

Company No. 03722366

THE COMPANIES ACT 2006
COMPANY LIMITED BY SHARES
RESOLUTIONS IN WRITING

of

OKA DIRECT LIMITED

(the "Company")

Passed. 26th November 2014

THURSDAY



LD4

L3M14SQQ

04/12/2014

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COMPANIES HOUSE

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006, the holders of a requisite majority of shares giving a right to attend and vote at a general meeting of the Company, on the above date passed the following Written Resolutions, in the case of Resolutions 1 - 3 as Ordinary Resolutions and in the case of Resolutions 4 - 5 as Special Resolutions


ORDINARY RESOLUTION

1. **THAT**, in accordance with section 551 of CA 2006 the directors of the Company (Directors) be generally and unconditionally authorised to allot Growth Shares (as defined in the New Articles) in the Company up to an aggregate nominal amount of £1,286 81 provided that this authority shall, unless renewed, varied or revoked by the Company, expire at the end of the period of 6 months from the date these resolutions are passed.
2. **THAT** pursuant to the terms of the New Articles the sum of £1,286 81 being part of the available distributable reserves be and is hereby capitalised and appropriated as capital and that the directors be and are hereby authorised to apply such sum in paying up in full 1,286,807 Growth Shares in the capital of the Company and to allot and issue such new shares, credited as fully paid up
- 3 **THAT** the Company is approved to buy back a total of 1,286,807 Growth Shares of £0.001 each in the capital of the Company for a maximum price payable per Growth Share of £1,000,000 and a minimum price per Growth Share of £0.001. This authority shall expire on the fifth anniversary of passing this ordinary resolution.

SPECIAL RESOLUTIONS

4. **THAT** new articles of association of the Company in the form of the printed document annexed hereto be adopted as the articles of association of the Company in substitution for and to the exclusion of the existing articles of association of the Company including the relevant provision of the memorandum of association that would otherwise be treated as provisions of the articles under section 28 of the Companies Act 2006 (the "New Articles").

- 5 **THAT**, subject to the passing of Resolution 1 and in accordance with section 570 of the CA 2006, the Directors be generally empowered to allot equity securities (as defined in section 560 of the CA 2006) pursuant to the authority conferred by resolution 1, as if section 561(1) of the CA 2006 did not apply to any such allotment

Dated 26 NOV 2014
SIGNED 
Director

A copy of every special resolution must be sent to Companies House within 15 days of the passing of the resolution (s30 CA 2006)

THE COMPANIES ACT 1985

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

OKA DIRECT LIMITED (Company Number 3722366)

(Adopted pursuant to a special resolution passed on 16 July 2007 and amended pursuant to a special resolution passed on 26th November 2014)

1 PRELIMINARY

1 1 The Regulations contained or incorporated in Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 as amended by The Companies (Tables A to F) Amendment Regulations 1985 ("Table A") shall apply to the Company, save insofar as they are varied or excluded by, or are inconsistent with, the following Articles

1 2 In Regulation 1 of Table A, the words "and in articles of association adopting the same" shall be inserted after the word "Regulations" in the last paragraph of that Regulation and the sentence "Any reference to any statutory provision shall be deemed to include a reference to each and every statutory amendment, modification, re-enactment and extension thereof for the time being in force" shall be inserted at the end of that Regulation

1 3 (d) Regulation 110(b) of Table A shall be deleted and replaced by:

"(b) appropriate the sum resolved to be capitalised to the members, the holders of any class of shares or any other person or persons and apply such sum on their behalf in paying up in full unissued shares or debentures of the company of a nominal amount equal to that sum, and allot the shares or debentures credited as fully paid to those members, holders or persons but the share premium account, the capital redemption reserve, and any profits which are not available for distribution may, for the purposes of this regulation, only be applied in paying up unissued shares to be allotted to members credited as fully paid,"

1 4 In these Articles

- (a) article headings are used for convenience only and shall not affect the construction or interpretation of these Articles,
- (b) words denoting the singular include the plural and vice versa and reference to one gender includes the other gender and neuter and vice versa, and
- (c) Regulations 8, 29, 30, 31, 54, 62, 73 to 77 (inclusive), 80, 82, 94 to 98 (inclusive) 115 and 118 of Table A shall not apply to the Company

2 DEFINITIONS

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

"Act" means the Companies Act 1985 (as amended from time to time),

"Acting in Concert" has the meaning given to it in The City Code on Takeovers and Mergers published by the Panel on Takeovers and Mergers (as amended from time to time),

"Associate" in relation to any person means

- (a) any person who is an associate of that person and the question of whether a person is an associate of another is to be determined in accordance with section 435 of the Insolvency Act 1986, or
- (b) any Member of the same Group;

"Auditors" means the auditors of the Company from time to time,

"Bad Leaver" means a person who ceases to be an Employee at any time and who is not a Good Leaver,

"Board" means the board of Directors and any committee of the board constituted for the purpose of taking any action or decision contemplated by these Articles,

"Business Day" means a day on which English clearing banks are ordinarily open for the transaction of normal banking business in the City of London (other than a Saturday or Sunday),

"Civil Partner" means in relation to a Shareholder, a civil partner (as defined in the Civil Partnerships Act 2004) of the Shareholder,

"Company" means OKA Direct Limited,

"Date of Adoption" means the date on which these Articles were adopted,

"Director(s)" means a director or directors of the Company from time to time,

"Effective Termination Date" means the date on which the Employee's employment or consultancy terminates,

"Employee" means an individual who is employed by, or who provides consultancy services to, the Company or any member of the Group,

"Employee Share Scheme" means any scheme to allot or grant options over Shares adopted from time to time by the Company;

"Employee Shares" in relation to an Employee means all New Ordinary Shares in the Company held by:

- (a) the Employee in question, and
- (b) by any Permitted Transferee of that Employee other than those New Ordinary Shares held by those persons that FPE declares itself satisfied were not acquired directly or indirectly from the Employee or by reason of his/her relationship with the Employee,

"Exit Proceeds" means capital and assets of the Company available for distribution to its shareholders,

"Expert Valuer" is as determined in accordance with Article 10 2,

"Fair Value" is as determined in accordance with Article 10 3,

"Family Trusts" means as regards any particular individual member or deceased or former individual member, trusts (whether arising under a settlement, declaration of trust or other instrument by whomsoever or wheresoever made or under a testamentary disposition or on an intestacy) under which no immediate beneficial interest in any of the shares in question is for the time being vested in any person other than the individual and/or Privileged Relations of that individual, and so that for this purpose a person shall be considered to be beneficially interested in a share if such share or the income thereof is liable to be transferred or paid or applied or appointed to or for the benefit of such person or any voting or other rights attaching thereto are exercisable by or as directed by such person pursuant to the terms of the relevant trusts or in

consequence of an exercise of a power or discretion conferred thereby on any person or persons,

"FPE" means FF&P Private Equity Limited,

"FPE Director" means such director of the Company nominated by FPE under Article 20 1,

"FPE Consent" means the prior written consent of FPE,

"Good Leaver" means a person who ceases to be an Employee at any time by reason of

- (a) death,
- (b) permanent incapacity,
- (c) the Company (or a member of the Group) terminating his contract of employment or consultancy, as the case may be, by serving notice (in accordance with the terms of that contract) in circumstances where the Employee is not in breach of his contract entitling the Company (or a member of the Group) to terminate his contract of employment or consultancy,
- (d) dismissal by the Company (or a member of the Group) which is determined by an employment tribunal or at a court of competent jurisdiction from which there is no right to appeal to be wrongful or constructive,
- (e) attaining retirement age as set out in his contract of employment, or
- (f) the Board, with the prior written approval of FPE, determining that he is a Good Leaver,

"Group" means the Company and its Subsidiary Undertaking(s) (if any) from time to time and "Group Company" shall be construed accordingly,

"Growth Share" means the growth shares of £0 001 each in the capital of the Company,

"ICTA" means the Income and Corporation Taxes Act 1988,

"Investors" means any subscriber or purchaser of any Shares in the Company making such subscription or purchase on or around (and in any case within 15 business days) the date of the adoption of these Articles,

"ITEPA" means Income Tax (Earnings and Pensions) Act 2003,

"Member of the same Group" means as regards any company, a company which is from time to time a Parent Undertaking or a Subsidiary Undertaking of that company or a Subsidiary Undertaking of any such Parent Undertaking,

"New Ordinary Shares" means the ordinary shares of £0.01 each in the capital of the Company,

"New Securities" means any shares or other securities convertible into, or carrying the right to subscribe for those shares, issued by the Company after the Date of Adoption (other than shares or securities issued as a result of the events set out in Article 5.5),

"Non Investor Shares" means the New Ordinary Shares held by the Shareholders other than the Investors,

"Original Issue Price" means the price at which the relevant Share is issued, including any premium,

"Permitted Transfer" means a transfer of Shares in accordance with Article 8,

"Permitted Transferee" means a person who receives Shares as a result of a Permitted Transfer,

"Privileged Relation" in relation to a Shareholder who is an individual member or deceased or former member means a spouse, Civil Partner, child or grandchild (including step or adopted or illegitimate child and their issue);

"Proceeds of Sale" means the total consideration payable (including any deferred or contingent consideration) whether in cash or otherwise to those holders selling shares pursuant to a Share Sale,

"Proposed Purchaser" means a proposed purchaser who at the relevant time has made an offer on arm's length terms,

"Proposed Seller" means any person proposing to transfer any shares in the capital of the Company,

"Sale Shares" has the meaning set out in Article 9 2(a) of these Articles,

"Sale Threshold Amount" means £19,993,346 provided that the Sale Threshold Amount shall be adjusted as the board shall, acting fairly and reasonably, determine to take into account any fundraisings, acquisitions, disposals or distributions which occur on or after the date of adoption of these Articles or in the case of any partial sale of Shares in the Company,

"Seller" has the meaning set out in Article 9 2 of these Articles,

"Share Sale" means the disposal by the shareholders of the Company (whether in one transaction or in a series of transactions) of more than 75% of the Company's issued share capital to a third party or parties on an arm's length basis and not for the purposes of a reorganisation, amalgamation or scheme of reconstruction including the Company, any holding company or any other subsidiary or any such holding company, or

"Shareholder" means any holder of any Shares,

"Shares" means the New Ordinary Shares and the Growth Shares,

"Subsidiary", "Subsidiary Undertaking" and "Parent Undertaking" have the meanings set out in the Act,

"Transfer Notice" shall have the meaning given in Article 9 2, and

"Transfer Price" shall have the meaning given in Article 9 2(c)

3 **SHARE CAPITAL**

3 1 The authorised share capital of the Company at the Date of Adoption is £202,000 divided into 20 million New Ordinary Shares and 2 million Growth Shares

3 2 In these Articles, unless the context requires otherwise, references to shares of a particular class shall include shares created and/or issued after the Date of Adoption and ranking pari passu in all respects (or in all respects except only as to the date from which those shares rank for dividend) with the shares of the relevant class then in issue

4 **VARIATION OF RIGHTS**

4 1 Whenever the share capital of the Company is divided into different classes of shares, the special rights attached to any such class may only be varied or abrogated (either whilst the Company is a going concern or during or in contemplation of a winding-up)

with the consent in writing of the holders of more than 75 per cent in nominal value of the issued shares of that class

- 4 2 The creation of a new class of shares which has preferential rights to one or more existing classes of shares shall not constitute a variation of the rights of those existing classes of shares

5 ALLOTMENT OF NEW SHARES OR OTHER SECURITIES: PRE-EMPTION

- 5 1 Subject to the remaining provisions of this Article 5 the Directors are generally and unconditionally authorised for the purpose of section 80 of the Act to exercise any power of the Company to

- (a) offer, allot or grant rights to subscribe for, or
- (b) convert securities into, or
- (c) otherwise deal in, or dispose of,

any Shares or any other relevant securities in the Company to any persons, at any times and subject to any terms and conditions as the Directors think proper, provided that

- (i) this authority shall be limited to a maximum nominal amount of Shares equal to the amount of the authorised but unissued share capital of the Company immediately following the Date of Adoption;
- (ii) this authority shall only apply insofar as the Company in general meeting has waived or revoked it, and
- (iii) this authority may only be exercised for a period of five years commencing upon the Date of Adoption, save that the Directors may make an offer or agreement which would or might require relevant securities to be allotted after the expiry of such authority (and the Directors may allot relevant securities in pursuance of an offer or agreement as if such authority had not expired)

- 5 2 In accordance with section 91(1) of the Act, sections 89(1) and 90(1) to (6) (inclusive) of the Act do not apply to an allotment of equity securities made by the Company

- 5 3 Unless otherwise agreed by special resolution or by written resolution passed in accordance with sections 381A of the Act or regulation 53 of Table A, if the Company proposes to allot any New Securities those New Securities shall not be allotted to any

person unless the Company has in the first instance offered them to all holders of Shares on the same terms and at the same price as those New Securities are being offered to other persons on a pari passu and pro rata basis to the number of Shares held by those holders (as nearly as may be without involving fractions) The offer

- (a) shall be in writing, give details of the number and subscription price of the New Securities,
- (b) shall remain open for at least 14 days, and
- (c) may stipulate that any Shareholder who wishes to subscribe for a number of New Securities in excess of the proportion to which each is entitled shall in their acceptance state the number of excess New Securities ("**Excess Securities**") for which they wish to subscribe

5 4 Any New Securities not accepted by Shareholders pursuant to the offer made to them in accordance with Article 5 3 shall be used for satisfying any requests for Excess Securities made pursuant to Article 5 3 and in the event that there are insufficient Excess Securities to satisfy such requests, the Excess Securities shall be allotted to the applicants on a pro rata basis to the number of Shares held by the applicants immediately prior to the offer made to Shareholders in accordance with Article 5 3 (as nearly as may be without involving fractions or increasing the number allotted to any Shareholder beyond that applied for by him) and after that allotment, any Excess Securities remaining shall be offered, subject to Article 5 5, to any other person as the Directors may determine at the same price and on the same terms as the offer to the Shareholders

5 5 The provisions of Articles 5 3 and 5 4 shall not apply to

- (a) options to subscribe for New Ordinary Shares under an Employee Share Scheme,
- (b) New Securities in respect of which FPE Consent and the consent of the holders of a majority in number of the Non-Investor Shares has been provided to their issue without complying with the procedure set out in this Article 5,
- (c) New Securities issued as a result of a bonus issue of shares which has received FPE Consent, or
- (d) New securities issued as Growth Shares

- 5 6 No Shares shall be allotted to any Employee, Director, prospective employee or director unless such person has entered into a joint section 431 ITEPA election with the Company

6 **LIEN**

The Company shall have a first and paramount lien on every Share not fully paid for all and any indebtedness of any holder of it to the Company (whether a sole holder or one of two or more joint holders), whether or not that indebtedness or liability is in respect of the Shares concerned and whether or not it is presently payable

7 **TRANSFERS OF SHARES – GENERAL**

- 7 1 In Articles 7 to 13 inclusive, reference to the transfer of a Share includes the transfer or assignment of a beneficial or other interest in that Share, the transmission of a Share by operation of law, or the creation of a trust or encumbrance over that Share and reference to a Share includes a beneficial or other interest in a Share For the purposes of this Article 7, Shares shall not include Growth Shares

- 7 2 No Share may be transferred unless the transfer is made in accordance with these Articles

- 7 3 If a Shareholder transfers or purports to transfer a Share otherwise than in accordance with these Articles he will be deemed immediately to have served a Transfer Notice in respect of all Shares held by him

- 7 4 Any transfer of a Share by way of sale which is required to be made under Articles 9 to 13 (inclusive) will be deemed to include a warranty that the transferor sells with full title guarantee

- 7 5 In addition to the provisions of Regulation 24 of Table A, the Directors may refuse to register a transfer if

- (a) it is a transfer of a share to a bankrupt, a minor or a person of unsound mind, or
- (b) the transfer is to an Employee, Director or prospective employee or director and such person has not entered in a joint section 431 ITEPA election with the Company,

and Regulation 24 of Table A shall be modified accordingly

7 6 The Directors may, as a condition to the registration of any transfer of shares in the Company (whether pursuant to a Permitted Transfer or otherwise), require the transferee to execute and deliver to the Company a deed agreeing to be bound by the terms of any shareholders' agreement or similar document in force between some or all of the shareholders and the Company in any form as the Directors may reasonably require (but not so as to oblige the transferee to have any obligations or liabilities greater than those of the proposed transferor under any such agreement or other document) and if any condition is imposed in accordance with this Article 7 6 the transfer may not be registered unless that deed has been executed and delivered to the Company's registered office by the transferee

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

(a) the Transfer Price for the Sale Shares will be as agreed between the Board (any director with whom the Seller is connected (within the meaning of section 346 of the Act) not voting) and the Seller, or, failing agreement within five Business Days after the date on which the Board becomes aware that a Transfer Notice has been deemed to have been given, will be the Fair Value of the Sale Shares,

(b) it does not include a Minimum Transfer Condition (as defined in Article 9 2(d)), and

(c) the Seller wishes to transfer all of the Shares held by it

8 PERMITTED TRANSFERS

8 1 Notwithstanding Article 7, a Shareholder may transfer all or any Shares in accordance with this Article 8, provided that no such transfer shall be made (i) unless written notice thereof has been given to the Company in advance, or (ii) where in relation to the proposed transferee any Event of Default has occurred and is continuing. For the purposes of this Article 8, Shares shall not include Growth Shares

8 2 The following transfers can be made by any Shareholder with FPE Consent (such consent not to be unreasonably withheld)

- (a) any Shareholder who is an individual may transfer any Share to the trustees of that Shareholder's Family Trust or to some other Privileged Relation of that Shareholder,
- (b) where any Share is held by trustees of a Family Trust, it may on any change of trustees be transferred to the new trustees of such Family Trust,
- (c) the trustees of a Family Trust may transfer any Share held by them in that capacity to a person who has an immediate beneficial interest under the Family Trust or to a Privileged Relation of such beneficiary,
- (d) any Share may be transferred without restriction by a Shareholder to a person to hold such Share as its nominee but any transfer by such nominee shall be subject to the same restrictions as if such transfer were a transfer by the relevant Shareholder, and
- (e) any Share may be transferred without restriction by a nominee or trustee to the beneficial owner of such Share or to another nominee or trustee of the same beneficial owner

8 3 Any Investor may at any time transfer all or any of its New Ordinary Shares

- (a) to its general partner, custodian or manager,
- (b) to any fund, investment company and/or investment fund partnership for the time being owned or controlled or managed by
 - (i) FPE,
 - (ii) any Associate of FPE, or
 - (iii) its general partner, custodian or manager

8 4 If a Shareholder holding any Share transferred to it under this Article 8 ceases to be a Privileged Relation of the original Shareholder who held such Share and does not, prior to so ceasing, transfer such Share to the original Shareholder or to another Privileged Relation of the original Shareholder, such Shareholder shall without delay notify the Company that such event has occurred and shall be deemed to have served a Transfer Notice on the Company in respect of such Share.

8 5 If any trust whose trustees hold any Share transferred to them under this Article 8 ceases to be a Family Trust of the relevant Shareholder and if such trustees do not,

prior to such trust ceasing to be a Family Trust of the relevant Shareholder, transfer such Share to the relevant Shareholder or to the trustees of a Family Trust or other Privileged Relation of the relevant Shareholder, such trustees shall without delay notify the Company that such event has occurred and shall be deemed to have served a Transfer Notice on the Company in respect of such Share

- 8 6 If a Transfer Notice is deemed to have been served on the Company under Article 8 4 to 8 5, the Company shall as soon as is reasonably practicable after receiving notice that such Transfer Notice is deemed to have been served, draft and serve a copy of such Transfer Notice in accordance with Article 9, and the provisions of Article 9 shall apply in respect of the Shares which are the subject of such Transfer Notice save that the Transfer Price for such Shares shall be the Fair Value of such Shares For the avoidance of doubt, any Transfer Notice issued pursuant to this Article 8 6 shall not contain a Minimum Transfer Condition

9 TRANSFERS OF SHARES SUBJECT TO PRE-EMPTION RIGHTS

- 9 1 Save where the provisions of Articles 8 and 13 apply, any transfer of Shares by a Shareholder shall be subject to the pre-emption rights contained in this Article 9 For the purposes of this Article 9, Shares shall not include Growth Shares

- 9 2 A Shareholder who wishes to transfer Shares (a "Seller") shall, except as otherwise provided in these Articles, before transferring or agreeing to transfer any Shares give notice in writing (a "Transfer Notice") to the Company specifying

- (a) the number of Shares which he wishes to transfer (the "**Sale Shares**"),
- (b) if he wishes to sell the Sale Shares to a third party, the name of the proposed transferee,
- (c) the price (in cash) at which he wishes to transfer the Sale Shares (which will be deemed to be Fair Value of the Sale Shares if no cash price is agreed between the Seller and the Board (including the FPE Director) (the "**Transfer Price**"), and
- (d) whether the Transfer Notice is conditional on all or a specific number of the Sale Shares being sold to Shareholders (a "**Minimum Transfer Condition**")

- 9 3 Except with FPE Consent, no Transfer Notice once given or deemed to have been given under these Articles may be withdrawn

9 4 A Transfer Notice constitutes the Company as the agent of the Seller for the sale of the Sale Shares at the Transfer Price

9 5 As soon as practicable following the later of

- (a) receipt of a Transfer Notice, and
- (b) in the case where the Transfer Price has not been specified or the Transfer Notice is deemed to have been served, the determination of the Transfer Price under Article 10,

the Board shall offer the Sale Shares for sale to the Shareholders in the manner set out in Article 9 6 Each offer must be in writing and give details of the number and Transfer Price of the Sale Shares offered

9 6 **Transfers: Offer**

- (a) The Board shall offer the Sale Shares to all Shareholders other than the Seller (the "**Continuing Shareholders**") inviting them to apply in writing within the period from the date of the offer to the date 30 days after the offer (inclusive) (the "**Offer Period**") for the maximum number of Sale Shares they wish to buy
- (b) If the Sale Shares are subject to a Minimum Transfer Condition then any allocation made under this Article 9 6 will be conditional on the fulfilment of the Minimum Transfer Condition
- (c) If, at the end of the Offer Period, the number of Sale Shares applied for is equal to or exceeds the number of Sale Shares, the Board shall allocate the Sale Shares to each Continuing Shareholder in the proportion (fractional entitlements being rounded to the nearest whole number) which his existing holding of Shares bears to the total number of Shares held by those Continuing Shareholders who have applied for Sale Shares but no allocation shall be made to a Shareholder of more than the maximum number of Sale Shares which he has stated he is willing to buy
- (d) If, at the end of the Offer Period, the number of Sale Shares applied for is less than the number of Sale Shares, the Board shall allocate the Sale Shares to the Continuing Shareholders in accordance with their applications and the balance will be dealt with in accordance with Article 9 7(e)

9 7 Completion of transfer of Sale Shares

- (a) If the Transfer Notice includes a Minimum Transfer Condition and the total number of Shares applied for is less than the number of Sale Shares the Board shall notify the Seller and all those to whom Sale Shares have been conditionally allocated under Articles 9 6 stating the condition has not been met and that the relevant Transfer Notice has lapsed with immediate effect
- (b) If
 - (i) the Transfer Notice does not include a Minimum Transfer Condition, and
 - (ii) allocations have been made in respect of all the Sale Shares,

the Board shall give written notice of allocation (an "**Allocation Notice**") to the Seller and each Shareholder to whom Sale Shares have been allocated (an "**Applicant**") specifying the number of Sale Shares allocated to each Applicant and the place and time (being not less than 10 Business Days nor more than 20 Business Days after the date of the Allocation Notice) for completion of the transfer of the Sale Shares
- (c) Upon service of an Allocation Notice, the Seller must, against payment of the Transfer Price, transfer the Sale Shares in accordance with the requirements specified in it
- (d) If the Seller fails to comply with the provisions of Article 9 7(c)
 - (i) the Chairman of the company or, failing him, one of the directors, or some other person nominated by a resolution of the Board, may on behalf of the Seller
 - (A) complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Applicants,
 - (B) receive the Transfer Price and give a good discharge for it, and
 - (C) (subject to the transfer being duly stamped) enter the Applicants in the register of Shareholders as the holders of the Shares purchased by them, and

- (ii) the Company shall pay the Transfer Price into a separate bank account in the Company's name on trust (but without interest) for the Seller until he has delivered to the Company his certificate or certificates for the relevant Shares (or an indemnity, in a form reasonably satisfactory to the Board, in respect of any lost certificate)
- (e) If an Allocation Notice does not relate to all the Sale Shares then, subject to Article 9 7(f), the Seller may, within eight weeks after service of the Allocation Notice, transfer any unallocated New Ordinary Shares to any person at a price at least equal to the Transfer Price provided that the sale of such New Ordinary Shares shall continue to be subject to any Minimum Transfer Conditions
- (f) The right of the Seller to transfer Shares under Article 9 7(e) does not apply if the Board is of the opinion on reasonable grounds that
 - (i) the transferee is a person (or a nominee for a person) who the FPE Director determines in his absolute discretion is a competitor with (or an Associate of a competitor with) the business of the Company or with a Subsidiary Undertaking of the Company;
 - (ii) the sale of the Sale Shares is not bona fide or the price is subject to a deduction, rebate or allowance to the transferee, or
 - (iii) the Seller has failed or refused to provide promptly information available to it or him and reasonably requested by the Board for the purpose of enabling it to form the opinion mentioned above

10 VALUATION OF SHARES

10 1 If a Transfer Notice does not specify a Transfer Price or if a Transfer Notice is deemed to have been served then, upon service of the Transfer Notice or, in the case of the deemed service of a Transfer Notice, on the date on which the Board first has actual knowledge of the facts giving rise to such deemed service, the Board shall appoint expert valuers in accordance with Article 10 2 (the "Expert Valuers") to certify the Fair Value of the Sale Shares

10 2 The Expert Valuers will be either

- (a) the Auditors, or, if so specified in the relevant Transfer Notice,
- (b) an independent firm of Chartered Accountants to be agreed between the Board and the Seller or failing agreement not later than the date 10 Business Days

after the date of service of the Transfer Notice to be appointed by the then President of the Institute of Chartered Accountants in England and Wales on the application of either party

- 10 3 The "Fair Value" of the Sale Shares shall be determined by the Expert Valuer on the following assumptions and bases
- (a) valuing the Sale Shares as on an arm's-length sale between a willing seller and a willing buyer,
 - (b) if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so,
 - (c) that the Sale Shares are capable of being transferred without restriction,
 - (d) valuing the Sale Shares without attributing any relevant premium or discount attributable to the percentage of the issued share capital of the Company which they represent,
 - (e) (in the case of transfers pursuant to Article 12) valuing the Sale Shares taking into account any increase or decrease in value of the Company as a result of the Bad Leaver no longer being an employee, director or Shareholder (as the case may be) of the Company, and
 - (f) reflect any other factors which the Expert Valuers reasonably believe should be taken into account
- 10 4 If any difficulty arises in applying any of these assumptions or bases then the Expert Valuers shall resolve that difficulty in whatever manner they shall in their absolute discretion think fit
- 10 5 The Expert Valuers shall be requested to determine the Fair Value within 20 Business Days of their appointment and to notify the Board of their determination
- 10 6 The Expert Valuers shall act as experts and not as arbitrators and their determination shall be final and binding on the parties (in the absence of fraud or manifest error)
- 10 7 The Board will give the Expert Valuers access to all accounting records or other relevant documents of the Company subject to them agreeing such confidentiality provisions as the Board may reasonably impose

10 8 The Expert Valuers shall deliver their certificate to the Company As soon as the Company receives the certificate it shall deliver a copy of it to the Seller Unless the shares are to be sold under a Transfer Notice, which is deemed to have been served, the Seller may by notice in writing to the Company within 5 Business Days of the service on him of the copy certificate, cancel the Company's authority to sell the Sale Shares

10 9 The cost of obtaining the certificate shall be paid by the Company unless

- (a) the Seller cancels the Company's authority to sell, or
- (b) the sale is pursuant to a Transfer Notice which is deemed to have been served, and the Sale Price certified by the Expert Valuers is less than the price (if any) offered by the directors to the Seller for the Sale Share before Expert Valuer was instructed,

in which case the Seller shall bear the cost

11 **COMPULSORY TRANSFERS – GENERAL**

11 1 A person entitled to a Share in consequence of the bankruptcy of a Shareholder shall be deemed to have given a Transfer Notice in respect of that Share at a time determined by the Directors For the purposes of this Article 11, Shares shall not include Growth Shares

11 2 If a Share remains registered in the name of a deceased Shareholder for longer than one year after the date of his death the Directors may require the legal personal representatives of that deceased Shareholder either

- (a) to effect a Permitted Transfer of such Shares (including for this purpose an election to be registered in respect of the Permitted Transfer), or
- (b) to show to the satisfaction of the Directors that a Permitted Transfer will be effected before or promptly upon the completion of the administration of the estate of the deceased Shareholder

If either requirement in this Article 11 2 shall not be fulfilled to the satisfaction of the Directors a Transfer Notice shall be deemed to have been given in respect of each such Share save to the extent that the Directors may otherwise determine

11 3 If a Shareholder which is a company, or a Permitted Transferee of that Shareholder, either suffers or resolves for the appointment of a liquidator, administrator or

administrative receiver over it or any material part of its assets, the relevant Shareholder or Permitted Transferee shall be deemed to have given a Transfer Notice in respect of all the shares held by the relevant Shareholder and/or such Permitted Transferee save to the extent that, and at a time, the Directors may determine

12 COMPULSORY TRANSFER – EMPLOYEES

- 12 1 If any Employee ceases for any reason to be an Employee the relevant Employee shall, if they are a Bad Leaver, be deemed to have given a Transfer Notice in respect of all the Employee Shares issued under any Employee Share Scheme created after the Date of Adoption on the Effective Termination Date. In such circumstances the Transfer Price in respect of any such Employee Shares shall be the lower of Fair Value and the cost of issue of such Employee Shares, as paid to the Company by the Employee
- 12 2 For the purposes of Article 12 1, the relevant Employee Shares shall be offered to such person or persons as are approved by the FPE Director and by the Board (other than the departing Employee)
- 12 3 All voting rights attached to Employee Shares held by an Employee who is a Bad Leaver or a Good Leaver (the "Restricted Member"), if any, shall at the time he ceases to be an Employee be suspended unless the Board and FPE notify him otherwise
- 12 4 Any Employee Shares whose voting rights are suspended pursuant to Article 12 3 ("Restricted Shares") shall confer on the holders of Restricted Shares the right to receive a notice of and attend all general meetings of the Company but shall have no right to vote either in person or by proxy. If a Restricted Member transfers any Restricted Shares in the Company in accordance with these Articles (save pursuant to Article 8 2) all voting rights attached to the Restricted Shares so transferred shall upon completion of the transfer (as evidenced by the transferee's name being entered in the Company's register of shareholders) automatically be restored

13 DRAG ALONG AND TAG ALONG

- 13 1 Except in the case of Permitted Transfers and transfers pursuant to Articles 11 and 12, the provisions of this Article 13 will apply, in precedence to the pre-emption procedure in Article 9, if one or more Proposed Sellers (the "Selling Shareholders") propose to transfer in one or a series of related transactions any Shares (the "Proposed Transfer") which would, if put into effect, result in any Proposed Purchaser (and Associates of his or persons Acting in Concert with him) acquiring at least 66 67% of the Shares in issue at the time of the Proposed Transfer

- 13 2 A Selling Shareholder must, before making a Proposed Transfer procure the making by the Proposed Purchaser of an offer (the "Offer") to the other Shareholders to acquire all of the Company's Shares for a consideration per share the value of which is at least equal to the Specified Price (as defined in Article 13 6)
- 13 3 The Offer must be given by written notice (a "Proposed Sale Notice") at least 10 Business Days (the "Offer Period") prior to the proposed sale date ("Proposed Sale Date") The Proposed Sale Notice must set out, to the extent not described in any accompanying documents, the identity of the Proposed Purchaser, the purchase price and other terms and conditions of payment, the Proposed Sale Date and the number of Shares proposed to be purchased by the Proposed Purchaser (the "Proposed Sale Shares")
- 13 4 If any other holder of Shares is not given the rights accorded him by this Article, the Selling Shareholders will not be entitled to complete their sale and the Company will not register any transfer intended to carry that sale into effect
- 13 5 If the Offer is accepted by any Shareholder (an "Accepting Shareholder") within the Offer Period, the completion of the Proposed Transfer will be conditional upon the completion of the purchase of all the Shares held by Accepting Shareholders
- 13 6 For the purpose of this Article.
- (a) the expression "transfer" and "purchaser" shall include the renunciation of a renounceable letter of allotment and the renounee under any such letter of allotment respectively,
 - (b) the expression "Specified Price" shall mean in respect of each Share a sum in cash equal to the average price per Share offered or paid by the Proposed Purchaser
 - (i) in the Proposed Transfer, or
 - (ii) in any related or previous transaction by the Proposed Purchaser or any person Acting in Concert with the Proposed Purchaser in the 12 months preceding the date of the Proposed Transfer,
- plus an amount equal to the Relevant Percentage of any other consideration (in cash or otherwise) paid or payable by the Proposed Purchaser or any other person Acting in Concert with the Proposed Purchaser, which having regard to the substance of the transaction as a whole, can reasonably be regarded as an addition to the price paid or payable for the Shares, and

(c) $\text{Relevant Percentage} = A/B \times 100$

where A = number of Shares being sold by the Selling Shareholders, and

B = number of Shares held by the Selling Shareholders immediately before the Proposed Transfer

- 13 7 To the extent that the Offer is not accepted by any Shareholder (a "Non-Accepting Shareholder"), the Selling Shareholders shall have the option (the "Drag Along Option") to require the Non-Accepting Shareholders to sell and transfer all their Shares to the Proposed Purchaser or as the Proposed Purchaser shall direct for the Specified Price in accordance with the provisions of Articles 13 7 to 13 14. The Selling Shareholders may exercise the Drag Along Option by giving a written notice to that effect (a "Drag Along Notice") to the Non-Accepting Shareholders at any time before the transfer of the Sellers' Shares to the Proposed Purchaser. A Drag Along Notice shall specify that the Non-Accepting Shareholders are required to transfer all their Shares under this Article, the person to whom they are to be transferred, the Specified Price and the proposed date of transfer.
- 13 8 Drag Along Notices shall be irrevocable but will lapse if for any reason there is not a sale of the Sellers' Shares by the Selling Shareholders to the Proposed Purchaser within 40 Business Days after the date of service of the Drag Along Notice. The Selling Shareholders shall be entitled to serve further Drag Along Notices following the lapse of any particular Drag Along Notice.
- 13 9 No Drag Along Notice may require a Non-Accepting Shareholder to agree to any terms except those specifically provided for in this Article.
- 13 10 Within five Business Days of the Proposed Purchaser serving a Drag Along Notice on the Non-Accepting Shareholders, the Non-Accepting Shareholders shall deliver stock transfer forms for their Shares in favour of the Proposed Purchaser or as the Proposed Purchaser shall direct, together with the relevant share certificate(s) (or a suitable indemnity in lieu thereof) to the Company. On the expiration of that five Business Day period the Company shall pay the Non-Accepting Shareholders, on behalf of the Proposed Purchaser, the amounts they are due pursuant to Article 13 7 to the extent the Proposed Purchaser has put the Company in the requisite funds. The Company's receipt for the price shall be a good discharge to the Purchaser. The Company shall hold the amounts due to the Non-Accepting Shareholders pursuant to Article 13 7 in trust for the Non-Accepting Shareholders without any obligation to pay interest.
- 13 11 To the extent that the Proposed Purchaser has not, on the expiration of such five Business Day period, put the Company in funds to pay the price due pursuant to Article

13 10, the Non-Accepting Shareholders shall be entitled to the return of the stock transfer forms and share certificate (or suitable indemnity) for the relevant Shares and the Non-Accepting Shareholders shall have no further rights or obligations under this Article 13 in respect of their Shares

13 12 If a Non-Accepting Shareholder fails to deliver stock transfer forms and share certificates (or suitable indemnity) for its Shares to the Company upon the expiration of that five Business Day period, the Directors shall, if requested by the Proposed Purchaser, authorise any Director to transfer the Non-Accepting Shareholder's Shares on the Non-Accepting Shareholder's behalf to the Proposed Purchaser (or its nominee(s)) to the extent the Proposed Purchaser has, at the expiration of that five Business Day period, put the Company in funds to pay the price for the Non-Accepting Shareholder's Shares offered to him. The Board shall then authorise registration of the transfer once appropriate stamp duty has been paid. The defaulting Non-Accepting Shareholder shall surrender his share certificate for his Shares (or provide a suitable indemnity) to the Company. On surrender, he shall be entitled to the amount due to him under Article 13 10.

13 13 Any transfer of Shares to a Proposed Purchaser (or as they may direct) pursuant to a sale in respect of which a Drag Along Notice has been duly served shall not be subject to the provisions of Article 9.

13 14 On any person, following the issue of a Drag Along Notice, becoming a Shareholder of the Company pursuant to the exercise of a pre-existing option to acquire shares in the Company or pursuant to the conversion of any convertible security of the Company (a "New Shareholder"), a Drag Along Notice shall be deemed to have been served on the New Shareholder on the same terms as the previous Drag Along Notice who shall then be bound to sell and transfer all Shares so acquired to the Proposed Purchaser or as the Proposed Purchaser may direct and the provisions of this Article shall apply with the necessary changes to the New Shareholder except that completion of the sale of the Shares shall take place immediately on the Drag Along Notice being deemed served on the New Shareholder.

14 **RIGHTS ATTACHING TO GROWTH SHARES**

14 1 Growth Shares shall entitle the holders only to participate in the Proceeds of Sale on a Share Sale or in Exit Proceeds on the winding up of the Company or a return of capital as described in this Article 14. No other rights attach to Growth Shares. For the avoidance of doubt, Growth Shares shall not entitle the holders to participate in dividends or distributions nor shall Growth Shares confer upon the holders any right to attend, speak and/or vote at general meetings of the Company or on a written resolution of the Company or otherwise.

14 2 On an Share Sale, the Proceeds of Sale shall be distributed as follows

- (a) all Proceeds of Sale up to the Sale Threshold Amount shall be distributed amongst the holders of the New Ordinary Shares, pro rata to the number of New Ordinary Shares then held,
- (b) the Proceeds of Sale in excess of the Sale Threshold Amount shall be distributed amongst the holders of the New Ordinary Shares and the Growth Shares as if they constituted one class, pro rata to the number of such Shares held,
- (c) the directors shall not register any transfer of Shares if the Proceeds of Sale are not so distributed save in respect of Shares not sold in connection with that Share Sale,

14 3 Upon a winding up of the Company or a return of capital by the Company, the Exit Proceeds shall be distributed as follows

- (a) all Exit Proceeds up to the Sale Threshold Amount shall be distributed amongst the holders of the New Ordinary Shares pro rata to the number of New Ordinary Shares then held,
- (b) the Exit Proceeds in excess of the Sale Threshold Amount shall be distributed amongst the holders of the New Ordinary Shares and the Growth Shares as if they constituted one class, pro rata to the number of such Shares held,

15 **GENERAL MEETINGS**

15 1 In Regulation 37 of Table A there shall be substituted for the words “eight weeks” the words “twenty-eight days”

15.2 In its application to the Company, Regulation 50 of Table A shall be modified by the insertion after the word “shall” and before the words “be entitled” of the word “not”

16 **PROXIES**

The instrument appointing a proxy and any authority under which it is executed or a copy of such authority certified notarially or in some other way approved by the Directors may

- (a) be deposited at the office or at any other place within the United Kingdom as may be specified in the notice convening the meeting or in any instrument of

proxy sent out by the Company in relation to the meeting at any time before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote,

- (b) be delivered at the meeting or adjourned meeting at which the person named in the instrument proposes to vote to the Chairman or to the Secretary or to any Director, or
- (c) in the case of a poll, be delivered at the meeting at which the poll was demanded to the Chairman or to the Secretary or to any Director, or at the time and place at which the poll is held to the Chairman or to the Secretary or to any Director or scrutineer,

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

17 DIRECTORS' BORROWING POWERS

The Directors may exercise all the powers of the Company to borrow or raise money and to mortgage or charge its undertaking, property and uncalled capital and to issue debentures, debenture stock and other securities as security for any debt, liability of obligation of the Company or of any third party

18 ALTERNATE DIRECTORS

Notwithstanding any provision of these Articles to the contrary, any person appointed as a director may appoint any person as he thinks fit to be his, her or its alternate Director and the appointment of an alternate Director shall not require approval by a resolution of the Directors, and in its application to the Company Regulation 65 of Table A shall be modified accordingly

19 NUMBER OF DIRECTORS

Unless and until the Company in general meeting shall otherwise determine the number of Directors shall be not less than two and shall not be more than 10

20 APPOINTMENT OF DIRECTORS

20.1 FPE shall have the right

- (a) to appoint and maintain in office such natural person as FPE may from time to time nominate as a director of the Company and each of the Subsidiaries (and

as a member of each and any committee of the Board) and to remove any director so appointed and, upon his removal whether by FPE or otherwise, to appoint another director in his place, and

- (b) to appoint a representative to attend as an observer at each and any meeting of the Board and of each and any committee of the Board who will be entitled to speak at any such meetings but will not vote

20 2 Appointment and removal of an FPE Director shall be by written notice to the Company which shall take effect on delivery at its registered office or at any meeting of the Board or committee thereof

20 3 In its application to the Company, Regulation 78 of Table A shall be modified by the deletion of the words “ and may also determine the rotation in which any additional Directors are to retire”

20 4 In its application to the Company, Regulation 79 of Table A shall be modified by the deletion of the second and third sentences

20 5 In its application to the Company, Regulation 84 of Table A shall be modified by the deletion of the third and final sentences

21 DISQUALIFICATION OF DIRECTORS

In addition to that provided in Regulation 81 of Table A, the office of a Director shall also be vacated if

- (a) he is convicted of a criminal offence (other than a minor motoring offence) and the Directors resolve that his, her or its office be vacated,
- (b) in the case of Directors, other than an FPE Director, if a majority of his co-Directors serve notice on him in writing, removing him from office Any such notice shall require the consent of the FPE Director

22 PROCEEDINGS OF DIRECTORS

22 1 No business shall be transacted at any meeting of the Board (including, for the avoidance of doubt, any adjourned meeting) unless a quorum is present Subject to Article 22 2, the quorum at a Board meeting shall be three Directors, of whom one shall be the FPE Director (or his alternate), present at the time when the relevant business is transacted

- 22 2 If a quorum is not present within half an hour of the time appointed for the meeting or ceases to be present, the Director(s) present shall adjourn the meeting to a specified place and time two Business Days after the original date (the "Adjourned Meeting"). Notice of the Adjourned Meeting shall be given by the secretary of the Company. In the event that the initial meeting of the Board was not quorate within thirty minutes of the time appointed for the meeting due to the absence of the FPE Director, and the Adjourned Meeting is not quorate within thirty minutes of the time appointed for the meeting due to the absence without good cause of the FPE Director, the Adjourned Meeting shall be deemed to be quorate by the attendance of any three Directors.
- 22 3 In its application to the Company Regulation 89 of Table A shall be modified
- (a) by the deletion of the words "may be fixed by the Directors and unless so fixed at any other number" in the first sentence, and
 - (b) by the addition of the following as the final sentence

"In the event that a meeting of the Directors is attended by a Director who is acting as alternate for one or more other Directors, the Director or Directors for whom he is the alternate shall be counted in the quorum despite their absence, and if on that basis there is a quorum the meeting may be held despite the fact (if it is the case) that only one Director is physically present"
- 22 4 Any Director who participates in the proceedings of a meeting by means of a communication device (including a telephone) which allows all the other Directors present at that meeting (whether in person or by alternate or by means of that type of communication device) to hear at all times that Director and that Director to hear at all times all other Directors present at the meeting (whether in person or by alternate or by means of that type of communication device) shall be deemed to be present at the meeting and shall be counted when reckoning a quorum. A meeting held by these means shall be deemed to take place where the largest group of participators in number is assembled. In the absence of a majority the location of the chairman shall be deemed to be the place of the meeting.
- 22 5 A Director may vote at a meeting of the Directors, and form part of a quorum present at that meeting, in relation to any matter in which he has, directly or indirectly, an interest or duty which conflicts or which may conflict with the interests of the Company, provided that he has previously disclosed the nature of such duty or interest to the Directors. The provisions of Regulation 86 of Table A shall be taken to apply equally to any disclosure to be made under the provisions of this Article.

- 22 6 Questions arising at any meeting of the Directors shall be decided by a majority of votes. In the case of any equality of votes, the chairman shall have a second or casting vote

23 EXECUTION OF DOCUMENTS

In its application to the Company Regulation 101 of Table A shall be modified by the addition of the following sentence

“Any instrument expressed to be executed by the Company and signed by two Directors, or by one Director and the Secretary, by the authority of the Directors or of a committee authorised by the Directors shall (to the extent permitted by the Act) have effect as if executed under seal”

24 DIVIDENDS

In Regulation 103 of Table A the words from “If the share capital is divided” to the end of the third sentence of the Regulation shall be deleted

25 NOTICES

- 25 1 Any notice shall be in writing and shall be conclusively deemed to have been duly given

- (a) when hand delivered to the relevant party,
- (b) when received when sent by facsimile, e-mail or any other form of electronic communication at the relevant address,
- (c) two Business Days after dispatch if sent to an address in the United Kingdom by post,
- (d) five Business Days after dispatch if sent by reputable international overnight courier addressed to the relevant party provided that delivery in at least five (5) Business Days was guaranteed at the time of sending and the sending Party receives a confirmation of delivery from the courier service provider, or
- (e) by airmail (registered or certified) 15 Business Days after sending

- 25 2 In proving service of a notice it shall be sufficient to prove that personal delivery was made, or that the relevant notice or other written communication was properly

addressed stamped and posted or in the case of a facsimile, e-mail or other form of electronic communication evidence that the relevant communication was properly sent

25 3 Regulation 115 of Table A shall be deleted

26 **INSURANCE**

26 1 Subject to the provisions of the Act the Directors may exercise all the powers of the Company to purchase and maintain insurance for any such Director or other officer against any liability which by virtue of any rule of law would otherwise attach to him in respect of any negligence, default, breach of duty or breach of trust of which he may be guilty in relation to the Company

26 2 The Company shall (at the cost of the Company) effect and maintain for each Director policies of insurance insuring each Director against risks in relation to his office as each director may reasonably specify including without limitation, any liability which by virtue of any rule of law may attach to him in respect of any negligence, default of duty or breach of trust of which he may be guilty in relation to the Company