuant to the Investment Agreement was the same as the relevant Third Party Price,

WA = (weighted average) such number of additional B Ordinary Shares which if issued to a holder of B Ordinary Shares would result in such Holder of B Ordinary Shares holding in aggregate such number of B Ordinary Shares as would otherwise be held if the Subscription Price per B Ordinary Share paid by the Investors pursuant to the Investment Agreement was the same as the relevant Weighted Average Price.

$$\text{Weighted Average Price} = \frac{P_1 Q_1 + P_2 Q_2}{Q_1 + Q_2}$$

P₁ = the Subscription Price per B Ordinary Share actually paid by the Investors pursuant to the Investment Agreement,

P₂ = the relevant Third Party Price,

Q₁ = the number of B Ordinary Shares actually subscribed by the Investors pursuant to the Investment Agreement,

Q₂ = the number of Shares issued by the Company pursuant to the Relevant Issue and/or the number of Shares which the Company may be required to issue if all rights to call for the issue of Shares pursuant to

the Relevant Equity Securities proposed to be issued pursuant to the Relevant Issue were exercised in full (regardless of whether such rights are then exercisable) so as to maximise the number of Shares to be so issued (and in respect of any Relevant Equity Security conferring a right to call for the issue of an indeterminate number of Shares, the maximum number of Shares reasonably likely to be issued pursuant thereto).

In the event of a Capitalisation Issue and/or redomination of the whole or any part of the issued share capital of the Company the number Q_1 and/or price P_1 shall (for the purposes of calculating the Weighted Average Price) be adjusted in such manner as is determined by the Auditors (acting as experts and not as arbitrators) (at the cost of the Company) to be fair and reasonable.

- 9.2 In addition to the rights conferred pursuant to article 9.1, and taking account of any issue of Shares to be made pursuant to article 9.1 (if any) as a result of the Further Funding Round referred to in this article 9.2, if at any time after Adoption the Company issues Relevant Equity Securities as part of a Further Funding Round each Holder of B Ordinary Shares and A Ordinary Shares shall have the right to subscribe (or to nominate a Permitted Transferee(s) of such Holder to so subscribe), on the same terms (including, without limitation, as to price) as offered to the relevant third party/parties as part of such Further Funding Round, for further Relevant Equity Securities to be issued as part of the relevant Further Funding Round up to a maximum number of further Relevant Equity Securities equal to the Relevant Percentage of all Relevant Equity Securities to be issued as part of such Further Funding Round (including any Relevant Equity Securities to be issued pursuant to an exercise of the rights conferred by this article 9.2).

For the purposes of this article 9.2, “**Relevant Percentage**” shall mean the percentage of the entire issued share capital of the Company held by the relevant Holder prior to the issue of Relevant Equity Securities as part of the Further Funding Round (but including any issue of B Ordinary Shares to be issued pursuant to article 9.1 in connection with such relevant Further Funding Round) and calculated on the assumption that all A Ordinary Shares and B Ordinary Shares convert into Ordinary Shares at the then applicable Conversion Ratio and all rights to call for the issue of Shares pursuant to all Relevant Equity Securities then in issue are exercised in full (regardless of whether such rights are then exercisable) so as to maximise the number of Shares in issue (and in respect of any Relevant Equity Security conferring a right to call for the issue of an indeterminate maximum number of Shares, the maximum number of Shares reasonably likely to be issued pursuant thereto).

- 9.3 In the event that a Holder of B Ordinary Shares (or a nominated Permitted Transferee of such Holder) does not take up in full those rights conferred on it pursuant to article 9.2 at the time of the relevant Further Funding Round then the rights conferred on such Holder pursuant to article 9.1 (*anti-dilution rights*) of in respect of the B Ordinary Shares held by such Holder as at the date of completion of the relevant Further Funding Round shall cease to apply with effect from completion of the relevant Further Funding Round (but, for the avoidance of doubt, without prejudice to

the rights conferred on B Ordinary Shares held by such Holder to be issued further B Ordinary Shares pursuant to article 9.1 in respect of the relevant Further Funding Round) if and for so long as such B Ordinary Shares (the “**Disenfranchised Shares**”) remain held by such Holder and/or its Permitted Transferees.

The Company shall record in the statutory books of the Company the details of any Disenfranchised Shares and any notice given to the Company of any transfer of such Disenfranchised Shares shall clearly identify any such shares as being Disenfranchised Shares.

- 9.4 Nothing in this article 9 shall entitle any person to any right in respect of any fraction of a Share.

10 **REDEMPTION**

- 10.1 On or at any time after the fifth anniversary of Adoption, any Holder of B Ordinary Shares (a “**Redeeming Shareholder**”) may by written notice (a “**Redemption Notice**”) served on the Company require that the Company redeem some or all of the B Ordinary Shares held by such Redeeming Shareholder (a “**B Ordinary Redemption**”).

- 10.2 A Redemption Notice must state:

- 10.2.1 the name of the Redeeming Shareholder;
- 10.2.2 the number of B Ordinary Shares held by the Redeeming Shareholder;
- 10.2.3 the number of B Ordinary Shares (the “**Redemption Shares**”) to be the subject of the relevant B Ordinary Redemption; and
- 10.2.4 details of the bank, account number, sort code, account name and bank address of the account (the “**Relevant Bank Account**”) to which the monies to be paid by the Company in respect of the B Ordinary Redemption of the Redemption Shares shall be remitted.

A Redemption Notice shall be accompanied by the share certificate in respect of the Redemption Shares (or an indemnity in a form reasonably acceptable to the Directors given by the Redeeming Shareholder to the Company and its offices in respect of any lost or destroyed share certificate in respect of the Redemption Shares).

- 10.3 The Company shall forthwith (and in any event within 5 Business Days) upon receipt of a valid Redemption Notice, redeem the Redemption Shares by payment in cash in cleared funds to the Relevant Bank Account of an amount equal to the Subscription Price of the Redemption Shares plus an amount equal to all dividend Arrears (notwithstanding the non-occurrence of a Liquidation Event or Listing on or prior to the date of redemption) in respect of the Redemption Shares (together the “**Redemption Monies**”).

10.4 To the extent that the Company does not make payment of the Redemption Monies in accordance with article 10.3:

- (a) the Redemption Monies shall accrue interest on a daily basis at the rate of 12 per cent. per annum from the fifth Business Day after the receipt by the Company of the valid Redemption Notice until the date of actual payment;
- (b) all Redemption Monies (and accrued interest) shall be immediately due and payable as a debt owed by the Company to the Redeeming Shareholder; and
- (c) no distribution of assets or payment of any dividend may be made by the Company without the prior written consent of the Redeeming Shareholder until such Redemption Monies (and interest accrued pursuant to article 10.4(a)) have been paid in full.

10.5 Subject to the Act, and provided it is a private company, the Company shall be authorised to make a payment in respect of the redemption or purchase of any of its own shares otherwise than out of distributable profits of the Company or the proceeds of a fresh issue of shares.

11 TRANSFER OF SHARES

11.1 Subject to the provisions of article 24 any shares (other than shares in respect of which the Holder shall have been required by the Directors under these Articles to give a Transfer Notice or shall have been deemed to have given a Transfer Notice) may at any time be transferred:

- 11.1.1** to any person with the prior consent in writing of Holders of Shares entitled to cast 90% of the votes exercisable on a poll at a general meeting of the Company (which consent may be granted unconditionally or subject to terms or conditions and in the latter case any share so transferred shall be held subject to such terms and conditions as notified in writing to the transferee prior to registration of the transfer); or
- 11.1.2** by any individual member (not being, in relation to the Shares concerned, a Holder thereof as a trustee of any Family Trusts) to a Privileged Relation of such member; or
- 11.1.3** by any such individual member to trustees to be held upon Family Trusts related to such individual member; or
- 11.1.4** by any member being a company (not being in relation to the Shares concerned a Holder thereof as a trustee of any Family Trusts) to a member of its Group; or
- 11.1.5** by any person entitled to shares in consequence of the death or bankruptcy of an individual member to any person or trustee to whom such individual member, if not dead or bankrupt, would be permitted hereunder to transfer the same; or

11.1.6 by a Holder of A Ordinary Shares or B Ordinary Shares which is an Investment Fund or by its trustee, custodian or nominee or by KKLf:

- (a) to any trustee, nominee or custodian for such fund and by any trustee, nominee or custodian back to such fund;
- (b) to any unit holder, shareholder, partner, participant, manager or adviser (or an employee of such manager or adviser) in or of any such fund;
- (c) to any other Investment Fund, or its trustee, nominee or custodian, managed or advised by the same manager or adviser as any such fund; or
- (d) to a trustee, nominee, custodian of, or to a member of the same Group as any of the persons referred to in sub-paragraphs (a) (b) or (c) of article 11.1.6.

11.2 Where shares have been issued to trustees of Family Trusts or transferred under article 11.1 or under paragraphs 11.2.1 or 11.2.2 of this article to trustees of Family Trusts, the trustees and their successors in office may (subject to the provisions of article 11.1) transfer all or any of the Relevant Shares:

11.2.1 to the trustees for the time being of the Family Trust concerned on any change of trustees;

11.2.2 to the trustees for the time being of any other trusts being Family Trusts in relation to the same individual member or deceased or former member pursuant to the terms of such Family Trusts or to any discretion vested in the trustees thereof or any other person; or

11.2.3 to the Relevant Member or former member or any Privileged Relation of the Relevant Member or deceased or former member who has thereby become entitled to the shares proposed to be transferred on the total or partial termination of or pursuant to the terms of the Family Trusts concerned or in consequence of the exercise of any such power or discretion as aforesaid.

11.3 If and whenever any of the Relevant Shares come to be held otherwise than upon Family Trusts, except in circumstances where a transfer thereof is authorised pursuant to article 11.2 to be and is to be made to the person or persons entitled thereto, it shall be the duty of the trustees holding such shares to notify the Directors in writing that such event has occurred and the trustees shall be bound, if and when required in writing by the Directors so to do, to give a Transfer Notice in respect of the shares concerned.

11.4 If a person to whom shares have been transferred pursuant to article 11.1.2 shall cease to be a Privileged Relation, it shall be the duty of such person who has so ceased to be a Privileged Relation to notify the Directors in writing that such event has

occurred and such person shall be bound, if and when required in writing by the Directors so to do, to give a Transfer Notice in respect of the shares concerned.

- 11.5 If a Transferee Company ceases to be a member of the Transferor Company's Group from which (whether directly or by a series of transfers under article 11.1.4) the Relevant Shares derived, it shall be the duty of the Transferee Company to notify the Directors in writing that such event has occurred and (unless the Relevant Shares are thereupon transferred to the Transferor Company or a member of the Transferor Company's Group, any such transfer being deemed to be authorised under the foregoing provisions of this article) the Transferee Company shall be bound, if and when required in writing by the Directors so to do, to give a Transfer Notice in respect of the Relevant Shares.

12 PRE-EMPTION ON TRANSFER

- 12.1 Except in the case of a Permitted Transfer or a transfer pursuant to article 15.3, the right to transfer shares or any interest in shares in the Company shall be subject to the following restrictions and provisions. References in this article 12 to transferring shares or Sale Shares (as defined below) shall include any interest in and grant of contractual rights or options over or in respect of shares.
- 12.2 Any person (the "Proposing Transferor") proposing to transfer any shares in the capital of the Company (the "Sale Shares") shall be required before effecting, or purporting to effect the transfer, to give a notice in writing to the Company that he desires to transfer the Sale Shares and shall state in the Transfer Notice the Identity of the person (if known) to whom the Proposing Transferor desires to transfer the beneficial interest in the Sale Shares. The Transfer Notice shall constitute the Company his agent for the sale of the Sale Shares (together with all rights then attached thereto) at the Prescribed Price (as determined in accordance with articles 12.3 and/or 12.4) during the Prescribed Period (as defined in article 12.5) to any member or to any other person selected or approved by the Directors on the basis set out in the following provisions of these Articles and shall include such other details known to the Proposing Transferor of the proposed transfer as the Directors may in their absolute discretion determine and shall not be revocable except with the consent of the Directors or if some of the Sale Shares are A Ordinary Shares and/or B Ordinary Shares and there is a subsequent Transfer Notice given by a Holder of Ordinary Shares that requires an offer to be made pursuant to article 12.11.3 during the Prescribed Period for such Sale Shares, then the Holder of such Sale Shares shall be entitled to revoke his Transfer Notice in part or in its entirety forthwith upon giving written notice to the Company at any time during the Prescribed Period.
- 12.3 The Prescribed Price (subject to the deduction therefrom where the Prescribed Price has been agreed with the Directors of any dividend or other distribution declared or made after such agreement and prior to the date on which the Transfer Notice was given or deemed to have been given (the "Notice Date")) shall be:

- 12.3.1** the price per Sale Share agreed in writing not more than one month before the Notice Date between the Proposing Transferor and the Directors as representing the market value thereof; or
- 12.3.2** if no such agreement has been reached by the Notice Date, the price contained in a bona fide offer received from a third party by the Proposing Transferor not more than one month before the Notice Date and which remains open for acceptance in respect of the Sale Shares until at least seven days after the last date for compliance with the pre-emption provisions contained in this article 12 (but subject to the right of the Directors to satisfy themselves that such offer is bona fide, for the consideration stated in the offer without any deduction, rebate or allowance whatsoever to the purchaser or other arrangement or agreement and so open for acceptance).
- 12.4** If, prior to the Notice Date, the Prescribed Price shall not have been agreed or determined in accordance with article 12.3, upon the giving of the Transfer Notice the Directors shall refer the matter to the Auditors and the Auditors shall determine and certify the sum per share considered in their opinion to be the market value thereof as at the Notice Date and the sum per share so determined and certified shall be the Prescribed Price. The Auditors shall act hereunder at the cost and expense of the Company as experts and not as arbitrators and their determination shall (in the absence of fraud or manifest error) be final and binding on all persons concerned and, in the absence of fraud, they shall be under no liability to any such person by reason of their determination or certificate or by anything done or omitted to be done by them for the purpose thereof or in connection therewith.
- 12.5** If the Prescribed Price was agreed as provided in article 12.3, the Prescribed Period shall commence on the Notice Date and expire 12 weeks thereafter. If the Prescribed Price is to be determined in accordance with article 12.4, the Prescribed Period shall commence on the Notice Date and shall expire two months after the date on which the Auditors shall have notified the Directors of their determination of the Prescribed Price. Pending such determination the Directors shall defer the making of the offer mentioned in article 12.7.
- 12.6** Subject to the Company complying with all applicable laws, all shares included in any Transfer Notice shall be offered to the Company (or a nominee of the Company) for purchase at the Prescribed Price. The Company (or a nominee of the Company) may elect (with the consent of an Investor Majority) by notice in writing to the Proposing Transferor at any time prior to offering shares to the members of the Company pursuant to article 12.7 to so acquire some or all such shares.
- 12.7** All shares (less any shares to be acquired by the Company (or a nominee of the Company) pursuant to article 12.6) included in any Transfer Notice shall by notice in writing be offered by the Company as soon as reasonably practicable (subject to articles 12.5 and 12.6) to the Holders of A Ordinary Shares and Holders of B Ordinary Shares (other than the Holder of the Sale Shares) for purchase at the Prescribed Price on the terms that in case of competition the Sale Shares shall be sold

to the acceptors in proportion (as nearly as may be without involving fractions or increasing the number sold to any member beyond that applied for by him) to such offerees' existing holdings of shares. Such offer:

12.7.1 shall stipulate a time not exceeding 28 days within which it must be accepted or in default will lapse; and

12.7.2 may stipulate that any persons to whom such offer was made who desire to purchase a number of Sale Shares in excess of the proportion to which each is entitled shall in their acceptance state how many excess Sale Shares they wish to purchase and any shares not accepted by other persons to whom such offer was made shall be used for satisfying the requests for excess Sale Shares pro rata to the existing number of Shares held by such persons.

If the Company shall not within the period ending on the date which is 28 days after the Notice Date or, if later, 28 days after the date of determination of the Prescribed Price (the "**Relevant Date**") find a member or members of the Company willing to purchase all of the Sale Shares offered pursuant to article 12.7 it shall offer any unsold Sale Shares to the Holders of Ordinary Shares. Such offer shall be made in a similar manner to the offer to the Holders of A Ordinary Shares and Holders of B Ordinary Shares and the procedure of offer and acceptance in respect to the offer to the Holders of A Ordinary Shares and the Holders of B Ordinary Shares, shall apply mutatis mutandis to the offer so made to the Holders of Ordinary Shares.

12.8 Any shares not accepted by any persons pursuant to the foregoing provisions of these Articles and in particular under article 12.7 may be offered by the Directors to such persons as they may think fit for purchase at the Prescribed Price, provided that no shares in the Company may be sold to a person who is not then already a member, in the circumstances described in article 12.11.3, except in accordance with the provisions of that Article.

12.9 If the Company (or its nominees) shall elect to purchase Sale Shares pursuant to article 12.6 and/or if the Company shall within the Prescribed Period find members or such other persons as aforesaid (each such person being hereinafter called a "**Purchaser**") to purchase the Sale Shares or any of them and give notice in writing thereof to the Proposing Transferor he shall be bound, upon payment to him of the Prescribed Price, to transfer such shares to the respective Purchaser(s), provided that, if the Transfer Notice shall state that the Proposing Transferor is not willing to transfer some only of the Sale Shares (which he shall not be entitled to do if he is required by virtue of any provision of these Articles other than this article 12 to give a Transfer Notice), this provision shall not apply unless the Company shall have found purchasers for all of the Sale Shares. Every notice given by the Company under this article 12.9 shall state the name and address of each Purchaser and the number of Sale Shares agreed to be purchased by him and the purchase shall be completed at a place and time to be appointed by the Directors not being less than three days nor more than ten days after the date of the notice.

12.10 If a Proposing Transferor shall fail or refuse to transfer any Sale Shares to a Purchaser(s) hereunder the Directors may authorise some person to execute and deliver on his behalf the necessary transfer and the Company may receive the purchase money in trust for the Proposing Transferor and cause the Purchaser(s) to be registered as the Holder of such shares. The receipt of the Company for the purchase money shall constitute a good discharge to the Purchaser(s) (who shall not be bound to see to the application thereof) and after the Purchaser(s) has been registered in purported exercise of the aforesaid powers the validity of the proceedings shall not be questioned by any person. The Company shall not pay the purchase money to the Proposing Transferor until he shall have delivered his share certificate(s) or a suitable indemnity and the necessary transfers to the Company.

12.11 If the Company shall not within the Prescribed Period find Purchasers willing to purchase any or all of the Sale Shares and gives notice in writing thereof to the Proposing Transferor, or if the Company shall within the Prescribed Period give to the Proposing Transferor notice in writing that the Company has no prospect of finding Purchasers, the Proposing Transferor at any time during a period of 6 months after the end of the Prescribed Period shall be at liberty (subject only to the provisions of article 24) to transfer those Sale Shares for which the Company has not within the Prescribed Period given notice that it has found (or has given notice that it has no prospect of finding) Purchasers to any person by way of a bona fide sale at any price not being less than the Prescribed Price (after deducting, where appropriate, any dividend or other distribution declared or made after the date of the Transfer Notice and to be retained by the Proposing Transferor) provided that:

12.11.1 if the Transfer Notice shall state that the Proposing Transferor is not willing to transfer part only of the Sale Shares he shall only be entitled to transfer all the unsold Sale Shares under this Article; and

12.11.2 the Directors may require to be satisfied that the Sale Shares are being transferred under this Article pursuant to a bona fide sale for the consideration stated in the Transfer Notice without any deduction, rebate or allowance whatsoever to the purchaser and if not so satisfied may refuse to register the instrument of transfer; and

12.11.3 Ordinary Share Tag Along Right

in the case of any transfer (not being a Permitted Transfer) of Sale Shares which includes more than 10% in nominal amount of the Ordinary Shares held by the Proposing Transferor, other than a transfer by an Investor or a Permitted Transferee of such Investor, the Proposing Transferor will not sell any such Sale Shares under this Article unless the proposed purchaser(s) of such shares in relation to each other Holder of Ordinary Shares:

(a) shall have offered to purchase from each such other Holder (at the Prescribed Price, in the case of shares of the same class as the Sale Shares, and such price as shall be determined in accordance with

article 12.4, in the case of shares of a different class to the Sale Shares) such proportion of each class of share held by each such other Holder as is equal to the proportion which the Ordinary Shares being sold by the Proposing Transferor under this Article bears to the total holding of Ordinary Shares (including the shares to be sold) held by the Proposing Transferor; and

- (b) shall, in respect of any Holder of shares which wishes to take up the offer referred to in paragraph (a) above, acquire from such Holder the shares in question at the relevant price (in accordance with paragraph (a) above) simultaneously with the acquisition from the Proposing Transferor of the Sale Shares to be sold.

13 BARE NOMINEES

For the avoidance of doubt and without limitation, no share (other than any share so held on the date of the Investment Agreement) shall be held by any member as a bare nominee for, and no interest in any share shall be sold to, any person unless a transfer of such share to such person would rank as a Permitted Transfer. If the foregoing provision of this article 13 shall be infringed the Holder of such share shall be bound to give a Transfer Notice in respect thereof.

14 COMPULSORY TRANSFERS - GENERAL

- 14.1 A person entitled to a share in consequence of the bankruptcy of a member shall be bound at any time, if and when required in writing by the Directors so to do, to give a Transfer Notice in respect of such share.
- 14.2 If a share remains registered in the name of a deceased member for longer than one year after the date of his death the Directors may require the legal personal representatives of such deceased member either to effect a transfer of such shares (including for such purpose an election to be registered in respect thereof) being a Permitted Transfer or to show to the satisfaction of the Directors that a Permitted Transfer will be effected prior to or promptly upon the completion of the administration of the estate of the deceased member or (failing compliance with either of the foregoing within one month or such longer period as the Directors may allow for the purpose) to give a Transfer Notice in respect of such share.
- 14.3 If a member which is a company or a Permitted Transferee of such member, either suffers or resolves for the appointment of a liquidator, administrator or administrative receiver over it or any material part of its assets (an "**Event**"), such member or Permitted Transferee shall be deemed to have given a Transfer Notice immediately prior to such Event in respect of all of the shares held by such member and/or such Permitted Transferee.
- 14.4 If there is a change in control (as control is defined in section 840 of the Income and Corporation Taxes Act 1988) of any member which is a company or a Permitted Transferee of such a member (other than any member which is an Investor or Permitted Transferee of such Investor), it and each of its Permitted Transferees shall

be bound at any time, if and when required in writing by the Directors so to do, to give (or procure the giving in the case of a nominee) a Transfer Notice in respect of all the shares registered in its and their names and their respective nominees' names.

14.5 Drag-Along Rights

- 14.5.1** If at any time an Investor Majority (for the purposes of article 14.5.1 to 14.5.4 (inclusive) (the "**Seller**") intend to sell all of their holding of A Ordinary Shares and B Ordinary Shares (or any interest in all such shares) (the shares to be sold by the Seller being referred to as "**Selling Shares**") to a proposed purchaser(s) (the "**Proposed Purchaser**") who has made a bona fide offer on arm's length terms for the entire issued share capital of the Company, the Seller shall have the right to give to the Company not less than 14 days' advance notice before selling the Selling Shares. That notice (the "**Selling Notice**") will include details of the Selling Shares and the proposed price for each Selling Share to be paid by the Proposed Purchaser, details of the Proposed Purchaser, the place, date and time of completion of the proposed purchase being a date not less than 14 days from the date of the Selling Notice (the "**Relevant Completion**").
- 14.5.2** Immediately upon receipt of the Selling Notice, the Company shall give notice in writing (a "**Compulsory Sale Notice**") to each of the members (other than the Seller) (the "**Other Members**") giving the details contained in the Selling Notice, requiring each of them to sell to the Proposed Purchaser at the Relevant Completion all of their holdings of shares on the same terms as those contained in the Selling Notice.
- 14.5.3** Each member who is given a Compulsory Sale Notice shall sell all of his shares referred to in the Compulsory Sale Notice for such consideration as such member would be entitled to on a Liquidation Event in accordance with article 4.
- 14.5.4** If any of the member(s) (the "**Defaulting Member(s)**") fails to comply with the terms of a Compulsory Sale Notice given to him, the Company shall be constituted the agent of each Defaulting Member for the sale of his shares in accordance with the Compulsory Sale Notice (together with all rights then attached thereto) and the Directors may authorise some person to execute and deliver on behalf of each Defaulting Member the necessary transfer(s) and the Company may receive the purchase money in trust for each of the Defaulting Members and cause the Proposed Purchaser to be registered as the Holder of such shares. The receipt of the Company for the purchase money, pursuant to such transfers, shall constitute a good and valid discharge to the Proposed Purchaser (who shall not be bound to see to the application thereof) and after the Proposed Purchaser has been registered in purported exercise of the aforesaid powers the validity of the proceedings shall not be questioned by any person. The Company shall not pay the purchase money due to the Defaulting Member(s) until he shall, in respect of the shares being the subject of the Compulsory Sale

Notice, have delivered his share certificates or a suitable Indemnity and the necessary transfers to the Company. No member shall be required to comply with a Compulsory Sale Notice unless the Seller shall sell the Selling Shares to the Proposed Purchaser on the Relevant Completion, subject at all times to the Seller being able to withdraw the Selling Notice at any time prior to the Relevant Completion by giving notice to the Company to that effect, whereupon each Compulsory Transfer Notice shall cease to have effect.

15 COMPULSORY TRANSFERS – MANAGEMENT SHAREHOLDERS

15.1 In the case of a Relevant Member, or the Relevant Executive in relation to a Relevant Member, ceasing to be a Relevant Executive at any time, then within 12 months after such cessation, the Directors may serve notice on such Relevant Member requiring such Relevant Member to give a Transfer Notice in respect of some or all of the shares held by such Relevant Member for a price per share of either:

15.1.1 if such Relevant Member or Relevant Executive in relation to a Relevant Member shall have ceased to be a Relevant Executive in circumstances involving a breach by the Relevant Executive of his Service Agreement or terms of his service or is in breach of any obligation of confidentiality owed to the Company (or any Subsidiary of the Company) or is in breach of any obligation not to compete with the business of the Company (or any Subsidiary of the Company) or leaves voluntarily (except on death, wrongful dismissal, ill health, disablement or on retirement at the normal retirement age, or specifically in the case of Professor Stephen Jackson, except in the event that he, with the agreement of the Board leaves the Company to devote all of his time and attention to research and/or teaching provided such research or teaching is not with or for the benefit of a business competitor of the Company) then the price per share shall be the lower of cost and market value as determined in accordance with article 12; and

15.1.2 if such Relevant Member, or Relevant Executive in relation to a Relevant Member, shall have ceased to be a Relevant Executive for, any other reason than those reasons specified in article 15.1.1 above, then the price per share shall be market value as determined in accordance with article 12.

15.2 If a Transfer Notice is required to be given pursuant to article 15.1, then:

15.2.1 the Company shall forthwith give written notice of such occurrence (such notice to include details of all the shares to which such Transfer Notice relates) to the Remuneration Committee. If within 21 days of the giving of such notice by the Company, the Remuneration Committee requires by written notice to the Company (an “**Employee Priority Notice**”) that all or any shares to which such Transfer Notice relates should be made or kept available either for any person or persons who is or are (an) existing

director(s) and/or employee(s) of the Company or any Subsidiary of the Company or a person (whether or not then ascertained) who it is proposed should be appointed as a director and/or employee of the Company or a Subsidiary of the Company whether or not in place of the person by whom the relevant Transfer Notice was given (a "**New Employee**"), then the provisions of article 15.3 below shall apply in priority to the procedure set out in article 12; and

15.2.2 whether or not an Employee Priority Notice is given pursuant to article 15.1.1 above, the Directors may, with the consent of the Remuneration Committee require the provisions of article 15.3 to be applied in priority to the procedure set out in article 12.

15.3 If an Employee Priority Notice is given or the Directors exercise their discretion pursuant to article 15.2.2, then, in relation to the shares the subject thereof (the "**Employee Shares**") the provisions of article 12 shall be modified hereby and the Employee Shares shall either;

15.3.1 be offered to the person(s) (and, in the case of more than one, in the proportions) specified in the Employee Priority Notice (conditional, in the case of any prospective director and/or employee upon his taking up his proposed appointment with the Company or a Subsidiary of the Company (if not then taken up)); or

15.3.2 if the relevant Employee Priority Notice so requires, be offered to persons designated by the Remuneration Committee (in the event of their acquiring the Employee Shares) upon trust for a New Employee as and when appointed.

16 TAG ALONG RIGHT ON AN ACQUISITION OF SHARES

16.1 In the event that any person or persons who was or were not a member or members of the Company or entitled to become such on the date Adoption (including for the avoidance of doubt, the Investors' subscribing for Shares pursuant to the Investment Agreement (not the Permitted Transferees of such Investor)) (the "**Acquiring Member**") (but excluding any Holder for the time being of A Ordinary Shares or B Ordinary Shares immediately following Adoption or any of its Permitted Transferees) either alone or in concert (as such expression is defined in the City Code on Takeovers and Mergers) with any other person(s), shall become beneficially entitled to Shares carrying more than 30% of all voting rights in respect of all Shares then in issue exercisable at a general meeting of the members of the Company after the date of Adoption or being so beneficially entitled shall become beneficially entitled to Shares carrying a further 1% he shall forthwith be required to serve notice on the Holders of the entire issued share capital of the Company of the Company that he is so beneficially entitled and shall thereupon be bound to offer to purchase the remaining shares in the issued share capital of the Company for an aggregate consideration equal to (i) the highest price per Share paid by the Acquiring Member for such shares in the Company acquired by him multiplied by (ii) the number of

Shares in respect of which such Acquiring Member is so bound to make such offer. In the event that completion of the transfer of shares pursuant to such offer constitutes a Liquidation Event then the proceeds of such Liquidation Event shall be payable in accordance with article 4 and the relevant price paid per share calculated accordingly (otherwise the price payable per Share shall be the aggregate consideration so offered divided by the number of Shares to which such offer relates) (in either such case, the **"Acquisition Price"** per share).

- 16.2 The Company shall forthwith give notice to every member other than the Acquiring Member that he may within 28 days from the date of such notice or such longer period as the Directors may subject to article 16.6 determine in order to give effect to article 16.4 and article 16.6 sell his shares to the Acquiring Member at the Acquisition Price. Subject to article 16.6, any member may accept such offer by giving notice of his intention so to do to the Company accompanied by share certificates for the shares agreed to be sold together with the necessary transfers.
- 16.3 The Directors may at any time require any member to furnish the Company with details of the beneficial interests in the shares held by such member.
- 16.4 The Directors may require to be satisfied that the shares acquired by the Acquiring Member were acquired bona fide for the consideration stated in the transfer without any deduction rebate or allowance whatsoever to the purchaser and if not so satisfied may require the aggregate consideration for which the relevant offer is made pursuant to article 16.1 be determined in accordance with article 12.4.
- 16.5 If the Acquiring Member shall fail to serve a notice or make an offer in accordance with article 16.1 (or, if and to the extent that the offer is accepted, the Acquiring Member shall fail to complete the purchase of any shares pursuant to the offer) he (and any member with whom he is acting in concert as provided in article 16.1) shall cease to have any rights to vote or to dividends in respect of all the shares held by him and the Directors may where relevant refuse to register the transfer of the shares acquired by the Acquiring Member which gave rise to the obligations under article 16.1 and may require the Acquiring Member to serve a Transfer Notice in accordance with article 12 in respect of all or any of the shares held by him.
- 16.6 Any sale of shares under articles 16.1 to 16.5 is subject at all times to article 12, so that prior to accepting any offer made pursuant to article 16.1, each member proposing to accept such offer shall be bound to give a Transfer Notice pursuant to article 12 and the foregoing provisions of this article 16 shall be suspended pending completion of the procedure in article 12 (save that the Directors shall offer all shares to be so offered pursuant to article 12 at the same time and, if relevant, the provisions of article 4 shall apply to the proceeds of any transfer shares thereunder (and the provisions of article 16 shall be amended accordingly)) and shall only have effect if following such procedure the Directors shall not have found buyers from among the members for all of the Sale Shares pursuant to article 12.

17 INFORMATION CONCERNING SHAREHOLDINGS AND TRANSFERS

- 17.1** For the purpose of ensuring that a transfer of shares is a Permitted Transfer or that no circumstances have arisen whereby a Transfer Notice is or may be required to be given hereunder or to be satisfied that any proposed sale is bona fide and on the terms stated in the Transfer Notice with no rebate or allowance, the Directors may from time to time require any member or the legal personal representatives of any deceased member or any person named as transferee in any transfer lodged for registration to furnish to the Company such information and evidence as the Directors may think fit regarding any matter which they may deem relevant to such purpose. Failing such information or evidence being furnished to the satisfaction of the Directors within a reasonable time after such requirement was made, the Directors shall be entitled to refuse to register the transfer in question or (if no transfer is in question) to require by notice in writing that a Transfer Notice be given in accordance with article 12 in respect of the shares concerned.
- 17.2** In a case where the Directors have duly required a Transfer Notice to be given in respect of any shares and such Transfer Notice is not duly given within a period of one month, or such longer period as the Directors may allow for the purpose, such Transfer Notice shall (except and to the extent that a Permitted Transfer of any of such shares shall have been made) be deemed to have been given on such date after the expiration of the said period as the Directors may by resolution determine and the foregoing provisions of these Articles shall take effect accordingly.
- 17.3** From (and including) the date on which the Directors have duly required a Transfer Notice(s), all Holders of shares the subject of such Transfer Notice(s) shall not transfer or encumber any of their shares or any interest in their shares (other than pursuant to such Transfer Notice(s)) until all proceedings pursuant to such Transfer Notice(s) have been finalised in accordance with these Articles.
- 17.4** Notwithstanding any other provisions of these articles, a transfer of any shares in the Company may be made without complying with the restrictions as to price, pre-emption or otherwise set out in these articles and any such transfer shall be registered by the directors immediately upon receipt of notice of such transfer where:

17.4.1 the transferor is:

- (a) a member entity of Advent (or a nominee or custodian on behalf therefore); or
- (b) an Advent Associated Entity (or a nominee or custodian on behalf therefore); or
- (c) a partner, shareholder, unit-holder or participant of any member entity of Advent (or a nominee or custodian on behalf therefor)

and

17.4.2 the transferee is

- (a) a member entity of Advent (or a nominee or custodian on behalf therefore); or
- (b) an Advent Associated Entity (or a nominee or custodian on behalf therefore); or
- (c) a partner, shareholder, unit-holder or participant of the transferor (or a nominee or custodian on behalf therefore); or
- (d) an employee of the transferor (or a nominee or custodian on behalf thereof).

18 PROCEEDINGS AT GENERAL MEETINGS

- 18.1** A poll may be demanded at any general meeting by the chairman or by any member present in person or by proxy and entitled to vote. Regulation 46 shall be modified accordingly.
- 18.2** A resolution in writing executed or approved by facsimile by or on behalf of the Holders of all the issued A Ordinary Shares, B Ordinary Shares and Ordinary Shares shall be as valid and effectual as if the same had been duly passed at a general meeting and may consist of several documents in the like form, each executed by or on behalf of one or more persons. In the case of a corporation, the resolution may be signed on its behalf by a director or the Secretary (or other officer of such competitor in the case of a company incorporated other than in England and Wales) thereof or by its duly appointed attorney or duly authorised representative. Regulation 53 shall be modified accordingly.

19 ALTERNATE DIRECTORS

- 19.1** Any Director (other than an alternate Director) may at any time by writing under his hand and served on the Company at its registered office, or delivered at a meeting of the Directors, appoint any other Director, or any other person approved by resolution of the Directors and willing to act, to be an alternate Director and may remove from office alternate Director so appointed by him. The same person may be appointed as the alternate Director of more than one Director.
- 19.2** An alternate Director shall be entitled:
- 19.2.1** to receive notice of all meetings of Directors and of all meetings of committees of Directors of which his appointor is a member;
 - 19.2.2** to attend, be counted in the quorum for and vote at any such meeting at which the Director appointing him is not personally present; and
 - 19.2.3** generally at such meeting to perform all the functions of his appointor as a Director in his absence.

If an alternate Director is himself a Director or attends any such meeting as an alternate Director for more than one Director, then his voting rights shall be cumulative.

- 19.3** An alternate Director shall cease to be an alternate Director if his appointor ceases to be a Director; but, if a Director retires but is reappointed or deemed to have been reappointed at the meeting at which he retires, any appointment of an alternate Director made by him which was in force immediately prior to his retirement shall continue after his reappointment.
- 19.4** Any appointment or removal of an alternate Director shall be by notice to the Company signed by the Director making or revoking the appointment or in any other manner approved by the Directors.
- 19.5** An alternate Director shall alone be responsible for his own acts and defaults and he shall not be deemed to be the agent of the Director appointing him, except in relation to matters in which he acted (or failed to act) on the direction or at the request of his appointor.
- 19.6** Save as otherwise provided in these Articles, an alternate Director shall not have power to act as a Director nor shall he be deemed to be a Director for the purposes of these Articles. However, such an alternate Director shall owe the Company the same fiduciary duties and duty of care and skill in the performance of his office as are owed by a Director.
- 19.7** An alternate Director shall be entitled to contract and be interested in and benefit from contracts or arrangements or transactions and to be repaid expenses and to be indemnified to the same extent *mutatis mutandis* as if he were a Director but he shall not be entitled to receive from the Company in respect of his appointment as alternate Director any remuneration.
- 19.8** Regulations 65 to 69 shall not apply.

20 DIRECTORS

- 20.1** The maximum number of directors shall be 10 (or such greater number as an Investor Majority may approve from time to time).
- 20.2** The Directors shall not be subject to retirement by rotation. Regulations 73 to 75 and the last two sentences of Regulation 79 shall not apply and Regulations 76, 77, 78 and 80 shall be modified accordingly.
- 20.3** Without prejudice to the first sentence of Regulation 89, a meeting of the Directors or of a committee of the Directors may consist of a conference between directors who are not all in one place, but of whom each is able (directly or by telephonic communication) to speak to each of the others, and to be heard by each of the others simultaneously; and the word "meeting" in these Articles shall be construed accordingly.

- 20.4** A resolution in writing signed or approved by facsimile by all the directors shall be as valid and effectual as if it had been passed at a meeting of Directors duly convened and held and may consist of several documents in the like form each signed by one or more Directors; but a resolution signed by an alternate Director need not also be signed by his appointor and, if it is signed by a Director who has appointed an alternate Director, it need not be signed by the alternate Director in that capacity. Regulation 93 shall not apply.
- 20.5** A Director may vote and be counted in the quorum at a meeting of Directors or of a committee of Directors on any resolution concerning a matter in which he has, directly or indirectly, an interest or duty which is material and which conflicts or may conflict with the interests of the Company, provided that he has disclosed to the Directors the nature and extent of any material interest or duty. Regulations 94 and 95 shall be modified accordingly.
- 20.6** In the case of an equality of votes at a meeting of the Directors, the chairman of the Company shall not have a second or casting vote. Regulation 88 shall be modified accordingly.
- 20.7** The office of a Director (other than a Special Director) shall be vacated if he shall be removed from office by notice in writing served upon him signed by all of his co-Directors but so that if he holds an appointment to an executive office which thereby automatically determines, such removal shall be deemed an act of the Company and shall have effect without prejudice to any claim for damages for breach of contract of service or otherwise between him and the Company.
- 20.8** Any Director, other than a Special Director, may be removed from office by the service of written notice on such person signed by a the Holders of Shares carrying more than 50% of all voting rights in respect of all Shares then in issue exercisable at a general meeting of the members of the Company (such written notice having been additionally approved by an Investor Majority).
- 20.9** The quorum necessary for the transaction of business at meetings of the Directors shall be four provided that any such meeting shall not be quorate unless attended by a Special Director Majority or their duly appointed alternate(s) save that a quorum need not include any Special Director who has confirmed in writing that he shall not be attending the relevant board meeting and consents to the meeting being quorate in his absence (and which Special Director shall in such instance be excluded from any determination as to whether a Special Director Majority is present at such Meeting). If any meeting of the Directors is adjourned because it is not attended by a Special Director (or his duly appointed alternate(s)), and such non-attending Special Director shall not have consented in writing to the meeting taking place in his absence, such meeting shall stand adjourned to the same day in the next week at the same time and place (or at such other time as the Directors present at such meeting and a Special Director Majority unanimously decide) and at which meeting the quorum necessary for the transaction of business shall, notwithstanding the foregoing provisions of this Clause, be any two Directors provided that one of those Directors present is a Special Director.

21 SPECIAL DIRECTORS

- 21.1 Notwithstanding any other provision of these articles a Majority of the Holders of A Ordinary Shares shall be entitled to appoint up to two persons to act as directors of the Company and to remove from office any such person(s) so appointed and to appoint another person(s) in his/their place. Upon request by a Majority of the Holders of A Ordinary Shares the Company shall also procure that any Director(s) so nominated by a Majority of the Holders of A Ordinary Shares be appointed a director (as directors) of any Subsidiary of the Company.
- 21.2 Notwithstanding any other provisions of these articles for so long as Euclid (and/or any Permitted Transferee of Euclid) holds shares in the Company, Euclid shall be entitled to appoint any person to act as a director of the Company and to remove from office any person so appointed and to appoint another person in his place. Upon request by Euclid the Company shall also procure that any director so nominated by Euclid be appointed a director to any Subsidiary of the Company.
- 21.3 Notwithstanding any other provisions of these articles for so long as JJDC (and/or and Permitted Transferee of JJDC) holds shares in the Company, JJDC shall be entitled to appoint any person to act as a director of the Company and to remove from office any person so appointed and to appoint another person in his place. Upon request by JJDC, the Company shall also procure that any director so nominated by JJDC be appointed a director to any Subsidiary of the Company.
- 21.4 Notwithstanding any other provisions of these articles for so long as LSP (and/or any Permitted Transferee of LSP) holds shares in the Company, LSP shall during the LSP Directorship Period be entitled to appoint any person to act as a director of the Company and to remove from office any person so appointed and to appoint another person in his place. Upon request by LSP, the Company shall also procure that any director so nominated by LSP be appointed a director to any Subsidiary of the Company. Any director nominated by LSP pursuant to this article 21.4 shall be removed from office by LSP at the end of the LSP Directorship Period.
- 21.5 Appointment and removal of any Special Director(s) pursuant to articles 21.1, 21.2, 21.3, and/or 21.4 shall be by written notice from such persons so appointing or removing such Special Director to the Company and which appointment or removal (as the case may be) shall take effect on delivery at the Company's registered office or at any meeting of the Board or Committee thereof or at such other time as specified in the notice.

22 EXECUTIVE OFFICER

- 22.1 Notwithstanding any other provision of these articles a Majority of the Holders of A Ordinary Shares, a Majority of the Holders of B Ordinary Shares and, for so long as any Executive holds shares in the Company, those Executives comprising a Majority of the Holders of Executive Shares, (together the "**Relevant Nominees**") shall acting together (meaning for the avoidance of doubt, that all three such Majorities act in unanimity with each other) be entitled to appoint any person to act as a director of the Company and to remove from office any person so appointed and to appoint another

person in his place. Upon request by the Relevant Nominators the Company shall also procure that any director so nominated by the Relevant Nominators shall also be appointed a director of any Subsidiary of the Company. If and for so long as Euclid (and/or any Permitted Transferee of Euclid) holds shares in the Company any person to be appointed to act as a director of the Company pursuant to this article 22.1 must first have been approved of by a Special Director Majority (such approval not to be unreasonably withheld or delayed).

- 22.2** Appointment and removal of any director of the Company pursuant to article 22.1 shall be by written notice from such persons so appointing or removing such director to the Company and which appointment or removal (as the case may be) shall take effect (subject to any approval required pursuant to article 22.1) on delivery at the Company's registered office or at any meeting of the Board or Committee thereof at such other time specified in the notice.

23 NOTICES

Notices shall be given to a member whose registered address is outside the United Kingdom. Regulation 112 shall be modified accordingly.

24 Indemnity

- 24.1** Without prejudice to any indemnity to which such officer may otherwise be entitled, every Director, Auditor, Secretary or other officer of the Company shall be indemnified by the Company against all costs, charges, losses, expenses, and liabilities incurred by him in the execution and discharge of his duties or in relation thereto including any liability incurred by him in defending any proceedings, civil or criminal, which relate to anything done or omitted or alleged to have been done or omitted by him as an officer or employee of the Company and in which judgment is given in his favour (or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part) or in which he is acquitted or in connection with any application under any statute for relief from liability in respect of any such act or omission in which relief is granted to him by the Court. Regulation 118 shall not apply.
- 24.2** The Company may purchase and maintain for any Director, Secretary or other officer of the Company insurance 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.