

This resolution was approved by
shareholders on 16 December 2009.

Registered No 03861669

S. D. Lawder
DIRECTOR / COMPANY
SECRETARY

THE COMPANIES ACT 2006

RESOLUTIONS

of

BIOWISDOM LIMITED
(the "Company")

THURSDAY



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COMPANIES HOUSE

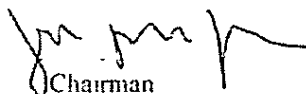
AT AN EXTRAORDINARY GENERAL MEETING of the Company duly convened and held on 16 December 2009 the following resolutions were passed as special resolutions

SPECIAL RESOLUTIONS

- 1 THAT the regulations contained in the document attached (for the purpose of identification marked "A") be approved and 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
- 2 THAT each and all of the existing issued and unissued preferred ordinary shares of £0.01 each in the capital of the Company be converted into and re-designated as ordinary shares of £0.01 each, having the rights and subject to the restrictions set out in the Articles of Association of the Company adopted pursuant to paragraph 1 above
- 3 THAT 50,000,000 of the unissued ordinary shares of £0.01 each in the capital of the Company be converted into and re-designated as A preferred ordinary shares of £0.01 each, having the rights and subject to the restrictions set out in the Articles of Association of the Company adopted pursuant to paragraph 1 above
- 4 THAT 50,000,000 of the unissued ordinary shares of £0.01 each in the capital of the Company be converted into and re-designated as B preferred ordinary shares of £0.01 each, having the rights and subject to the restrictions set out in the Articles of Association of the Company adopted pursuant to paragraph 1 above
- 5 THAT the directors of the Company be and hereby generally and unconditionally authorised for the purposes of section 551 of the Companies Act 2006 (the "Act") to exercise all of the power of the company to allot shares and to grant rights to subscribe for or convert any security into shares up to an aggregate nominal amount of £2,995,000, provided that this authority is for a fixed period expiring five years from the date of this resolution. This authority is in substitution for all subsisting authorities to the extent unused
- 6 THAT, pursuant to the provisions of section 570 of the Act and to resolution 4 above and in accordance with article 3 of the Articles of Association of the Company adopted pursuant to paragraph 1 above (the "Articles") the Directors be empowered to allot equity securities (as defined in section 560 of the Act) pursuant to the general authority given to them for the purpose of section 551 of the Act by this resolution for cash as if section 561 of the Act did not apply and the rights of pre-emption set out at article 3 of the Articles, any other provision of the Articles or otherwise shall not apply to the issue by the Company on or about the date hereof of

or A preferred ordinary shares of £0.01 each or B preferred ordinary shares of £0.01 each
provided that the aggregate nominal amount of such shares to be issued shall not exceed
£25,000

Dated 16th Dec 2009


Chairman

**ARTICLES OF ASSOCIATION
(adopted on 16 December 2009)**

of

BIOWISDOM LIMITED

Registered number: 03861669

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Draft

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ARTICLES OF ASSOCIATION
(adopted on 16 December 2009)

of

BIOWISDOM LIMITED

COMPANIES HOUSE

1. Interpretation

1 1 The relevant model articles (within the meaning of section 20 of the Companies Act 2006) are excluded

1 2 In these Articles

1 2 1 headings are used for convenience only and shall not affect the construction hereof,

1 2 2 unless the context otherwise requires, other words or expressions contained in the Articles bear the same meaning as in the Companies Act 2006 as in force on the Adoption Date (as defined below),

1 2 3 in the event of there being any conflict or inconsistency between any provision in Part A of these Articles and any provisions in Part B of these Articles, the provisions in Part A shall prevail,

1 2 4 the following words and expressions shall have the following meanings

“acting in concert” shall have the meaning set out in the City Code on Takeovers and Mergers

“Adoption Date” 16 December 2009

“A Preferred Ordinary Shares” A Preferred Ordinary Shares of £0.01 each in the capital of the Company having rights as set out in these Articles

“these Articles” these articles of association as amended from time to time (and reference to an **“article”** shall be construed accordingly)

“Bad Leaver” a Leaver who has ceased to be employed or appointed by a Group Company in circumstances where he has

(a) resigned his employment or terminated his consultancy or resigned his directorship (other than by reason of death, permanent ill health, permanent disability or retirement at 60 years of age), or

(b) his contract of employment or consultancy was terminated by the Group Company for breach by the Leaver in accordance with its terms and in circumstances where no compensation payment in respect of such termination is due from the Company

“Bad Leaver Price” the price per Share which is the lesser of

(a) the Fair Price, and

(b) the Issue Price

“Battelle”: Battelle Memorial Institute a charitable trust organized as a non-profit corporation organised under the laws of the State of Ohio, U S A

“Bankruptcy” includes individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy

“B Preferred Ordinary Shares” B Preferred Ordinary Shares of £0.01 each in the capital of the Company having rights as set out in these Articles

“call” for the purposes of articles 35 to 41 only, has the meaning given in article 35

“call notice” has the meaning given in article 35

“Companies Acts” the Companies Acts (as defined in section 2 of the Companies Act 2006), in so far as they apply to the Company

“connected person” has the meaning given to that expression in Section 839 of the Income and Corporation Taxes Act 1988

the **“Directors”** the directors for the time being of the Company as a body or a valid quorum of the Directors present at a meeting of the Directors (and **“Director”** shall mean any one of such persons)

“Disposal” the sale or other disposal whether by one transaction or a series of related transactions of the whole or a substantial part of the business, assets and/or undertakings of (i) the Company, or (ii) any other Group Company (other than a Group Company which is the Company or a wholly owned subsidiary of the Company) where the disposal by any Group Company or Group Companies itself comprises the whole or a substantial part of the undertaking of the Group, in circumstances where the Proceeds of such sale or disposal are subsequently distributed to the Members (in whole or part)

“distribution recipient” has the meaning given in article 52

“Equity Shares” Ordinary Shares, A Preferred Shares and B Preferred Shares

“Exit”: the occurrence of any of the following events (whichever is the earlier) a Sale or a Listing or a Disposal

“Fair Price” means the price agreed between a selling holder and the Directors in respect of the Shares of such selling holder or, in the absence of such agreement, in respect of each Share the price certified in writing by the Independent Expert as being in their opinion the fair value of such Share calculated on the following bases

- (a) in relation to any Ordinary Share,
 - (i) the Independent Expert shall determine the sum which is the open market value of all of the issued Ordinary Shares and Preferred Ordinary Shares (the **“Shareholder Funds Value”**), in making their determination the Independent Expert shall not have regard to any discount that might attach to the Shares if they constitute a minority interest or as a result of the fact that transferability is restricted,
 - (ii) the Independent Expert shall deduct from the Shareholder Funds Value the amount which at the time of the determination the issued A Preferred Ordinary Shares and B Preferred Ordinary Shares remain entitled to receive in accordance with these Articles,(the result being the **“Ordinary Value”**),

- (iii) the Fair Price for each Ordinary Share shall be the Ordinary Value (if a positive amount) divided by the fully diluted number of Ordinary Shares that are or would be upon exercise of any options or rights in issue at such time (and otherwise zero),
- (b) in relation to any B Preferred Ordinary Share
 - (i) the Independent Expert shall deduct from the Shareholder Funds Value (which, for the avoidance of doubt, shall be determined in accordance with the procedure set out in (a)(i) above) the amount which at the time of determination the issued A Preferred Ordinary Shares remain entitled to receive in accordance with these Articles

(the result being the “**Junior Preferred Equity Value**”),
 - (ii) the Fair Price for each B Preferred Ordinary Share shall be the lesser of (A) the Junior Preferred Equity Value (if a positive amount) divided by the fully diluted number of issued B Preferred Ordinary Shares (and otherwise zero), and (B) the amount which, at the time of the determination, such issued B Preferred Ordinary Share would, on the basis that the fully diluted number of issued B Preferred Ordinary Shares were then in issue, remain entitled to receive in accordance with these Articles, and
- (c) in relation to any A Preferred Ordinary Share the Fair Price for each Preferred Ordinary Share shall be the lesser of
 - (i) the Shareholder Funds Value (if a positive amount) divided by the fully diluted number of issued A Preferred Ordinary Shares (and otherwise zero), and
 - (ii) the amount which, at the time of the determination, such issued A Preferred Ordinary Share would, on the basis that the fully diluted number of issued A Preferred Ordinary Shares were then in issue, remain entitled to receive in accordance with these Articles

“**fully paid**” in relation to a share, that the nominal value and any premium to be paid to the Company in respect of that Share have been paid to the Company

“**Good Leaver**” a member who ceases to be employed or appointed by a Group Company in circumstances where he would not be a Bad Leaver

“**Group Company**” the Company and any other company which is for the time being a subsidiary undertaking of the Company (and “**Group**” shall be construed accordingly)

“**holder**” in relation to Shares, the person whose name is entered in the register of members as the holder of the Shares

“**Independent Expert**” means the auditors, or if they are unwilling to act, an umpire (acting as an expert and not as an arbitrator) nominated by the parties concerned or in the case of disagreement as to nomination, appointed by the President for the time being of the Institute of Chartered Accountants in England and Wales

“**Instrument**” means a document in hard copy form

“**Issue Price**” the price per Share at which the relevant Shares are issued (being the aggregate of the amount paid up or credited as paid up in respect of the nominal value thereof and any share premium thereon) and, in the event that any Leaver or any Associate of any Leaver

acquires Shares at different Issue Prices, the Issue Price in relation to the relevant Shares shall be the average of the different Issue Prices (calculated by reference to the number of Shares acquired at the relevant Issue Price)

“Investor Majority”: holders of seventy five (75%) of the A Preferred Ordinary Shares in issue from time to time

“Leaver” as defined in article 6

“Listing” the admission of all or any of the ordinary share capital of the Company to the Official List of the UK Listing Authority or the admission of the same to trading on the AIM Market of the London Stock Exchange plc or the admission of the same to, or the grant of permission by any like authority for the same to be traded on, any other equivalent or similar share market

“MB” MB Venture Capital Fund I N V

“Member” any holder for the time being of Shares

“Merlin” means Merlin General Partners III Limited (as general partner of the Merlin Biosciences Fund III L P) and Merlin Biosciences General Partner III GmbH (as managing partner of Merlin Biosciences Fund III GmbH & Co KG)

“NVF” means NVF Equity Limited (a wholly owned subsidiary of NVF II) a company incorporated in Jersey with registered number 97588 and having its registered office at 13/14 Esplanade, St Helier, Jersey JE1 1BD, or its successors in title

“NVF II” means Noble Venture Finance II Limited Partnership, a limited partnership registered in Jersey with registered number 908 whose principal place of business is at 13/14 Esplanade, St Helier, Jersey JE1 1BD or its successors in title

“NVF General Partner” means Noble Venture Finance General Partner Limited, a private company incorporated under the laws of Jersey with registered number 86671 whose registered office is at 13/14 Esplanade, St Helier, Jersey JE1 1BD

“NVF SA” means Noble Venture Finance II S A , a société anonyme, incorporated in Luxembourg with its registered office at 3-5, Place Winston Churchill, L-1340, Luxembourg or its successors in title

“Ordinary Shares” Ordinary Shares of £0.01 each in the capital of the Company having rights as set out in these Articles

“Permitted Transfer” a transfer or disposal permitted by article 4

“Preferred Ordinary Shares” together the A Preferred Ordinary Shares and B Preferred Ordinary Shares and **“Preferred Share”** shall mean any one of them

“Proceeds”. means

- (a) in the case of a Listing, the price per share (expressed in pounds sterling) at which the Shares are proposed to be sold in connection with the Listing (in the case of an offer for sale, being the underwritten price (or if applicable, the minimum tender price) and in the case of a placing being the placing price) in each case multiplied by the number of such Shares as are in issue immediately following the Listing (but excluding any Shares issued by the Company at the time of the Listing to raise new money (for whatever purpose)), and

- (b) in the case of a Sale, the aggregate consideration expressed as a cash price (whether that consideration is to be satisfied in cash, shares, loan stock, or a combination thereof or otherwise) provided that any non-cash consideration shall, in the absence of any agreement with the Preferred Members as to the value thereof, be valued by the auditors, or if they are unwilling or unable to act, the Independent Expert,
- (c) in the case of a Disposal, an amount equal to the total amount available for payment to holders of Shares as a result of the Disposal by way of dividend, distribution (on Liquidation or otherwise), buy back of Shares or return of capital by the Company inclusive of any associated tax credit,

“proxy notice” has the meaning given in article 67

“Relevant Officer” means any person who is or was at any time a director, secretary or other officer (except an auditor) of the Company or any other Group Company

“Sale”: means the acquisition of Shares (whether through a single transaction or a series of transactions) representing not less than 50 per cent of the Equity Shares then in issue by any person and any other person (i) who, in relation to him, is a connected person, or (ii) with whom he is acting in concert,

“Shares” (unless the context does not so admit) shares in the capital of the Company (of whatever class)

“UK Listing Authority” the Financial Services Authority acting in its capacity as the competent authority for the purposes of Part VI of the Financial Services and Markets Act 2000

“writing” means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise

- 1 3 References in these Articles to any statute or statutory provision include a reference to that statute or provision as amended, extended, re-enacted, consolidated or replaced from time to time and include any order, regulation, instrument or other subordinate legislation made under the relevant statute or statutory provision
- 1 4 Words importing the singular number only include the plural and vice versa Words importing the masculine gender include the feminine and neuter gender Words importing persons include corporations

PART A

2. Share Capital and Liability of Members

- 2 1 The liability of the Members is limited to the amount, if any, unpaid on the Shares held by them
- 2 2 The authorised share capital of the Company at the Adoption Date is £3,000,000 divided into 50,000,000 A Preferred Ordinary Shares, 50,000,000 B Preferred Ordinary Shares and 200,000,000 Ordinary Shares
- 2 3 Except as the Company in general meeting may otherwise resolve and subject always to provisions of these Articles, the Directors are authorised to allot, issue, deal with or otherwise dispose of unissued Shares or rights to subscribe for or convert into Shares to such persons

(including any director) on such terms and at such time or times as it thinks fit, provided that no Shares shall be issued at a discount. The maximum nominal amount of share capital which the Directors may allot or otherwise dispose of in accordance with this article shall be the nominal amount of authorised but unissued share capital at the Adoption Date or such other amount as shall be authorised by the Company in general meeting.

2.4 The authority conferred on the Directors by article 2.3 shall remain in force for a period of five years from the Adoption Date and thereafter provided this authority is renewed from time to time by the Company in general meeting in accordance with the Act. The Company may before such authority (or renewed authority) expires make an offer or agreement which would or might require relevant securities to be allotted after such expiry and the board may allot relevant securities in pursuance of such offer or agreement as if the authority had not expired.

2.5 In accordance with section 567 of the Companies Act 2006, the provisions of sections 561 (1) and 562 of the Companies Act 2006, shall not apply to the share capital of the Company present and future.

3. Share rights

The rights attaching to the respective classes of Shares shall be as follows:

3.1 As regards A Preferred Ordinary Shares

3.1.1 Notwithstanding any other provision of these Articles

(a) on any distribution of assets of the Company among its members on a winding up or other return of capital (including any redemption or purchase of Shares or other dividend or distribution to Members), out of the surplus assets available for distribution, or

(b) on an Exit, out of the Proceeds,

the holders of the A Preferred Ordinary Shares shall be entitled, in absolute priority to any holder of any other class of Shares, to receive an aggregate amount equal to (but which shall not exceed) the Issue Price for each such A Preferred Ordinary Share multiplied by 5 (five) (the "**A Preferred Amount**")

3.1.2 The A Preferred Amount payable under article 3.1.1 shall become due and payable on the occurrence of the events referred to therein, ipso facto and without any recommendation or resolution of the Directors or the Company in general meeting (and notwithstanding anything to the contrary contained in these Articles),

3.1.3 Save as provided in article 3.1.1, the A Preferred Ordinary Shares shall not confer on the holders thereof (in that capacity) any further right of participation in the assets of the Company on any distribution or in any Exit.

3.1.4 The holders of A Preferred Ordinary Shares shall be entitled to receive notice of and to attend any general meetings of the Company and to speak or vote (whether on a show of hands or on a poll) at such general meetings in respect of their holdings of A Preferred Ordinary Shares, and on a poll, each A Preferred Ordinary Share shall confer on the holder thereof one vote (in that capacity).

3.2 As regards B Preferred Ordinary Shares

3.2.1 Notwithstanding any other provision of these Articles

(a) on any distribution of assets of the Company among its members on a winding up or other return of capital (including any redemption or purchase of Shares or other dividend or distribution to Members), out of the surplus assets available for distribution, or

(b) on an Exit, out of the Proceeds,

the holders of the B Preferred Ordinary Shares shall be entitled, such entitlement ranking and only arising after satisfaction in full of the rights of the holders of the A Preferred Ordinary Shares set out in article 3 1, but in absolute priority to any holder of any other class of Shares (including Ordinary Shares) to receive an aggregate amount equal to (but which shall not exceed) the Issue Price for each such B Preferred Ordinary Share (the “**B Preferred Amount**”)

3 2 2 The B Preferred Amount payable under article 3 2 1 shall become due and payable on the occurrence of the events referred to therein, ipso facto and without any recommendation or resolution of the Directors or the Company in general meeting (and notwithstanding anything to the contrary contained in these Articles),

3 2 3 Save as provided in article 3 2 1, the B Preferred Ordinary Shares shall not confer on the holders thereof (in that capacity) any further right of participation in the assets of the Company on any distribution or in any Exit

3 2 4 The holders of B Preferred Ordinary Shares shall be entitled to receive notice of and to attend any general meetings of the Company and to speak or vote (whether on a show of hands or on a poll) at such general meetings in respect of their holdings of B Preferred Ordinary Shares, and on a poll, each B Preferred Ordinary Share shall confer on the holder thereof one vote (in that capacity)

3 3 As regards Ordinary Shares

3 3 1 Subject to the terms of issue of any such Shares and the rights of the holders of any other class of Shares as provided in these Articles, the holders of Ordinary Shares shall be entitled to receive, pro rata to the number of Ordinary Shares held by them as if they were all Shares of the same class, any dividends out of the profits of the Company available for distribution and resolved under the Articles to be distributed in respect of each financial year provided that the Company may not declare any dividends or make any distributions unless and until the entitlements of the holders of the A Preferred Ordinary Shares and the B Preferred Ordinary Shares set out in articles 3 1 and 3 2 respectively have been satisfied in full

3 3 2 On a distribution of assets of the Company among its members on a winding up or other return of capital (other than a redemption or purchase by the Company of its own Shares) the holders of Ordinary Shares shall be entitled (such entitlement ranking and only arising after satisfaction in full of the rights of the holders of both the A Preferred Ordinary Shares and the B Preferred Ordinary Shares set out in articles 3 1 and 3 2 respectively) to participate in any surplus so arising in proportion to the number of Ordinary Shares held by each of them

3 3 3 The holders of Ordinary Shares shall be entitled to receive notice of and to attend any general meetings of the Company and to speak or vote (whether on a show of hands or on a poll) at such general meetings in respect of their holdings of Ordinary Shares, and on a poll, each Ordinary Share shall confer on the holder thereof one vote (in that capacity)

3 4 As regards Conversion

- 3 4 1 In the event of an Exit, if the Proceeds are insufficient to pay the full amount due to the holders of the Preferred Shares the amount due under these Articles, then the Company shall immediately prior to the Exit (but conditional thereon) allot such number of fully paid new shares by way of a bonus issue, or (to the extent that the Company is unable to give effect to these Articles by way of a bonus issue alone) redesignate such numbers of Ordinary Shares, pro-rata between the Ordinary Members as may be required into Deferred Shares, or do such other things as the Directors consider reasonably appropriate to reflect the value attributable to the Preferred Shares (respectively) on such event to and the Members shall take all such steps and approve all such resolutions necessary to implement such things
- 3 4 2 In the event the Company or Members are unable to agree the number of Ordinary Shares to be redesignated, the determination of the auditors or Independent Expert as to the number of Ordinary Shares to be converted shall (save in the case of manifest error) be conclusive and binding on the Company and its Members
- 3 5 As regards Deferred Shares
- 3 5 1 On a winding-up or other return of capital, the Deferred Shares shall entitle the holders of the Deferred Shares only to payment of the amounts paid up on those Deferred Shares, after repayment to the holders of any and all Ordinary Shares then in issue of the nominal amount paid up on those Ordinary Shares respectively and the payment in cash or in specie of £1,000,000 on each of those Ordinary Shares
- 3 5 2 The Deferred Shares shall not entitle the holders to receive any dividend or other distribution (other than pursuant to article 3 5 1 above)
- 3 5 3 The Deferred Shares shall not entitle the holders of Deferred Shares to receive notice of, or to attend, speak or vote at, any general meeting of the Company
- 3 5 4 The Deferred Shares shall not, save as provided in article 3 5 5 or pursuant to any transfer of them to the Company for nil value, be transferable
- 3 5 5 The Company shall have an irrevocable authority from each holder of the Deferred Shares at any time to do all or any of the following without obtaining the sanction of the holder or holders of the Deferred Shares
- (a) to appoint any person to execute on behalf of any holder of Deferred Shares a transfer of all or any of those shares and/or an agreement to transfer the same (without making any payment for them) to such person or persons as the Company may determine and to execute any other documents which such person may consider necessary or desirable to effect such transfer, in each case without obtaining the sanction of the holder(s) and without any payment being made in respect of such acquisition,
 - (b) to purchase all or any of the shares in accordance with the Companies Acts without obtaining the consent of the holders of those shares in consideration of the payment to the holders whose shares are purchased of an amount not exceeding one penny in respect of all the Deferred Shares then being purchased,
 - (c) for the purposes of any such purchase, to appoint any person to execute a contract for the sale of any such shares to the Company on behalf of any holder of Deferred Shares,
 - (d) to cancel all or any of the Deferred Shares purchased or acquired in accordance with the Companies Acts, and

- (e) pending any such transfer, purchase or cancellation, to retain the certificates (if any) for all or any of the Deferred Shares

3 6 As regards class rights

- 3 6 1 Without prejudice to the terms of article 19, if at any time the share capital of the Company is divided into different classes of shares, the rights attached to any class may, subject to the provisions of the Companies Acts, be varied or abrogated, whether or not the Company is being wound up, either with the consent in writing of the holders of not less than 75% of the nominal amount of the issued share of the class, or with the sanction of a special resolution passed at a separate general meeting of such holders
- 3 6 2 Without prejudice to the generality of article 3 6 1 and to article 19, the rights attached to the Ordinary Shares shall each be deemed to be varied by any action which
 - (a) alters the authorised or issued share capital of the Company grant options or rights of subscription over or rights of conversion into Shares in the capital of the Company having preference over or being on a parity with any of the Ordinary Shares save in accordance with article 3 7, or pursuant to any employee or management incentive scheme (except in relation to shares issued pursuant to the Company's employee share option schemes adopted with the consent of the Directors),
 - (b) alters or changes the rights, preferences or privileges of any Ordinary Share (unless such alteration or change applies to each class of Shares in the same, or substantially the same, manner and effect), or
 - (c)
 - (d) creates any new class or series of Shares in the capital of the Company having preference over or being on a parity with any of the Ordinary Shares save in accordance with article 3 7, or pursuant to any employee or management incentive scheme
 - (e)

3 7 As regards the issue of new Shares

- 3 7 1 The unissued Shares in the capital of the Company shall only be allotted in accordance with the provisions of this article 3 7
- 3 7 2 Unless otherwise resolved by a special resolution in relation to a specific allotment of Shares or as required to give effect to articles 3 4, all Shares to be allotted (the "Offer Shares") shall first be offered to the Members pro-rata to their existing holdings of Shares (an "Offer")
- 3 7 3 Any Offer shall be made by written notice (the "Offer Notice") from the Directors specifying the number and subscription price of the Offer Shares and shall invite each Members to state in writing within a period not being less than 21 days whether they are willing to accept their pro-rata entitlement (or more) of the Offer Shares and if so the maximum number of Offer Shares they are willing to take
- 3 7 4 At the expiration of the time specified for acceptance in the Offer Notice the Directors shall allocate the Offer Shares to or amongst those Members who shall have notified the Directors that they are willing to take any of the Offer Shares pro-rata to their existing holding of Shares In accepting an Offer Notice, Members may request more

than their pro-rata entitlement of Offer Shares and in the event that other Members do not take up their full entitlement of Offer Shares, any excess Offer Shares shall be allocated to such Members in the numbers applied for them, pro-rata, in the case of each competing Member, to his proportional holding of Shares provided that no Member shall be obliged to take more than the maximum number of Offer Shares notified by him under article 3 7 3

3 7 5 If any Offer Shares remain unallocated after the Offer, subject to the provisions of this article and the Companies Acts, the Directors shall be entitled to dispose of those Offer Shares to such persons (the "**New Members**") on such terms and in such manner as they think fit save that those Offer Shares shall not be disposed of on terms which are more favourable to their subscribers than the terms on which they were offered to the Members pursuant to the Offer

3 7 6 The provisions of this article 3 7 shall not apply to any issue or allotment of shares pursuant to either (i) the valid exercise by any person of any options to subscribe for shares granted pursuant to any share option scheme approved by the Company and the Directors or (ii) the issue of bonus shares pursuant to article 3 4

4. Share transfers - general provisions

4 1 The Directors shall refuse to register any transfer that is not in accordance with these Articles None of the Shares or any interest therein shall be transferred except in accordance with the provisions contained in this article 4 (each a "**Permitted Transfer**") or Articles 5,6 or 7 (inclusive) and for the purposes of this article 4

4 1 1 the expression "**Privileged Relation**", in relation to any particular individual Member or deceased or former individual Member, means and includes the husband or wife or any former husband or wife or the widower or widow of that individual and all the lineal descendants in direct line of that individual and a husband or wife or former husband or wife or widower or widow of any of the above persons and for these purposes a stepchild or adopted child of any person shall be deemed to be a lineal descendant of such person,

4 1 2 the expression "**Family Trusts**", in relation to any particular individual Member or deceased or former individual Member, means trusts (whether arising under a settlement, declaration of trusts or other instrument by whomsoever or wheresoever made or under a testamentary disposition or on an intestacy) under which the only potential beneficiaries are that individual and/or the Privileged Relations of that individual and/or one or more charities as default beneficiaries (meaning that such charity or charities have no immediate beneficial interest in any of the settled property or the income therefrom when the trust is created, but may become so interested if there are no other beneficiaries from time to time except another charity or charities) For these purposes a person shall be deemed to be a beneficiary if the trust assets or the income thereof is or may become liable to be transferred, paid or applied or appointed to or for the benefit of 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,

4 1 3 the word "**company**" includes any body corporate,

4 1 4 the expression "**a Member of the same Group**" in relation to any company, means a company which is for the time being a holding company or a subsidiary of that company or of any such holding company,

- 4 1 5 the expression “**Transferor Company**” means a company (other than a Transferee Company) which has transferred or proposes to transfer shares to a Member of the same Group,
- 4 1 6 the expression “**Transferee Company**” means 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),
- 4 1 7 the expression “**the Relevant Shares**” means and includes (so far as the same remain for the time being held by any Privileged Relation, the trustees of any Family Trusts or by any Transferee Company) the shares originally transferred to such persons and any additional shares issued to such persons by way of capitalisation or acquired by such persons in exercise of any right or option granted or arising by virtue of the holding of the Relevant Shares or any of them or the membership thereby conferred,
- 4 1 8 the expression “**Merlin Defined Group**”, means
- (a) Merlin General Partners III Limited,
 - (b) Merlin Biosciences General Partners III GmbH,
 - (c) any trustee, nominee or custodian of Merlin,
 - (d) any unit holder, shareholder, partner, participant, manager or adviser (or an employee of such manager or adviser) in Merlin or any trustee, nominee or custodian of any of them provided that in relation to any proposed transfer the transferor is required to make such transfer by its partnership deed or other constitutional documents, and/or
 - (e) any other investment fund, or its trustee, nominee or custodian, managed or advised by the same manager as Merlin,
- 4 1 9 the expression “**MB Defined Group**” means
- (a) MB,
 - (b) any trustee, nominee or custodian of MB,
 - (c) any unit holder, shareholder (or any investor in MB through such shareholder), partner, participant, manager or adviser (or an employee of such manager or adviser) in MB or any trustee, nominee or custodian of any of them or in any investment fund in respect of which such person holds shares but only in connection with a dissolution of such investment fund or any distribution of assets of such investment fund pursuant to the operation of such investment fund in the ordinary course, and/or
 - (d) any other investment fund, or its trustee, nominee or custodian, managed or advised by the same manager as MB,
- 4 1 10 the expression “**NVF Defined Group**” means
- (a) NVF,
 - (b) NVF II,
 - (c) NVF General Partner,

- (d) NVF SA,
- (e) any limited partners of NVF II,
- (f) any shareholder or direct or indirect subsidiary of NVF or any other direct or indirect subsidiary of any shareholder of NVF,
- (g) any other investment fund in which NVF General Partner is a general partner or which is managed or advised by it, its holding company, or any of its subsidiaries or any subsidiaries of its holding company,
- (h) any party with the prior written consent of the Company (not to be unreasonably withheld), including without limitation
 - (i) any party that is either a banking entity regulated by the Act or the UK Financial Services Authority or any party that is a financial institution, trust fund or other entity which is regularly engaged in or established for the purposes of making, purchasing or investing in loans, securities or other financial assets, in each case to whom NVF SA has transferred any interest it has under any facility agreement, any advance made under any such facility agreement and/or any assets or agreements securing such facility agreement or advances, or any such entity in favour of whom NVF has granted security over certain warrants over Shares in the Company, or
 - (ii) in the case of a partnership, the partners or any other partnership in which the partners have control

4 2 The Members may transfer Shares at any time in accordance with the following provisions

- 4 2 1 by any individual Member (other than in his capacity as a trustee of any Family Trusts) to a Privileged Relation of such Member, or
- 4 2 2 by any such individual Member to trustees to be held upon Family Trusts related to such individual Member, or
- 4 2 3 by any Member being a company, to a Member of the same Group as the Transferor Company, or
- 4 2 4 by any Member being a limited partnership, to a limited partner of that limited partnership, or
- 4 2 5 by any person entitled to Shares in consequence of the death or bankruptcy of an individual Member, to any person to whom such individual Member, if not dead or bankrupt, would be permitted under this Article 4 to transfer the same, or
- 4 2 6 by any member of the MB Defined Group from time to time, to another member or the MB Defined Group from time to time, and
- 4 2 7 by any member of the Merlin Defined Group from time to time to another member of the Merlin Defined Group from time to time, and
- 4 2 8 by any member of the NVF Defined Group from time to time, to another member or the NVF Defined Group from time to time,

4 3 Where Shares have been transferred under this Article 4 to trustees of Family Trusts, the trustees and their successors in office may transfer all or any of the Relevant Shares as follows

- 4 3 1 on any change of trustees, the Relevant Shares may be transferred to the trustees for the time being of the Family Trusts concerned,
- 4 3 2 on the total or partial termination of or pursuant to the terms of the Family Trusts concerned, to the relevant Member or former Member (being the Member originally transferring the Relevant Shares to the Family Trust) or to any Privileged Relation of the relevant Member or deceased or former Member or to any charity who has thereby become entitled to the Shares proposed to be transferred
- 4 4 If a Transferee Company ceases to be a Member of the same Group as the Transferor Company from which (whether directly or by a series of transfers under Article 4 2 3 above) the Relevant Shares were 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 thereunder transferred to the Transferor Company or a Member of the same Group as the Transferor Company 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 (as defined in Article 5 2) in respect of the Relevant Shares
- 4 5 Any Share may at any time be transferred to any person with the consent in writing of all the Members
- 4 6 No Member may create or purport to create or permit to subsist any encumbrance (including any mortgage, debenture, charge, pledge, or lien) on or over any Shares held by him or any part thereof or interest therein and any Member who does or purports to encumber his Shares shall be deemed to have served a Transfer Notice for the purposes of Article 5 2 in relation to those Shares provided that in such case the Prescribed Price shall be the nominal value of the Shares
- 5 Transfers – Pre-emption**
- 5 1 Except in the case of (i) a Permitted Transfer, (ii) a transfer made pursuant to articles 6,7, or 8, the right to transfer Shares in the Company shall be subject to the restrictions and provisions set out in this Article 5
- 5 2 Before transferring any Shares the person proposing to transfer the same (the “**Proposing Transferor**”) shall give a notice in writing (a “**Transfer Notice**”) to the Company that he desires to transfer the same specifying the number and class of Shares to be transferred (the “**Transfer Shares**”) and if the Shares are subject to a bona fide third party offer, the terms of that offer The Transfer Notice shall constitute the Company the Proposing Transferor’s agent for the sale of the Shares mentioned in the Transfer Notice (together with all rights then attached thereto) at the price determined in accordance with article 5 3 (the “**Prescribed Price**”) during the period determined in accordance with article 5 4 (the “**Prescribed Period**”) to the other Members and shall not be revocable except with the consent of the Directors
- 5 3 The Prescribed Price shall be
 - 5 3 1 if the Proposing Transferor wishes to sell to a third party, the price per Transfer Share offered by that third party and specified by the Proposing Transferor in the Transfer Notice, or
 - 5 3 2 if there is no such third party offer, but not more than one month before the date on which the Transfer Notice was given the Proposing Transferor and the Directors have agreed (for the purposes of the Transfer Notice) a price per Share as representing the fair value thereof or as being acceptable to the Proposing Transferor and not more than the fair value, then such price (subject to the deduction therefrom of any dividend or other distribution declared or made after such agreement and prior to the said date and to be retained by the Proposing Transferor), or

- 5 3 3 in any other circumstances, the Fair Price of the Transfer Shares
- 5 4 The Prescribed Period shall commence on the date on which the Prescribed Price is determined or agreed in accordance with Article 5 3 and shall expire two months thereafter
- 5 5 All Transfer Shares included in any Transfer Notice shall, at the beginning of the Prescribed Period, by notice in writing be offered by the Company to all Members holding Shares (other than the Member to whose Shares the Transfer Notice relates or any other Member who has given or is deemed to have given a Transfer Notice in respect of any Shares or who by virtue of articles 4, 5 and 6 is bound to give a Transfer Notice in respect of his Shares or any of them) for purchase at the Prescribed Price on the terms that (i) the offer will expire in the case of each Member if not accepted within 21 days of the notice being given, and (ii) in the case of competition the Transfer Shares so offered shall (in accordance with but subject to the provisions of this Article 5) be sold to the Members in proportion (as nearly as may be without involving fractions or increasing the number of sold to any Member beyond that applied for by him) to their existing holding of Shares provided that any Member who accepts the offer (a "**Purchasing Member**") may, upon receipt of such offer, offer to acquire more than his pro-rata share of Transfer Shares so available, and in any event the Member do not take up their full entitlement of shares so on offer, any excess shall be acquired by the Purchasing Members in the number applied for by them, or in the event that the numbers applied for by them in aggregate exceeds the number of Transfer Shares so available, pro-rata, in the case of each Purchasing Member, to his existing holding of Shares, subject to any maximum specified by the Member
- 5 6 If the Company shall within the Prescribed Period find Members ("**Purchasers**") to purchase the Shares concerned or any of them it shall give notice in writing thereof to the Proposing Transferor (the "**Purchase Notice**") whereupon he shall be bound, upon payment of the Prescribed Price, to transfer such Shares to the respective Purchasers Every Purchase Notice shall state the name and address of the Purchaser and the number of Shares agreed to be purchased by him and each such purchase shall be completed at a place and time to be determined by the Directors not being less than three days nor more than 14 days after the date of the Purchase Notice Provided that if the Transfer Notice states that the Proposing Transferor is not willing to transfer part only of the Shares concerned this paragraph shall not apply unless the Purchasers will acquire all of the Shares subject to the Transfer Notice
- 5 7 If a Proposing Transferor fails or refuses to transfer any Shares to a Purchaser hereunder the Directors may authorise some person to execute and deliver on his behalf the necessary such transfer form and the Company may receive the purchase money in trust for the Proposing Transferor and cause the Purchaser to be registered as the holder of such Shares (subject to payment of any stamp duty) The receipt of the Company for the purchase money shall be good discharge to the Purchaser (who shall not be bound to see to the application thereof) and after the Purchaser has been registered in purported exercise of the aforesaid powers the validity of the proceedings shall not be questioned by any person The Proposing Transferor shall in such case be bound to deliver up his certificate for such shares to the Company whereupon he or she shall be entitled to receive the purchase price therefor without interest If such certificates comprise any Shares which he has not become bound to transfer, the Company shall issue to him a balance certificate for the remaining Shares
- 5 8 If the Company does not find Purchasers willing to purchase all the Shares within the Prescribed Period and gives notice in writing thereof to the Proposing Transferor, or if the Company, within the Prescribed Period, gives to the Proposing Transferor notice in writing that the Company having complied with Article 5 has no prospect of finding Purchasers of all the Shares, or any of them the Proposing Transferor at any time thereafter up to the expiration of two months after the end of the Prescribed Period may, subject to Articles 5 8 1 and 5 8 2 transfer those 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 (a "**Third Party Purchaser**") on 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

- 5 8 1 if the Transfer Notice states that the Proposing Transferor is not willing to transfer part only of the Shares concerned he may not transfer any of the Shares mentioned in the Transfer Notice unless in aggregate the whole of such Shares are so transferred, and
- 5 8 2 the Directors may require to be satisfied that such Shares are being transferred in pursuance of the bona fide sale for the consideration stated in the Transfer Notice without any deduction, rebate or allowance whatsoever to the Third Party Purchaser and if not so satisfied may refuse to register the instrument of transfer
- 5 8 3 No Share shall be held by any Member as a bare nominee for or disposed of to any person unless a transfer of such Share to such person would rank as a Permitted Transfer. If this provision is infringed the Member shall be deemed to have given a Transfer Notice in respect thereof where the Prescribed Price shall be the nominal value of such Shares

6. Transfers – Compulsory Transfers

- 6 1 For the purposes of this article 6 a “**Relevant Member**” means any Member who was an employee of the Company or any of its subsidiaries either on the Adoption Date or on the date of his becoming a Member or any Permitted Transferee of any such Member
- 6 2 Subject to Article 6 8, if a Relevant Member ceases or has ceased for any reason whatsoever to be at least one of (i) a director, (ii) a consultant, or (iii) an employee, of the Company or one of its subsidiaries (the date of such cessation being the “**Cessation Date**” and such Relevant Member being a “**Leaver**”), then in respect of all Ordinary Shares held by the Leaver the Directors shall have the right within the period of 2 months from the Cessation Date and/or if the Relevant Member acquires Shares after the Cessation Date at any time thereafter (the “**Compulsory Transfer Period**”), to require him to transfer his entire holding of Shares (including for the purposes hereof any Shares over which he shall have options to subscribe at the Cessation Date) (free from all liens, charges, encumbrances and third party rights whatsoever and together with all rights then attaching thereto) in such manner (save as to price which shall be determined in accordance with Article 6 4) as the Directors shall nominate and in the event that any Shares held by the Leaver are not transferred pursuant to this Article 6 2 the Leaver shall be required to execute a power of attorney in a form approved by the Directors in favour of an attorney nominated by the Directors in respect of the voting rights only attaching to such Shares for all time thereafter up until either a Sale or Listing, and
- 6 3 For the purposes of Article 15 2, the Leaver’s entire holding of Ordinary Shares shall include all Ordinary Shares (the “**Relevant Shares**”) owned by the Leaver and his spouse and if relevant, his former spouse, as at the date of the adoption of these Articles plus any Shares originally issued to the Leaver but subsequently transferred, directly or indirectly by the Relevant Member pursuant to a Permitted Transfer and any additional Shares issued to such Leaver by way of capitalisation or acquired by the Leaver in exercise of any right or option granted or arising by virtue of the holding of Shares originally issued to the Leaver or any of them or the membership thereby conferred but not any Preferred Shares which may be held by the Leaver
- 6 4 The price at which transfers shall be made in accordance with Article 6 2 shall be
 - 6 4 1 If the Leaver is a Good Leaver, either the price agreed between the Directors and the Leaver or, if no agreement is reached within 14 days of the exercise of such right by the Directors to require him to transfer such Relevant Shares the price shall be the Fair Price of such Shares at the Cessation Date as certified by the Independent Expert, or

- 6 4 2 if the Leaver is a Bad Leaver such price as may be agreed by the Directors and the Leaver, or in the absence of any such agreement, the lower of the Issue Price for such Relevant Shares and their Fair Price
- 6 5 If a Leaver fails to transfer such Relevant Shares in accordance with this article 6 the Directors may authorise any person to execute and deliver on the Leaver's behalf the necessary stock transfer form and the provisions of Article 5 7 shall apply mutatis mutandis as if reference therein to the Proposing Transferor and Purchaser, were to the Leaver and the purchaser identified by the Directors respectively
- 6 6 No Shares which may be the subject of a compulsory transfer pursuant to this Article 6 may be transferred or put up for transfer pursuant to articles 13 or 14 during the Compulsory Transfer Period relating to them
- 7. Tag Along and Drag Along Rights**
- 7 1 Subject to article 7 2, if the effect of any transfer of any Shares (other than a Permitted Transfer or one made pursuant to article 6) (the "**Tag Transfer**") would if made result in there being a Sale, the transfer shall not be made unless it is approved by the Investor Majority and the proposed transferee has unconditionally offered to purchase all of the other issued Shares and any shares to be issued pursuant to the exercise of any options on the same terms and conditions as those of the Tag Transfer provided that the offer shall stay open for 21 days, the consideration payable for each Preferred Share or Ordinary Share shall take into account the application of article 3 immediately prior to the Tag Transfer and if the proposed transferee has acquired any other Shares within the period of twelve months prior to such offer for a greater consideration, then the terms of such offer shall be increased to equal such greater consideration (having regard to article 3) The offer shall remain open for acceptance for not less than 21 days No offer shall be required pursuant to this article 7 1 if a Drag Notice has been served under article 7 2
- 7 2 If a bona fide arm's length offer is made by any person to acquire the whole of the issued share capital of the Company and such offer is approved and accepted by (i) the holders of such number and class of Shares as would result in there being a Sale, or (ii) an Investor Majority in respect of all Shares held by them (of whatsoever class) (the "**Drag Transfer**") then the accepting Shareholders (or, if there is more than one, any of them) (the "**Calling Shareholders**") shall have the right to require all the other holders of Shares and any shares to be issued pursuant to the exercise of any options (other than Shares held by any holder who is connected with or acting in concert with the proposed transferee of the shares proposed to be the subject of the Drag Transfer) or (the "**Called Shareholders**") to transfer within one business day of demand being made by the Calling Shareholders by notice in writing to the Called Shareholders all (but not some only) of their Shares (including any acquired by them after service of the Drag Notice) to the proposed transferee (or such person as they shall direct) The transfer shall be on the same terms and conditions as shall have been agreed between the Calling Shareholders and the proposed transferee provided that the consideration payable for each Preferred Ordinary Share or Ordinary Share shall take into account the application of article 3 immediately prior to the Drag Transfer and if the proposed transferee has acquired any other Shares within the period of twelve months prior to such offer for a greater consideration, then the terms of such offer shall be increased to equal such greater consideration (having regard to article 3) The right of the Calling Shareholders shall be exercised by the Calling Shareholders giving written notice to the Called Shareholders to that effect (the "**Drag Notice**") accompanied by copies of all documents required to be executed by the Called Shareholders to give effect to the required transfer
- Any Called Shareholder required by the provision of this article 7 2 to transfer Shares shall not be obligated to make any representations and warranties in connection with such transfer or sale except as to good title and the absence of liens with respect to such Shares, the corporate or other existence of the holder and the authority, form, validity, and binding effect of, and absence

of any conflicts under the charter documents and material agreements of such holder. No such Called Shareholder shall be required to provide any indemnity in connection with such Drag Transfer except for indemnities for damages resulting from a breach of the above stated representations and warranties.

- 7.3 If a Called Shareholder makes default in transferring its shares pursuant to article 7.2 or any Member fails to transfer his Shares after accepting an offer as set out in article 7.1 then the provisions of article 5.7 (reference therein to the Proposing Transferor and Purchaser being construed in accordance with the provisions of this article 7) shall apply to the transfer of such shares *mutatis mutandis*.

PART B

Directors' Powers and Responsibilities

8. Directors' general authority

Subject to these Articles, the Directors are responsible for the management of the Company's business, for which purpose they may exercise all the powers of the Company

9. Members' reserve power

9 1 The Members may, by special resolution, direct the Directors to take, or refrain from taking, specified action

9 2 No such special resolution invalidates anything which the Directors have done before the passing of the resolution

10 Directors may delegate

10 1 Subject to these Articles, the Directors may delegate any of the powers which are conferred on them under these Articles

10 1 1 to such person or committee,

10 1 2 by such means (including by power of attorney),

10 1 3 to such an extent,

10 1 4 in relation to such matters or territories, and

10 1 5 on such terms and conditions

as they think fit The power to delegate shall be effective in relation to the powers, authorities and discretions of the Directors generally and shall not be limited by the fact that in certain of these Articles, but not in others, express reference is made to particular powers, authorities or discretions being exercised by the Directors or by a committee authorised by the Directors

10 2 If the Directors so specify, any such delegation may authorise further delegation of the Directors' powers by any person to whom they are delegated

10 3 The Directors may revoke any delegation in whole or part, or alter its terms and conditions

11. Committees

11 1 Committees to which the Directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of these Articles which govern the taking of decisions by Directors

11 2 A member of a committee need not be a Director

11 3 The directors may make rules of procedure for all or any committees, which prevail over rules derived from these Articles if they are not consistent with them

Decision-Making by Directors

12. Directors to take decisions collectively

12 1 The general rule about decision-making by Directors is that any decision of the Directors must be either a majority decision at a meeting or a decision taken in accordance with article 13

12 2 If

12 2 1 the Company only has one Director, and

12 2 2 no provision of these Articles requires it to have more than one Director,

the general rule does not apply, and the Director may take decisions without regard to any of the provisions of these Articles relating to Directors' decision-making

13 Unanimous decisions

13 1 A decision of the Directors is taken in accordance with this Article when all eligible Directors indicate to each other by any means that they share a common view on a matter

13 2 Such a decision may take the form of a resolution in writing signed by each eligible Director (whether or not each signs the same document) or to which each eligible Director has otherwise indicated agreement in writing

13 3 References in these Articles to “**eligible Directors**” are to Directors who would have been entitled to vote on the matter had it been proposed as a resolution at a Directors' meeting (but excluding any Director whose vote is not to be counted in respect of that particular matter)

13 4 A decision may not be taken in accordance with this article if the eligible Directors would not have formed a quorum at such a meeting

14 Calling a Directors' meeting

14 1 Any Director may call a Directors' meeting by giving notice of the meeting to the Directors or by authorising the company secretary (if any) to give such notice

14 2 Notice of any Directors' meeting must indicate its proposed date and time, where it is to take place and, if it is anticipated that Directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting

14 3 Notice of a Directors' meeting need not be in writing and must be given to each Director provided that, if that Director is for the time being absent from the United Kingdom, he has given the Company his address for sending or receiving documents or information by electronic means outside the United Kingdom

14 4 Notice of a Directors' meeting need not be given to Directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the Company not more than seven days after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it

15. Participation in Directors' meetings

15 1 Subject to these Articles, Directors participate in a Directors' meeting, or part of a Directors' meeting, when the meeting has been called and takes place in accordance with these Articles, and they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting

- 15 2 In determining whether Directors are participating in a Directors' meeting, it is irrelevant where any Director is or how they communicate with each other
- 15 3 If all the Directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is
- 16. Quorum for Directors' meetings**
- 16 1 At a Directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting
- 16 2 Subject to the provisions of Part A of these Articles, the quorum for Directors' meetings may be fixed from time to time by a decision of the Directors and unless otherwise fixed it is two provided that
- 16 2 1 if and so long as there is only one Director the quorum shall be one, and
- 16 2 2 for the purposes of any meeting held pursuant to Article 20 to authorise a Director's conflict, if there is only one Director besides the Director concerned and Directors with a similar interest, the quorum shall be one
- 16 3 If the total number of Directors for the time being is less than the quorum required, the Directors must not take any decision other than a decision to appoint further directors, or to call a general meeting so as to enable the Members to appoint further Directors
- 16 4 Provided that NVF or a member of the NVF Defined Group is a Shareholder, NVF or such member of the NVF Defined Group as the case may be shall have the right to appoint and maintain an Observer and to remove any Observer so appointed and appoint another Observer in his place (whether following his removal by NVF, such member of the NVF Defined Group or otherwise) and to appoint and remove such Observer to and from any committee of the Board of Directors Any appointment and removal under this paragraph shall be effected by notice in writing to the Company which will take effect on delivery to the registered office of the Company or at any meeting of the Board of Directors The Observer shall have all the rights to receive papers and notices for Board meetings and to attend and speak at them as a director but shall not be entitled to vote or place matters on the agenda at any Board meeting
- 16 5 Provided that MB, Merlin and Battelle (or any person to whom they have made a valid Permitted Transfer in accordance with article 4) are Shareholders they have the collective right (exercisable through the holders of a majority of the Ordinary Shares in issue from time to time) to appoint and maintain an Observer and to remove any Observer so appointed and appoint another Observer in his place and to appoint and remove such Observer to and from any committee of the Board of Directors Any appointment and removal under this paragraph shall be effected by notice in writing from the holders of a majority of the Ordinary Shares in issue from time to time to the Company which will take effect on delivery to the registered office of the Company or at any meeting of the Board of Directors The Observer shall have all the rights to receive papers and notices for Board meetings and to attend and speak at them as a director but shall not be entitled to vote or place matters on the agenda at any Board meeting
- 16 6 The presence of any observer appointed in accordance with this article 16 shall not be required in order for the meeting of the Directors to be quorate or duly convened in accordance with these Articles, nor shall the attendance or non-attendance of such observer affect in any way the validity of any business carried out at any meeting of the Directors
- 17. Chairing of Directors' meetings**
- 17 1 The Directors may appoint a Director acceptable to the Investor Majority to chair their meetings

- 17 2 The person so appointed for the time being is known as the chairman
- 17 3 The Directors may terminate the chairman's appointment at any time
- 17 4 If no Director has been appointed chairman, or the chairman is unwilling to chair the meeting or is not participating in a Directors' meeting within ten minutes of the time at which it was to start, the participating Directors must appoint one of themselves to chair it
- 18. Casting vote**
- 18 1 If the numbers of votes for and against a proposal are equal, the chairman or other Director chairing the meeting has a casting vote
- 18 2 But this does not apply if, in accordance with these Articles, the chairman or other Director is not to be counted as participating in the decision-making process for quorum or voting purposes
- 19. Matters requiring the Consent of the Investor Majority**
- 19 1 As a matter overriding any other provision of these Articles, the Company and/or the Directors shall not carry out (or pass any resolution to carry out) any of the matters referred to in article 19 2 unless and until the written approval of the Investor Majority to such matter or resolution shall have been obtained
- 19 2 The matters referred to in article 19 1 are
- 19 2 1 any alteration in the Memorandum and Articles of Association of the Company,
- 19 2 2 any alteration of the authorised or issued share capital (including the making of any call for any amount unpaid on issued share capital) of the Company or grant any option over or other right to right to call for the issue of the share capital of the Company (except in accordance with article 3 7),
- 19 2 3 any material change in the nature of the business of the Company or the manner in which, or the guidelines in accordance with which, the business and operations of the Company are managed and carried on,
- 19 2 4 acquire or dispose of the whole (or part) of the undertaking of any other person or enter into negotiations to do so,
- 19 2 5 dispose of the whole (or part) of the Company's undertaking or enter into negotiations to do so,
- 19 2 6 merge the Company (or any part of its business) with any other person or enter into negotiations to do so,
- 19 2 7 allow the Company to cease (or propose to cease) to carry on its business,
- 19 2 8 take any step to wind up the Company (except where it is insolvent (within the meaning of Section 123 of the Insolvency Act 1986)),
- 19 2 9 take any step to place the Company into administration,
- 19 2 10 propose or enter into any arrangement, scheme, moratorium, compromise or composition with its creditors (whether under Part 1 of the Insolvency Act 1986 or otherwise),

- 19 2 11 apply for an interim order under the Insolvency Act 1986 or to invite the appointment of a receiver or administrative receiver over all or any part of the Company's assets or undertaking,
- 19 2 12 any sale, lease, exchange, transfer, assignment, licence, parting with possession or other disposal of
- (a) any Intellectual Property Rights, confidential information or know-how, or
- (b) any of the other undertaking, property or assets of the Company otherwise than in the normal and usual course of trading,
- 19 2 13 any purchase, lease, acquisition or taking of options over any property or assets in an amount which is 10% above the amount specified in the financial budget of the Company approved by the Directors from time to time (the "Budget"),
- 19 2 14 the creation of any mortgage, charge, pledge or other encumbrance or security interest in or over the whole or any part of the undertaking, property or assets of the Company other than a lien arising only by operation of law in the ordinary course of trading or granting any indemnity, surety or guarantee or like assurance of third party obligations,
- 19 2 15 the voluntary liquidation (wholly or partly) of the Company or the commencement of proceedings whereby it may be wound-up,
- 19 2 16 the entering into of any contract or transaction with any Member of the Company or any company, firm or entity in whom any Member of the Company is interested otherwise than on an arm's length commercial basis,
- 19 2 17 the acquisition of any shareholding or other interest in any company, firm or entity or the entering into of any joint venture or partnership with any person, firm, corporation or other entity,
- 19 2 18 the incurring of any indebtedness or commitments to make, or the making of, payments of any nature, or the raising or borrowing of money or the raising of any additional capital from any person (other than normal trade credit obtained in the ordinary course of business) in an amount which is 10% above the amount specified in the Budget,
- 19 2 19 redeem, purchase or otherwise acquire any interest in any issued share capital of the Company other than from a former employee or in accordance with the Articles,
- 19 2 20 reduce the share capital of the Company, capitalise any reserves, apply any amount for the time being standing to the credit of the share premium account or capital redemption reserve of the Company or reduce any uncalled liability in respect of partly paid shares in the capital of the Company for any purpose other than as set out in or required by these Articles,
- 19 2 21 vary the rights attaching to the A Preferred, B Preferred or Ordinary Shares,
- 19 2 22 make any change to its current accounting policies, bases or methods from those set out in the financial statements (other than as recommended by the auditors of the Company),
- 19 2 23 the appointment or removal of any Director of the Company and the appointment of any alternate Director who is not already a Director of the Company under Article 10 (other than pursuant to Articles 10 2 to 10 5),

19 2 24 the declaration of any dividend or the creation of any capital reserve out of the distributable profits of the Company,

19 2 25 take any steps to effect a Listing or Sale,

19 2 26 the approval of the Budget,

20. Directors' interests and conflicts

20 1 Subject to the provisions of the Companies Act 2006 and provided that he has disclosed to the Directors the nature and extent of any material interest of his, a Director may, notwithstanding his office or that, without the authorisation conferred by this article, he would or might be in breach of his duty under the Companies Act 2006 to avoid conflicts of interest

20 1 1 be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise interested,

20 1 2 be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any Group Company, or any undertaking promoted by any Group Company or in which any Group Company is otherwise interested, or

20 1 3 if he is a representative of a shareholder, be a director or other officer of, or employed by, or party to any transaction or arrangement with, or otherwise interested in, an such shareholder or any undertaking in the same group as such shareholder, or any undertaking in which such shareholder or an undertaking in the same group as such a shareholder is interested

20 2 No Director shall

20 2 1 by reason of his office, be accountable to the Company for any benefit which he derives from any office or employment, or from any transaction or arrangement, or from any interest in any undertaking, that is authorised under article 20 1 (and no such benefit shall constitute a breach of the duty under the Companies Act 2006 not to accept benefits from third parties, and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit),

20 2 2 be in breach of his duties as a Director by reason only of his excluding himself from the receipt of information, or from participation in discussion (whether at meetings of the Directors or otherwise), that will or may relate to any office, employment, transaction, arrangement or interest that is authorised under article 20 1,

20 2 3 be required to disclose to the Company, or use in relation to the Company's affairs, any confidential information obtained by him in connection with any office, employment, transaction, arrangement or interest that is authorised under article 20 1 1 or 20 1 2 if his doing so would result in a breach of a duty or an obligation of confidence owed by him in that connection,

20 2 4 if he is a representative of a shareholder, be required to disclose to the Company, or use in relation to the Company's affairs, any confidential information (or, if he is engaged in advising the relevant shareholder as to investment decisions, information of a sensitive nature) obtained by him in connection with any office, employment, transaction, arrangement or interest that is authorised under article 20 1 3, or through his dealings with the relevant shareholder, if his doing so would result in a breach of a duty or an obligation of confidence owed by him or by the shareholder in that connection or in relation to those dealings, or

- 20 2 5 if he is a representative of a shareholder, be in breach of his duties as a Director by reason only of his passing information belonging to the Company or relating to its business or affairs to the relevant shareholder
- 20 3 A general notice given to the Directors that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the Director has an interest in any such transaction of the nature and extent so specified, and an interest of which a Director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his
- 20 4 The Directors may, if the quorum and voting requirements set out below are satisfied, authorise any matter that would otherwise involve a Director breaching his duty under the Companies Act 2006 to avoid conflicts of interest, and any Director (including the Director concerned) may propose that the Director concerned be authorised in relation to any matter the subject of such a conflict provided that
- 20 4 1 such proposal and any authority given by the Directors shall be effected in the same way that any other matter may be proposed to and resolved upon by the Directors under the provisions of these Articles, except that the Director concerned and any other Director with a similar interest
- (a) shall not count towards the quorum at the meeting at which the conflict is considered (nor be an eligible director for the purpose of article 14),
 - (b) may, if the other Directors so decide, be excluded from any meeting of the Directors while the conflict is under consideration, and
 - (c) shall not vote on any resolution authorising the conflict except that, if he does vote, the resolution will still be valid if it would have been agreed to if his vote had not been counted, and
- 20 4 2 where the Directors give authority in relation to such a conflict
- (a) they may (whether at the time of giving the authority or at any time or times subsequently) impose such terms upon the Director concerned and any other Director with a similar interest as they may determine, including, without limitation, the exclusion of that Director and any other Director with a similar interest from the receipt of information, or participation in discussion or decision-making (whether at meetings of the Directors or otherwise) related to the conflict,
 - (b) the Director concerned and any other Director with a similar interest will be obliged to conduct himself in accordance with any terms imposed by the Directors from time to time in relation to the conflict but will not be in breach of his duties as a Director by reason of his doing so,
 - (c) the authority may provide that, where the Director concerned and any other Director with a similar interest obtains information that is confidential to a third party, the Director will not be obliged to disclose that information to the Company, or to use the information in relation to the Company's affairs where to do so would amount to a breach of that confidence,
 - (d) the authority may also provide that the Director concerned or any other Director with a similar interest shall not be accountable to the Company for any benefit that he receives as a result of the conflict,

- (e) the receipt by the Director concerned or any other Director with a similar interest of any remuneration or benefit as a result of the conflict shall not constitute a breach of the duty under the Act not to accept benefits from third parties,
 - (f) the terms of the authority shall be recorded in writing (but the authority shall be effective whether or not the terms are so recorded), and
 - (g) the Directors may withdraw such authority at any time
- 20 5 Except to the extent that article 6 9, article 20 4, or the terms of any authority given under that article 20 4, may otherwise provide, and without prejudice to his obligation of disclosure in accordance with the Companies Act 2006, a Director (including an alternate Director) shall be counted for the purposes of calculating whether there is a quorum and shall be entitled to vote at a meeting of the Directors or a committee of the Directors (or be an eligible director for the purposes of article 14) 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
- 21. Records of decisions to be kept**
- The Directors must ensure that the Company keeps a record, in hard copy form, for at least 10 years from the date of the decision recorded, of every unanimous or majority decision taken by the Directors
- 22. Directors' discretion to make further rules**
- Subject to these Articles, the Directors may make any rule which they think fit about how they take decisions, and about how such rules are to be recorded or communicated to directors

Appointment of Directors

23 Methods of appointing and removing directors

- 23 1 Any person who is willing to act as a Director, and is permitted by law to do so, may be appointed to be a Director
- 23 1 1 by ordinary resolution, or
 - 23 1 2 by a decision of the Directors
- 23 2 In any case where, as a result of death or bankruptcy, the Company has no Members and no Directors, the Transmitttee of the last Member to have died or to have a Bankruptcy order made against him has the right, by notice in writing, to appoint a person to be a Director
- 23 3 For the purposes of article 23 2, where two or more Members die in circumstances rendering it uncertain who was the last to die, a younger Member is deemed to have survived an older Member

24 Termination of Director's appointment

- 24 1 A person ceases to be a Director as soon as
- 24 1 1 that person ceases to be a director by virtue of any provision of the Companies Act 2006 or is prohibited from being a director by law,
 - 24 1 2 a Bankruptcy order is made against that person,

- 24 1 3 a composition is made with that person's creditors generally in satisfaction of that person's debts,
- 24 1 4 he becomes, in the opinion of all his co-Directors, incapable by reason of mental disorder of discharging his duties as a director,
- 24 1 5 notification is received by the Company from the Director that the Director is resigning from office, and such resignation has taken effect in accordance with its terms, or
- 24 1 6 he is convicted of a criminal offence (other than a minor motoring offence) and the Directors resolve that his office be vacated, or
- 24 1 7 in the case of a person who is also an employee of the Company or another Group Company, he ceases to be such an employee and the Directors resolve that his office be vacated, or
- 24 1 8 all the other Directors unanimously resolve that his office be vacated, or
- 24 1 9 he is otherwise duly removed from office

25. Directors' remuneration

- 25 1 Directors may undertake any services for the Company that the Directors decide
- 25 2 Directors are entitled to such remuneration as the Directors determine for their services to the Company as Directors, and for any other service which they undertake for the Company
- 25 3 Subject to these Articles, a Director's remuneration may take any form, and include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that Director
- 25 4 Unless the Directors decide otherwise, Directors' remuneration accrues from day to day

26. Directors' expenses

- 26 1 The Company may pay any reasonable expenses which the Directors (and the alternate directors and the company secretary) properly incur in connection with their attendance at meetings of Directors or committees of Directors, general meetings, or separate meetings of the holders of any class of shares or of debentures of the Company, or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Company

Alternate Directors

27. Appointment and removal of alternate directors

- 27 1 Any Director may appoint as an alternate any other Director or any other person to exercise that Director's powers and carry out that Director's responsibilities in relation to the taking of decisions by the Directors, in the absence of the alternate's appointor
- 27 2 Any appointment or removal of an alternate must identify the proposed alternate and be effected by notice in writing to the Company signed by his appointor, or in any other manner approved by the Directors

28. Rights and responsibilities of alternate directors

- 28 1 An alternate director may act as alternate director to more than one Director and has the same rights in relation to any decision of the Directors as the alternate's appointor

- 28 2 Except as these Articles specify otherwise, alternate directors
- 28 2 1 are deemed for all purposes to be Directors,
- 28 2 2 are liable for their own acts and omissions,
- 28 2 3 are subject to the same restrictions as their appointors, and
- 28 2 4 are not deemed to be agents of or for their appointors
- and, in particular (without limitation), each alternate director shall be entitled to receive notice of all meetings of Directors and of all meetings of committees of Directors of which his appointor is a member
- 28 3 A person who is an alternate director but not a Director
- 28 3 1 may be counted as participating for the purposes of determining whether a quorum is present (but only if that person's appointor is not participating),
- 28 3 2 may participate in a unanimous decision of the Directors (but only if his appointor is an eligible Director in relation to that decision, but does not participate), and
- 28 3 3 shall not be counted as more than one Director for the purposes of articles 28 3 1 and 28 3 2
- 28 4 A Director who is also an alternate director is entitled, in the absence of his appointor, to a separate vote on behalf of his appointor, in addition to his own vote on any decision of the Directors (provided that his appointor is an eligible Director in relation to that decision), but shall not count as more than one Director for the purposes of determining whether a quorum is present
- 28 5 An alternate director is not entitled to receive any remuneration from the Company for serving as an alternate director except such part of the alternate's appointor's remuneration as the appointor may direct by notice in writing made to the Company

29 Termination of alternate directorship

An alternate director's appointment as an alternate terminates

- 29 1 1 when the alternate's appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate,
- 29 1 2 on the occurrence, in relation to the alternate, of any event which, if it occurred in relation to the alternate's appointor, would result in the termination of the appointor's appointment as a Director,
- 29 1 3 on the death of the alternate's appointor,
- 29 1 4 when the alternate's appointor's appointment as a Director terminates, or
- 29 1 5 when the alternate is removed in accordance with these Articles

Shares

30. Powers to issue different classes of share

- 30 1 Subject to these Articles, but without prejudice to the rights attached to any existing Share, the Company may issue Shares with such rights or restrictions as may be determined by ordinary resolution
- 30 2 The Company may issue Shares which are to be redeemed, or are liable to be redeemed at the option of the Company or the holder, and the Directors may determine the terms, conditions and manner of redemption of any such Shares

31. Payment of commissions on subscription for Shares

- 31 1 The Company may pay any person a commission in consideration for that person
- 31 1 1 subscribing, or agreeing to subscribe, for Shares, or
- 31 1 2 procuring, or agreeing to procure, subscription for Shares
- 31 2 Any such commission may be paid
- 31 2 1 in cash, or in a fully paid or partly paid Shares or other securities, or partly in one way and partly in the other, and
- 31 2 2 in respect of a conditional or an absolute subscription

32. Company not bound by less than absolute interests

- 32 1 Except as required by law, no person is to be recognised by the Company as holding any Share upon any trust, and except as otherwise required by law or these Articles, the Company is not in any way to be bound by or recognise any interest in a share other than the holder's absolute ownership of it and all the rights attaching to it

33. Fractional entitlements

- 33 1 Where there has been a consolidation or division of shares and, as a result, Members are entitled to fractions of Shares, the Directors may
- 33 1 1 sell the Shares representing the fractions to any person including the Company for the best price reasonably obtainable,
- 33 1 2 authorise any person to execute an instrument of transfer of the Shares to the purchaser or a person nominated by the purchaser, and
- 33 1 3 distribute the net proceeds of sale in due proportion among the holders of the Shares
- 33 2 Where any holder's entitlement to a portion of the proceeds of sale under article 33 1 amounts to less than a minimum figure determined by the Directors, that Member's portion may be retained for the benefit of the Company
- 33 3 The person to whom the Shares are transferred pursuant to article 33 1 is not obliged to ensure that any purchase money is received by the person entitled to the relevant fractions. The transferee's title to the shares is not affected by any irregularity in or invalidity of the process leading to their sale

Lien and Forfeiture

34. Company's lien over Shares

- 34 1 The Company shall have a first and paramount lien on every Share (whether or not a fully paid Share) for all moneys (whether presently payable or not) payable or otherwise owing by the holder of such Share (or any Associate of such holder) to the Company or any other Group Company (either alone or jointly with any other person) The Directors may at any time declare any Share to be wholly or in part exempt from the provisions of this article The Company's lien on a Share shall extend generally as aforesaid as well as to any amount payable in respect of it
- 34 2 The Company may sell any Shares on which the Company has a lien if a sum in respect of which the lien exists is presently payable and is not paid within 14 clear days after notice in writing has been given to the holder of the Share or to the person entitled to it in consequence of the death or Bankruptcy of the holder, demanding payment and stating that if the notice is not complied with the Shares may be sold The provisions of article 5 shall apply to any sale of Shares made by the Company pursuant to this article (on the basis that a Mandatory Transfer Notice shall be deemed to have been given upon the expiry of such period of 14 clear days as is above referred to)
- 34 3 The Company's lien over a Share
- 34 3 1 takes priority over any third party's interest in that Share, and
- 34 3 2 extends to any dividend or other money payable by the Company in respect of that Share and (if the lien is enforced and the Share is sold by the Company) the proceeds of sale of that Share
- 34 4 Where Shares are sold under this Article, the Directors may authorise any person to execute an instrument of transfer of the Shares to the purchaser or to a person nominated by the purchaser and the transferee is not bound to see to the application of the consideration, and the transferee's title is not affected by any irregularity in or invalidity of the process leading to the sale
- 34 5 The net proceeds of any such sale (after payment of the costs of sale and any other costs of enforcing the lien) must be applied
- 34 5 1 first, in payment of so much of the sum for which the lien exists as was payable at the date of the lien enforcement notice, and
- 34 5 2 second, to the person entitled to the Shares at the date of the sale, but only after the certificate for the Shares sold has been surrendered to the Company for cancellation, or an indemnity in a form reasonably satisfactory to the Directors has been given for any lost certificates, and subject to a lien equivalent to the Company's lien over the Shares before the sale for any money payable (whether immediately or at some time in the future) after the date of the lien enforcement notice
- 34 6 A statutory declaration by a Director or the company secretary (if any) that the declarant is a Director or the company secretary and that a Share has been sold to satisfy the Company's lien on a specified date
- 34 6 1 is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share, and
- 34 6 2 subject to compliance with any other formalities of transfer required by these Articles or by law, constitutes a good title to the Share

35 Call notices

35 1 Subject to these Articles and the terms on which Shares are allotted, the Directors may send a notice (a “**call notice**”) to a Member requiring the Member to pay the Company a specified sum of money (a “**call**”) which is payable in respect of his Shares at the date when the Directors decide to send the call notice

35 2 A call notice

35 2 1 may not require a Member to pay a call which exceeds the total sum unpaid on the Shares (whether as to nominal value or any amount payable to the company by way of premium),

35 2 2 must state when and how any call to which it relates is to be paid, and

35 2 3 may permit or require the call to be made in instalments

35 3 A Member must comply with the requirements of a call notice, but no Member is obliged to pay any call before 14 clear days have passed since the notice was sent

35 4 Before the Company has received any call due under a call notice, the Directors may revoke it wholly or in part or specify a later time for payment than is specified in the notice, in each case by a further notice in writing to the Member in respect of whose Shares the call is made

36. Liability to pay calls

36 1 Liability to pay a call is not extinguished or transferred by transferring the Shares in respect of which it is required to be paid

36 2 Joint holders of a Share are jointly and severally liable to pay all calls in respect of that Share

36 3 Subject to the terms on which Shares are allotted, the Directors may, when issuing Shares, provide that call notices sent to the holders of those shares may require them to pay calls which are not the same or to pay calls at different times

37. When call notice need not be issued

37 1 A call notice need not be issued in respect of sums which are specified, in the terms on which a Share is issued, as being payable to the Company in respect of that Share on allotment, on the occurrence of a particular event, or on a date fixed by or in accordance with the terms of issue

37 2 But if the due date for payment of such a sum has passed and it has not been paid, the holder of the Share concerned is treated in all respects as having failed to comply with a call notice in respect of that sum, and is liable to the same consequences as regards the payment of interest and forfeiture

38. Failure to comply with call notice: automatic consequences

38 1 If a person is liable to pay a call and fails to do so by the call payment date the Directors may issue a notice of intended forfeiture to that person, and until the call is paid, that person must pay the Company interest on the call from the call payment date at the relevant rate

38 2 For the purposes of this article

38 2 1 the “**call payment date**” is the time when the call notice states that a call is payable, unless the Directors give a notice specifying a later date, in which case it is that later date, and

38 2 2 the “**relevant rate**” is

- (a) the rate fixed by the terms on which the Share in respect of which the call is due was allotted,
- (b) such other rate as was fixed in the call notice which required payment of the call, or has otherwise been determined by the Directors, or
- (c) if no rate is fixed in either of these ways, 5 per cent per annum

38 3 The relevant rate must not exceed by more than 5 percentage points the base lending rate most recently set by the Monetary Policy Committee of the Bank of England in connection with its responsibilities under Part 2 of the Bank of England Act 1998

38 4 The Directors may waive any obligation to pay interest on a call wholly or in part

39. Notice of intended forfeiture

A notice of intended forfeiture

- 39 1 1 may be sent in respect of any Share in respect of which a call has not been paid as required by a call notice,
- 39 1 2 must be sent to the holder of that Share (or all the joint holders of that Share) or to a Transmittree of that holder,
- 39 1 3 must require payment of the call and any accrued interest and all expenses that may have been incurred by the Company by reason of such non-payment by a date which is not less than 14 clear days after the date of the notice,
- 39 1 4 must state how the payment is to be made, and
- 39 1 5 must state that if the notice is not complied with, the Shares in respect of which the call is payable will be liable to be forfeited

40. Directors’ power to forfeit Shares

If a notice of intended forfeiture is not complied with before the date by which payment of the call is required in the notice of intended forfeiture, the Directors may decide that any Share in respect of which it was given is forfeited, and the forfeiture is to include all dividends or other moneys payable in respect of the forfeited shares and not paid before the forfeiture

41 Effect of forfeiture

41 1 Subject to these Articles, the forfeiture of a share extinguishes all interests in that Share, and all claims and demands against the Company in respect of it, and all other rights and liabilities incidental to the Share as between the person whose Share it was prior to the forfeiture and the Company

41 2 Any Share which is forfeited in accordance with these Articles

- 41 2 1 is deemed to have been forfeited when the Directors decide that it is forfeited,
- 41 2 2 is deemed to be the property of the Company, and
- 41 2 3 may be sold, re-allotted or otherwise disposed of and the provisions of article 5 shall apply in relation to any proposed transfer of a Share pursuant to this article 41 2 (on

the basis that a Mandatory Transfer Notice in respect of such Share shall be deemed to be given on such date as the Directors determine for this purpose)

41 3 If a person's Shares have been forfeited

- 41 3 1 the Company must send that person notice that forfeiture has occurred and record it in the register of members,
- 41 3 2 that person ceases to be a Member in respect of those Shares,
- 41 3 3 that person must surrender the certificate for the Shares forfeited to the Company for cancellation,
- 41 3 4 that person remains liable to the Company for all sums payable by that person under the Articles at the date of forfeiture in respect of those shares, including any interest (whether accrued before or after the date of forfeiture), and
- 41 3 5 the Directors may waive payment of such sums wholly or in part or enforce payment without any allowance for the value of the Shares at the time of forfeiture or for any consideration received on their disposal

41 4 At any time before the Company disposes of a forfeited share, the directors may decide to cancel the forfeiture on payment of all calls, interest and expenses due in respect of it and on such other terms as they think fit

42 Procedure following forfeiture

- 42 1 If a forfeited Share is to be disposed of by being transferred, the Company may receive the consideration for the transfer and the Directors may authorise any person to execute the instrument of transfer
- 42 2 A statutory declaration by a Director or the company secretary that the declarant is a Director or the company secretary and that a share has been forfeited on a specified date
 - 42 2 1 is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share, and
 - 42 2 2 subject to compliance with any other formalities of transfer required by these Articles or by law, constitutes a good title to the Share
- 42 3 A person to whom a forfeited Share is transferred is not bound to see to the application of the consideration (if any) nor is that person's title to the Share affected by any irregularity in or invalidity of the process leading to the forfeiture or transfer of the Share
- 42 4 If the Company sells a forfeited Share, the person who held it prior to its forfeiture is entitled to receive from the Company the proceeds of such sale, net of any commission, and excluding any amount which was, or would have become, payable and had not, when that Share was forfeited, been paid by that person in respect of that Share, but no interest is payable to such a person in respect of such proceeds and the Company is not required to account for any money earned on them

43. Surrender of Shares

43 1 A Member may surrender any Share

- 43 1 1 in respect of which the Directors may issue a notice of intended forfeiture,
- 43 1 2 which the Directors may forfeit, or

- 43 1 3 which has been forfeited
- 43 2 The Directors may accept the surrender of any such Share
- 43 3 The effect of surrender on a Share is the same as the effect of forfeiture on that Share
- 43 4 A Share which has been surrendered may be dealt with in the same way as a Share which has been forfeited
- 44. Share certificates**
- 44 1 The Company must issue each Member, free of charge, with one or more certificates in respect of the Shares which that Member holds
- 44 2 Every certificate must specify
 - 44 2 1 in respect of how many Shares, of what class, it is issued,
 - 44 2 2 the nominal value of those Shares,
 - 44 2 3 the amount (if any) paid up on them, and
 - 44 2 4 any distinguishing numbers assigned to them
- 44 3 No certificate may be issued in respect of Shares of more than one class
- 44 4 If more than one person holds a Share, only one certificate may be issued in respect of it
- 44 5 Certificates must
 - 44 5 1 have affixed to them the Company's common seal, or
 - 44 5 2 be otherwise executed in accordance with the Companies Acts
- 44 6 The Directors may determine, either generally or in relation to any particular case, that any signature on any certificate need not be autographic but may be applied by some mechanical or other means, or printed on the certificate, or that certificates need not be signed
- 45. Replacement share certificates**
- 45 1 If a certificate issued in respect of a Member's Shares is damaged or defaced, or said to be lost, stolen or destroyed, that Member is entitled to be issued with a replacement certificate in respect of the same Shares
- 45 2 A Member exercising the right to be issued with such a replacement certificate
 - 45 2 1 may at the same time exercise the right to be issued with a single certificate or separate certificates,
 - 45 2 2 must return the certificate which is to be replaced to the Company if it is damaged or defaced, and
 - 45 2 3 must comply with such conditions as to evidence, indemnity and the payment of a reasonable fee as the Directors decide

46 Share transfers

- 46 1 Shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the directors, which is executed by or on behalf of the transferor and, if the shares are not fully paid, the transferee
- 46 2 No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any share
- 46 3 The company may retain any instrument of transfer which is registered
- 46 4 The transferor remains the holder of a share until the transferee's name is entered in the register of members as holder of it
- 46 5 The Directors may refuse to register the transfer of any Share
- 46 5 1 which is not fully paid, to a person of whom they do not approve,
- 46 5 2 on which the Company has a lien,
- 46 5 3 unless
- (a) it is lodged at its registered office or at such other place in England as the Directors may appoint and is accompanied by the certificate for the Shares to which it relates and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer,
- (b) it is in respect of only one class of Shares, and
- (c) it is in favour of not more than four transferees,
- 46 6 to a person who is (or whom the Directors reasonably believe to be) under 18 years of age or who does not have (or whom the Directors reasonably believe does not have) the legal capacity freely to dispose of any Share without let, hindrance or court approval
- 46 7 If the Directors refuse to register the transfer of a Share they shall within two months after the date on which the transfer was lodged send the transferee the notice of refusal together with their reasons for refusal and, unless they suspect that the proposed transfer may be fraudulent, the instrument of transfer

47. Transmission of Shares

- 47 1 If title to a Share passes to a Transmitttee, the Company may only recognise the Transmitttee as having any title to that Share
- 47 2 A Transmitttee who produces such evidence of entitlement to Shares as the Directors may properly require
- 47 2 1 may, subject to these Articles (including without limitation article 6 2), choose either to become the holder of those Shares or to have them transferred to another person, and
- 47 2 2 subject to these Articles as aforesaid and pending any transfer of the Shares to another person, has the same rights as the holder had
- 47 3 But Transmitttees do not have the right to attend or vote at a general meeting, or agree to a proposed written resolution, in respect of Shares to which they are entitled, by reason of the holder's death or Bankruptcy or otherwise, unless they become the holders of those Shares

48. Exercise of Transmittees' rights

48 1 Transmittes who wish to become the holders of Shares to which they have become entitled must notify the Company in writing of that wish

48 2 If the Transmittes wishes to have a Share transferred to another person, the Transmittes must execute an instrument of transfer in respect of it

48 3 Any transfer made or executed under this article is to be treated as if it were made or executed by the person from whom the Transmittes has derived rights in respect of the Share, and as if the event which gave rise to the transmission had not occurred

49 Transmittes bound by prior notices

If a notice is given to a Member in respect of Shares and a Transmittes is entitled to those Shares, the Transmittes is bound by the notice if it was given to the Member before the Transmittes's name has been entered in the Register of Members

Dividends and Other Distributions

50. Procedure for declaring dividends

50 1 Subject to these Articles (including without limitation, article 3 1), the Company may by ordinary resolution declare dividends, and the Directors may decide to pay interim dividends

50 2 A dividend must not be declared unless the Directors have made a recommendation as to its amount Such a dividend must not exceed the amount recommended by the Directors

50 3 No dividend may be declared or paid unless it is in accordance with Members' respective rights

50 4 Except as the terms on which Shares are issued specify otherwise, all dividends must be paid by reference to each Member's holding of Shares on the date of the resolution or decision to declare or pay it

50 5 If the Company's share capital is divided into different classes, no interim dividend may be paid on Shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrear

50 6 The Directors may pay at intervals any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment

50 7 If the Directors act in good faith, they do not incur any liability to the holders of Shares concerning preferred rights for any loss they may suffer by the lawful payment of an interim dividend on Shares with deferred or non-preferred rights

51. Calculation of dividends

51 1 Except as otherwise provided by these Articles or the rights attached to Shares, all dividends must be declared and paid according to the amounts paid up on the Shares on which the dividend is paid and apportioned and paid proportionately to the amounts paid up on the Shares during any portion or portions of the period in respect of which the dividend is paid

51 2 If any Share is issued on terms providing that it ranks for dividend as from a particular date, that Share ranks for dividend accordingly

51 3 For the purposes of calculating dividends, no account is to be taken of any amount which has been paid up on a Share in advance of the due date for payment of that amount

52 Payment of dividends and other distributions

52 1 Where a dividend or other sum which is a distribution is payable in respect of a Share, it must be paid by one or more of the following means

52 1 1 transfer to a bank or building society account specified by the distribution recipient either in writing or as the Directors may otherwise decide,

52 1 2 sending a cheque made payable to the distribution recipient by post to the distribution recipient at the distribution recipient's registered address (if the distribution recipient is a holder of the Share), or (in any other case) to an address specified by the distribution recipient either in writing or as the directors may otherwise decide,

52 1 3 sending a cheque made payable to such person by post to such person at such address as the distribution recipient has specified either in writing or as the Directors may otherwise decide, or

52 1 4 any other means of payment as the Directors agree with the distribution recipient either in writing or by such other means as the Directors decide

52 2 Dividends may be paid in such manner as the Directors decide and may be declared or paid in any currency. The Directors may agree with any distribution recipient that dividends which may at any time or from time to time be declared or become due on his Shares in one currency shall be paid or satisfied in another, and may agree the basis of conversion to be applied and how and when the amount to be paid in the other currency shall be calculated and paid and for the company or any other person to bear the costs involved

52 3 In these Articles, "**the distribution recipient**" means, in respect of a Share in respect of which a dividend or other sum is payable

52 3 1 the holder of the Share, or

52 3 2 if the Share has two or more joint holders, whichever of them is named first in the register of members, or

52 3 3 if the holder is no longer entitled to the Share by reason of death or Bankruptcy, or otherwise by operation of law, the Transmitttee

53. Deductions from distributions in respect of sums owed to the Company

53 1 If

53 1 1 a Share is subject to the Company's lien, and

53 1 2 the Directors are entitled to issue a lien enforcement notice in respect of it,

they may, instead of issuing a lien enforcement notice, deduct from any dividend or other sum payable in respect of the Share any sum of money which is payable to the Company in respect of that Share to the extent that they are entitled to require payment under a lien enforcement notice

53 2 Money so deducted must be used to pay any of the sums payable in respect of that Share

53 3 The Company must notify the distribution recipient in writing of

53 3 1 the fact and amount of any such deduction,

53 3 2 any non-payment of a dividend or other sum payable in respect of a Share resulting from any such deduction, and

53 3 3 how the money deducted has been applied

54. No interest on distributions

The Company may not pay interest on any dividend or other sum payable in respect of a Share unless otherwise provided by the terms on which the Share was issued or the provisions of another agreement between the holder of that Share and the Company

55 Unclaimed distributions

55 1 All dividends or other sums which are payable in respect of Shares and unclaimed after having been declared or become payable, may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed

55 2 The payment of any such dividend or other sum into a separate account does not make the company a trustee in respect of it

55 3 If 12 years have passed from the date on which a dividend or other sum became due for payment, and the distribution recipient has not claimed it, the distribution recipient is no longer entitled to that dividend or other sum and it ceases to remain owing by the Company

56. Non-cash distributions

56 1 Subject to the terms of issue of the Share in question, the Company may by ordinary resolution on the recommendation of the Directors, decide to pay all or part of a dividend or other distribution payable in respect of a Share by transferring non-cash assets of equivalent value (including, without limitation, shares or other securities in any company)

56 2 For the purposes of paying a non-cash distribution, the Directors may make whatever arrangements they think fit, including, where any difficulty arises regarding the distribution

56 2 1 fixing the value of any assets,

56 2 2 paying cash to any distribution recipient on the basis of that value in order to adjust the rights of recipients, and

56 2 3 vesting any assets in trustees

57. Waiver of distributions

Distribution recipients may waive their entitlement to a dividend or other distribution payable in respect of a Share by giving the Company notice in writing to that effect, but if

57 1 1 the Share has more than one holder, or

57 1 2 more than one person is entitled to the Share, whether by reason of the death or Bankruptcy of one or more joint holders, or otherwise,

the notice is not effective unless it is expressed to be given, and signed, by all the holders or persons otherwise entitled to the Share

Capitalisation of Profits

58. Authority to capitalise and appropriation of capitalised sums

- 58 1 Subject to these Articles, the Directors may, if they are so authorised by an ordinary resolution
- 58 1 1 decide to capitalise any profits of the Company (whether or not they are available for distribution) which are not required for paying a preferential dividend, or any sum standing to the credit of the Company's share premium account or capital redemption reserve, and
- 58 1 2 appropriate any sum which they so decide to capitalise (a "**capitalised sum**") to the persons who would have been entitled to it if it were distributed by way of dividend (the "**persons entitled**") and in the same proportions
- 58 2 Capitalised sums must be applied on behalf of the persons entitled, and in the same proportions as a dividend would have been distributed to them
- 58 3 Any capitalised sum may be applied in paying up new shares of a nominal amount equal to the capitalised sum which are then allotted credited as fully paid to the persons entitled or as they may direct
- 58 4 A capitalised sum which was appropriated from profits available for distribution may be applied
- 58 4 1 in or towards paying up any amounts unpaid on existing Shares held by the persons entitled, or
- 58 4 2 in paying up new debentures of the Company which are then allotted credited as fully paid to the persons entitled or as they may direct
- 58 5 Subject to these Articles, the Directors may
- 58 5 1 apply capitalised sums in accordance with Articles 58 3 and 58 4 partly in one way and partly in another,
- 58 5 2 make such arrangements as they think fit to deal with Shares or debentures becoming distributable in fractions under this article (including the issuing of fractional certificates or the making of cash payments), and
- 58 5 3 authorise any person to enter into an agreement with the Company on behalf of all the persons entitled which is binding on them in respect of the allotment of Shares and debentures to them under this article

Organisation of General Meetings

59. Attendance and speaking at general meetings

- 59 1 A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting
- 59 2 A person is able to exercise the right to vote at a general meeting when
- 59 2 1 that person is able to vote, during the meeting, on resolutions put to the vote at the meeting, and
- 59 2 2 that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting

- 59 3 The Directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it
- 59 4 In determining attendance at a general meeting, it is immaterial whether any two or more Members attending it are in the same place as each other
- 59 5 Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them

60 Quorum for general meetings

No business other than the appointment of the chairman of the meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum

No meeting of Members shall be quorate unless those Members present include (whether in person or by a duly authorised representative or a proxy) at least one holder of A Preferred Ordinary Shares and the holders of not less than 50 per cent of the Ordinary Shares for the time being in issue. If, in the case of a meeting of Members, a quorum is not present within half an hour from the time appointed for the meeting, or if during a meeting such a quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week at the same time and place (or such other time and place as the chairman of the relevant meeting may determine). In the case of any meeting so adjourned the above Members shall not be required to attend in order for such adjourned meeting to be quorate

61. Chairing general meetings

- 61 1 If the Directors have appointed a chairman, the chairman shall chair general meetings if present and willing to do so
- 61 2 If the Directors have not appointed a chairman, or if the chairman is unwilling to chair the meeting or is not present within ten minutes of the time at which a meeting was due to start, the Directors present, or (if no Directors are present) the meeting, must appoint a Director or Member to chair the meeting, and the appointment of the chairman of the meeting must be the first business of the meeting
- 61 3 The person chairing a meeting in accordance with this article is referred to as “the chairman of the meeting”

62. Attendance and speaking by Directors and non-members

- 62 1 Directors may attend and speak at general meetings, whether or not they are Members
- 62 2 The chairman of the meeting may permit other persons who are not Members, or otherwise entitled to exercise the rights of Members in relation to general meetings, to attend and speak at a general meeting

63. Adjournment

- 63 1 Subject to any provision to the contrary contained in Part A of these Articles, if the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, if the meeting was convened by the members, the meeting shall be dissolved and, in any other case, the chairman of the meeting must adjourn it. Subject to any provision to the contrary contained in these Articles, if at the adjourned meeting the persons attending within half an hour of the time at which the meeting was due to start do not constitute a quorum, the members present shall constitute a quorum

- 63 2 The chairman of the meeting may adjourn a general meeting at which a quorum is present if
- 63 2 1 the meeting consents to an adjournment, or
- 63 2 2 it appears to the chairman of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner
- 63 3 The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting
- 63 4 Subject to any applicable provisions of Part A of these Articles with regard to the timing and location of any adjourned meeting, when adjourning a general meeting, the chairman of the meeting must
- 63 4 1 either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the Directors, and
- 63 4 2 have regard to any directions as to the time and place of any adjournment which have been given by the meeting
- 63 5 If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the Company must give at least seven clear days' notice of it
- 63 5 1 to the same persons to whom notice of the Company's general meetings is required to be given, and
- 63 5 2 containing the same information which such notice is required to contain
- 63 6 No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place

Voting at General Meetings

64 Voting: general

A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with these Articles

65 Errors and disputes

65 1 No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid

65 2 Any such objection must be referred to the chairman of the meeting, whose decision is final

66 Poll votes

66 1 A poll on a resolution may be demanded

66 1 1 in advance of the general meeting where it is to be put to the vote, or

66 1 2 at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared

66 2 A poll on a resolution may be demanded by any qualifying person (as defined in section 318 of the Companies Act 2006) present and entitled to vote on the resolution

- 66 3 A demand for a poll may be withdrawn if
- 66 3 1 the poll has not yet been taken, and
- 66 3 2 the chairman of the meeting consents to the withdrawal
- A demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made
- 66 4 Polls must be taken immediately and in such manner as the chairman of the meeting directs
- 67 **Content of proxy notices**
- 67 1 Proxies may only validly be appointed by a notice in writing (a “**proxy notice**”) which
- 67 1 1 states the name and address of the Member appointing the proxy,
- 67 1 2 identifies the person appointed to be that Member’s proxy and the general meeting in relation to which that person is appointed,
- 67 1 3 is signed by or on behalf of the Member appointing the proxy, or is authenticated in such manner as the Directors may determine, and
- 67 1 4 is delivered to the Company in accordance with these Articles not less than 48 hours before the time appointed for holding the general meeting in relation to which the proxy is appointed and in accordance with any instructions contained in the notice of the general meeting to which they relate (but notwithstanding this an appointment of a proxy may be accepted by the Directors at any time prior to the meeting at which the person named in the appointment proposes to vote (or, where a poll is demanded at the meeting, but not taken forthwith, at any time prior to the taking of the poll))
- 67 2 The Company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes
- 67 3 Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions, but the Company shall not be obliged to ascertain that any proxy has complied with those or any other instructions given by the appointor and no decision on any resolution shall be vitiated by reason only that any proxy has not done so
- 67 4 On a vote on a resolution on a show of hands at a meeting, every proxy present who has been duly appointed by one or more Members entitled to vote on the resolution has one vote, except that if the proxy has been duly appointed by more than one member entitled to vote on the resolution and
- 67 4 1 has been instructed by one or more of those Members to vote for the resolution and by one or more other of those Members to vote against it, or
- 67 4 2 has been instructed to vote the same way (either for or against) on the resolution by all of those Members except those who have given the proxy discretion as to how to vote on the resolution
- the proxy is entitled to one vote for and one vote against the resolution
- 67 5 Unless a proxy notice indicates otherwise, it must be treated as
- 67 5 1 allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting, and

67 5 2 appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself

68 Delivery of proxy notices

68 1 A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the Company by or on behalf of that person

68 2 An appointment under a proxy notice may be revoked by delivering to the Company a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given

68 3 A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates

68 4 If a proxy notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf

69 Amendments to resolutions

69 1 An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if

69 1 1 notice of the proposed amendment is given to the Company in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the chairman of the meeting may determine), and

69 1 2 the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the resolution

69 2 A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if

69 2 1 the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and

69 2 2 the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution

69 3 If the chairman of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chairman's error does not invalidate the vote on that resolution

70 No voting of Shares on which money owed to Company

70 1 No voting rights attached to a Share may be exercised at any general meeting, at any adjournment of it, or on any poll called at or in relation to it, or in relation to any written resolution of the Company unless all amounts payable to the Company in respect of that Share have been paid

Application of Rules to Class Meetings

71 Class meetings

71 1 The provisions of these Articles relating to general meetings apply, with any necessary modifications, to meetings of the holders of any class of Shares

72. Means of communication to be used

- 72 1 Subject to these Articles, anything sent or supplied by or to the Company under these Articles may be sent or supplied in any way in which the Companies Act 2006 provides for documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the Company
- 72 2 Except insofar as the Companies Acts require otherwise, the Company shall not be obliged to accept any notice, document or other information sent or supplied to the Company in electronic form unless it satisfies such stipulations, conditions or restrictions (including, without limitation, for the purpose of authentication) as the Directors think fit, and the Company shall be entitled to require any such notice, document or information to be sent or supplied in hard copy form instead
- 72 3 In the case of joint holders of a Share, except insofar as these Articles otherwise provide, all notices, documents or other information shall be given to the joint holder whose name stands first in the register of Members in respect of the joint holding and shall be deemed to have been given to all the joint holders. For all purposes, including the execution of any appointment of proxy, resolution in writing, notice or other document (including anything sent or supplied in electronic form) executed or approved pursuant to any provision of these Articles, execution by any one of such joint holders shall be deemed to be and shall be accepted as execution by all the joint holders
- 72 4 In the case of a Member that is a corporation, for all purposes, including the execution of any appointment of proxy, resolution in writing, notice or other document (including anything sent or supplied in electronic form) executed or approved pursuant to any provision of these Articles, execution by any director or the secretary of that corporation or any other person who appears to any officer of the company (acting reasonably and in good faith) to have been duly authorised to execute shall be deemed to be and shall be accepted as execution by that corporation
- 72 5 A Member whose registered address is not within the United Kingdom and who notifies the Company of an address within the United Kingdom at which notices, documents or other information may be served on or delivered to him shall be entitled to have such things served on or delivered to him at that address (in the manner referred to above), but otherwise no such Member shall be entitled to receive any notice, document or other information from the Company. If the address is that Member's address for sending or receiving documents or information by electronic means the Directors may at any time without prior notice (and whether or not the Company has previously sent or supplied any documents or information in electronic form to that address) refuse to send or supply any documents or information to that address
- 72 6 Subject to these Articles, any notice or document to be sent or supplied to a Director in connection with the taking of decisions by Directors may also be sent or supplied by the means by which that Director has asked to be sent or supplied with such notices or documents for the time being
- 72 7 A Director may agree with the Company that notices or documents sent to that Director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours

73. When information deemed to have been received by the Company

- 73 1 Any document or information sent or supplied by the Company shall be deemed to have been received by the intended recipient
- 73 1 1 where the document or information is properly addressed and sent by first class post or other delivery service to an address in the United Kingdom, on the day (whether or not

it is a working day) following the day (whether or not it is a working day) on which it was put in the post or given to the delivery agent and, in proving that it was duly sent, it shall be sufficient to prove that the document or information was properly addressed, prepaid and put in the post or duly given to the delivery agent,

- 73 1 2 where (without prejudice to article 72 5) the document or information is properly addressed and sent by post or other delivery service to an address outside the United Kingdom, five working days after it was put in the post or given to the delivery agent and, in proving that it was duly sent, it shall be sufficient to prove that the document or information was properly addressed, prepaid and put in the post or duly given to the delivery agent,
- 73 1 3 where the document or information is not sent by post or other delivery service but delivered personally or left at the intended recipient's address, on the day (whether or not a working day) and time that it was sent,
- 73 1 4 where the document or information is properly addressed and sent or supplied by electronic means, on the day (whether or not a working day) and time that it was sent and proof that it was sent in accordance with guidance issued by the Institute of Chartered Secretaries and Administrators shall be conclusive evidence that it was sent,
- 73 1 5 where the document or information is sent or supplied by means of a website, when the material was first made available on the website or (if later) when the intended recipient received (or is deemed to have received) notice of the fact that the material was available on the website

74 Company seals

- 74 1 Any common seal may only be used by the authority of the Directors
- 74 2 The Directors may decide by what means and in what form any common seal is to be used
- 74 3 Unless otherwise decided by the Directors, if the Company has a common seal and it is affixed to a document, the document must also be signed by at least one authorised person in the presence of a witness who attests the signature
- 74 4 For the purposes of this article, an authorised person is
 - 74 4 1 any Director of the Company,
 - 74 4 2 the company secretary (if any), or
 - 74 4 3 any person authorised by the Directors for the purpose of signing documents to which the common seal is applied

75 No right to inspect accounts and other records

- 75 1 Except as provided by law or authorised by the Directors or an ordinary resolution of the Company or pursuant to the provisions of the Members' Agreement, no person is entitled to inspect any of the Company's accounting or other records or documents merely by virtue of being a Member

76 Provision for employees on cessation of business

- 76 1 The directors may decide to make provision for the benefit of persons employed or formerly employed by the Company or any of its subsidiaries (other than a Director or former Director or

shadow director) in connection with the cessation or transfer to any person of the whole or part of the undertaking of the Company or that subsidiary

77 Secretary

77 1 Subject to the Companies Act 2006, the Directors may appoint a company secretary (or two or more persons as joint secretary) for such term, at such remuneration and upon such conditions as the Directors may think fit, and any company secretary (or joint secretary) so appointed may be removed by the Directors. The Directors may also from time to time appoint on such terms as they think fit, and remove, one or more assistant or deputy secretaries

Directors' Indemnity and Insurance

78 Indemnity

Subject to Article 78 2 (but without prejudice to any indemnity which a relevant officer is otherwise entitled)

78 1 1 a relevant officer may be indemnified out of the Company's assets to whatever extent the directors may determine against

- (a) any liability incurred by that officer in connection with any negligence, default, breach of duty or breach of trust in relation to the Company or a group undertaking,
- (b) any liability incurred by that officer in connection with the activities of the Company or a group undertaking in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the Companies Act 2006),
- (c) any other liability incurred by that officer as an officer of the Company or a group undertaking,

78 1 2 the Company may, to whatever extent the Directors may determine, provide funds to meet expenditure incurred or to be incurred by a relevant officer in defending any criminal or civil proceedings in connection with any alleged negligence, default, breach of duty or breach of trust by him in relation to the Company or any of its group undertakings, or any investigation, or action proposed to be taken, by a regulatory authority in that connection, or for the purposes of an application for relief, or in order to enable a director to avoid incurring such expenditure

78 2 This article does not authorise any indemnity that would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law

79 Insurance

79 1 The Directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant officer in respect of any relevant loss

79 2 In this article, a "relevant loss" means any loss or liability which has been or may be incurred by a relevant officer in connection with that officer's duties or powers in relation to the Company, any of its group undertakings or any pension fund or employees' share scheme of the Company or of any of its group undertakings