

**WE7 LIMITED**

**(Company Registration Number 5717612)**

**(the "Company")**

**Written Resolutions**

**Passed on 14<sup>th</sup> January 2011**

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006 (the "Act"), the following written resolutions were duly passed on 14<sup>th</sup> January 2011

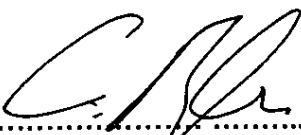
**ORDINARY RESOLUTION**

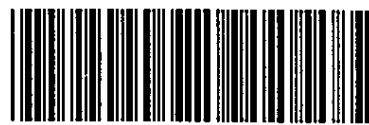
- 1 **THAT** the directors of the Company be and they are unconditionally authorised pursuant to Section 551 of the Act to exercise all powers of the Company to allot, or to grant any right to subscribe for or to convert any security into, shares in the Company pursuant to the loan agreement between (1) the Company (2) Eden Two LP (3) Eden Ventures (Nominee) Limited (4) Peter Gabriel (5) John Taysom and (6) Stephen Purdham entered into on or around the date of these resolutions. The maximum nominal amount of shares that may be allotted pursuant to such authority shall be £372 85. This authority shall expire on the date 5 years after the passing of this resolution unless previously revoked, varied or extended save that the directors may, notwithstanding such expiry, allot any shares or grant any right to subscribe for, or to convert any security into, shares in pursuance of an offer or agreement to do so made by the Company before this authority expires.

This authority is in addition to any previous authorities conferred on the Directors in accordance with section 80 of the Companies Act 1985 or section 551 of the Act.

**SPECIAL RESOLUTIONS**

- 2 **THAT** the draft Articles of Association circulated with these written resolutions be adopted as the Articles of Association of the Company in substitution for and to the exclusion of the existing articles of association,
- 3 **THAT**, the directors of the Company be and they are empowered for the purposes of Section 570 of the Act to allot shares pursuant to the authority conferred by the preceding resolution as if Section 561 of the Act and the pre-emption provisions in the articles of association did not apply to any such allotment.
- 4 **THAT** any limit on the maximum amount of shares that may be allotted by the Company pursuant to its existing articles of association which is imposed by the amount of the Company's authorised share capital that was in force immediately before the date of the Resolutions, including for the avoidance of doubt any alteration made by virtue of any shareholder resolution, be revoked.

.....  
  
**Director**



A07

25/01/2011

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COMPANIES HOUSE

**THE COMPANIES ACTS 1985 to 2006**  
**PRIVATE COMPANY LIMITED BY SHARES**

**NEW**  
**ARTICLES OF ASSOCIATION**  
**of**  
**We7 LIMITED**

(Adopted by Written Resolution passed on 14<sup>th</sup> January 2011)

**1 Preliminary**

The regulations contained in Table A ('Table A') in the Schedule to the Companies (Tables A to F) Regulations 1985 (as amended by the Companies (Tables A to F) (Amendment) Regulations 1985, the Companies (Tables A to F) (Amendment) Regulations 2007 and the Companies (Tables A to F) (Amendment) (No 2) Regulations 2007 shall, except as hereinafter provided and so far as not inconsistent with the provisions of these Articles, apply to the Company to the exclusion of all other regulations or articles of association. References herein to 'regulations' are to regulations in Table A.

**2 Private company**

The Company is a private company within the meaning of the Act.

**3 Interpretation**

(1) In the first line of regulation 1 after the word 'regulations' the words 'and in any articles adopting in whole or in part the same' shall be inserted.

(2) In these Articles

(a) unless the context otherwise requires the following expressions have the following meanings

'2010 Subscription Agreement' the Subscription Agreement dated 13<sup>th</sup> January 2010 made between G J Taysom (1) S Purdham (2) P Gabriel (3) G O Reakes (4) Eden Two LP (5) Eden Ventures Nominee Limited (6) and We7 Limited (7),

'the Act' the Companies Act 2006 including any statutory modification or re-enactment thereof for the time being in force,

'Bad Leaver' a Relevant Executive who ceases to be an employee or director or consultant of the Company due to his negligence or gross misconduct,

'Board'	the board of directors of the Company from time to time (or any duly authorised committee thereof),
'BVCA'	the British Venture Capital Association,
'Compulsory Purchase Notice'	a notice served by the Directors pursuant to Article 9(9) requiring that the Shares specified therein be sold to the Company at the Transfer Price,
'Compulsory Transfer Notice'	a notice served by the Directors pursuant to Article 9(9) requiring that the Shares specified therein be sold to the person or persons nominated by the Directors and specified therein at the Transfer Price,
'Controlling Interest'	an interest (within the meaning of the Act) in shares conferring in aggregate 50% or more of the total voting rights conferred by all the shares in the equity share capital of the Company for the time being on issue,
'Deemed Transfer Notice'	a Transfer Notice which is deemed to have been given pursuant to these Articles,
'Family Trust'	means, in relation to a member being an individual or a deceased member, a trust (whether arising under a settlement, declaration of trust, testamentary disposition or on an intestacy) which does not permit any of the settled property or the income therefrom to be applied otherwise than for the benefit of (i) that member and/or a privileged relation of that member or (ii) any charity or 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 such charity or charities), and no power of control over the voting powers conferred by any shares the subject of the trust is capable of being exercised by or subject to the consent of any person other than the trustees or such member or his privileged relations,

'Founders'	each of John Taysom, John Simpson and Gareth Reakes,
'Good Leaver'	a Leaver who is not a Bad Leaver,
'ICTA'	the Income and Corporation Taxes Act 1988,
'Investment Fund'	any company, trust, limited partnership or fund holding shares for investment purposes,
'Investors'	each of SPARK VCT Plc, SPARK VCT 3 Plc, Peter Gabriel, John Taysom, Stephen Purdham Eden Ventures (Nominee) Limited and Eden Two LP and any other person who is designated as an "Investor" for the purposes of a Relevant Agreement,
'Investor Director'	any Director who has been appointed from time to time by an Investor in accordance with the provisions of any Relevant Agreement or who is an Investor and has the right to remain in office pursuant to a Relevant Agreement,
'Investor Majority'	those persons holding, either personally or through a nominee, at least 75% of the total number of Shares held by the Investors or their nominees from time to time,
"Issue or Reorganisation"	means any return of capital, issue of Shares or other securities of the Company by way of capitalisation of profits or reserves (other than a capitalisation issue in substitution for or as an alternate to a cash dividend which is made available to Shareholders) or any consolidation or sub-division or any repurchase or redemption of shares or any variation in the subscription price or conversion rate applicable to any other outstanding shares of the Company,
'Leaver'	any Relevant Executive whose directorship or contract of employment with or consultancy to the Company terminates for any reason,
'Liquidation Surplus'	such cash sum as remains on a liquidation or winding up of the Company after all of its liabilities (including costs

	and expenses in connection with such liquidation or winding up) have been paid or provided for,
'Option'	means an option to subscribe for shares in the capital of the Company granted under the Company's Share Option Scheme,
'Ordinary Shares'	the Ordinary Shares of 0 0001p each in the capital of the Company,
'Preferred "A" Ordinary Shares'	the Preferred "A" Ordinary Shares of 0 0001p each in the capital of the Company,
'Preferred "B" Ordinary Shares'	the Preferred "B" Ordinary Shares of 0 0001p each in the capital of the Company,'
'Preferred "C" Ordinary Shares'	the Preferred "C" Ordinary Shares of 0 0001p each in the capital of the Company,'
'Preferred "D" Ordinary Shares'	the Preferred "D" Ordinary Shares of 0 0001p each in the capital of the Company,'
'Privileged Relation'	<p>in relation to an individual member or deceased or former individual member</p> <ul style="list-style-type: none"> <li>(a) the husband or wife or the widower or widow of such member,</li> <li>(b) all the lineal descendants and ascendants in direct line of such member,</li> <li>(c) the brothers and sisters of such member and their lineal descendants, and</li> <li>(d) a husband or wife or widower or widow of any of the persons referred to in paragraphs (a), (b) and (c) above</li> </ul> <p>and for these purposes a step-child or adopted child or illegitimate child of any person shall be deemed to be his or her lineal descendant,</p>

'Relevant Agreement'	any agreement relating (in whole or in part) to the management of the Company which is binding from time to time on the Company and some or all of its Shareholders and which (expressly or by implication) supplements and/or prevails over any provisions of these Articles,
'Relevant Executive'	a director or employee of, or a consultant to, the Company (other than an Investor Director) For the purposes of this definition, John Taysom and Stephen Purdham shall be deemed to not be Investor Directors,
'Relevant Member'	the Relevant Executive and/or, where the Relevant Executive has transferred Shares pursuant to Article 8(1)(b) or 8(1)(c), such transferee,
'Representatives'	in relation to a member, means any person or persons who have become entitled to his Shares in consequence of his death, bankruptcy or mental incapacity,
'Sale'	the sale of any Shares to any person resulting in that person together with any person acting in concert (within the meaning given in the City Code on Takeovers and Mergers as in force at the date of adoption of these Articles) with such person holding more than 50% of the issued Shares,
'Sale Proceeds'	the price paid (including the cash value at the date of the Sale of any non-cash consideration) for all of the Shares which are the subject of a Sale,
'Share'	any share in the capital of the Company of whatever class and 'Shares' shall be construed accordingly,
'Shareholder'	a holder of any Shares in the capital of the Company from time to time,
'Starting Price'	£0 01111169 in relation to a Preferred "A" Ordinary Share or a Preferred "B" Ordinary Share and £0 003548898 in relation to a Preferred "C" Ordinary Share or, if any Shares shall have been issued pursuant to Article 6(4), such

price per Share as is obtained by dividing the aggregate sum paid on subscription or capitalised in respect of the relevant Warrantee Shares and Anti-Dilution Shares by the number of such Warrantee Shares and Anti-Dilution Shares and in the case of a Preferred "D" Ordinary Share, the actual subscription price for such share,

**'Subscription Price'**

in relation to any Share, means the amount paid up or credited as paid up thereon whether upon an issue for cash or upon an issue for some other consideration such as the conversion of a loan (including the full amount of any premium at which such Share was issued whether or not such premium is applied for any purpose thereafter), and

**'Warrantee Shares'**

Preferred "A" Ordinary Shares, Preferred "B" Ordinary Shares, Preferred "C" Ordinary Shares and Preferred "D" Shares including, for the avoidance of doubt, any Shares allotted by the application of Article 6(4)

- (b) words or expressions the definitions of which are contained or referred to in the Act shall be construed as having the meaning thereby attributed to them but excluding any statutory modification thereof not in force on the date of adoption of these Articles
- (c) words importing the singular include the plural, words importing any gender include every gender, and words importing persons include bodies corporate and unincorporate, and (in each case) vice versa
- (d) references to Articles are references to these Articles and references to paragraphs and sub-paragraphs are, unless otherwise stated, references to paragraphs of the Articles or references to sub-paragraphs of the paragraph in which the reference appears
- (d) in relation to any Shareholder, references to any English legal term for any action, remedy, method of judicial proceeding, insolvency proceeding, event of incapacity, legal status, court, governmental or administrative authority or agency, official or any legal concept, practice or principle or thing shall in respect of any jurisdiction other than England where that Shareholder is domiciled, resident, incorporated or carries on business be deemed to include what most approximates in that jurisdiction to the English legal term concerned

- (e) A reference in these Articles to the transfer of any Share shall mean the transfer of either or both of the legal and beneficial ownership in such Share and/or the grant of an option to acquire either or both of the legal and beneficial ownership in such Share and the following shall be deemed (but without limitation) to be a transfer of a Share -
- (i) any direction (by way of renunciation or otherwise) by a Shareholder entitled to an allotment or issue of any Share that such Share be allotted or issued to some person other than himself,
  - (ii) any sale or other disposition of any legal or equitable interest in a Share (including any voting right attached thereto) and whether or not by the registered holder thereof and whether or not for consideration or otherwise and whether or not effected by an instrument in writing, and
  - (iii) any grant of a legal or equitable mortgage or charge over any Share

#### **4 Share capital**

- (1) The Company shall not be restricted by any authorised share capital
- (2) The Company shall not have power to issue share warrants to bearer

#### **5 Share rights**

The Ordinary Shares, the Preferred "A" Ordinary Shares, the Preferred "B" Shares, the Preferred "C" Ordinary Shares and Preferred "D" Ordinary Shares shall have the following rights and be subject to the following restrictions

(1) Dividend rights

Subject to the provisions of any Relevant Agreement, the profits of the Company available for dividend and which the Company may determine to distribute in respect of any financial year or other period for which the accounts of the Company shall be made up shall be distributed amongst all Shareholders rateably in proportion to the number of Shares held by them respectively

(2) Liquidation Surplus

On a return of assets on a winding up or liquidation of the Company the Company shall distribute the Liquidation Surplus in the same manner and priority and using the same financial thresholds as that described on a Sale under Article 3

(3) Sale

- (a) In the event of a Sale where the Sale Proceeds are less than £10 million (or, if the Sale is of Shares representing less than 100 per cent of the total number of Shares in issue, such figure which represents the same proportion of £10 million as the proportion of the total number of Shares in issue represented by the number of Shares which are the



subject of the Sale) then the Sale Proceeds shall be reallocated between the holders of the Shares which are the subject of the Sale ("Participatory Shareholders") as follows

- (i) First, each Participatory Shareholder shall be entitled in respect of their Preferred "D" Ordinary Shares which are the subject of the Sale to payment of an amount per Preferred "D" Ordinary Share equal to a multiple of 2.5 times the Subscription Price paid in respect of that share or if the Sale Proceeds are insufficient to enable payment of the full Subscription Price to be paid to the relevant Participatory Shareholders in proportion to the aggregate Subscription Price paid in respect of the Preferred "D" Ordinary Shares which are the subject of the Sale held by them,
  - (ii) Second, each Participatory Shareholder shall be entitled in respect of their Preferred "C" Ordinary Shares which are the subject of the Sale to payment of an amount per Preferred "C" Ordinary Share equal to the Subscription Price paid in respect of that share or if the Sale Proceeds are insufficient to enable payment of the full Subscription Price to be paid to the relevant Participatory Shareholders in proportion to the aggregate Subscription Price paid in respect of the Preferred "C" Ordinary Shares which are the subject of the Sale held by them,
  - (iii) Third, each Participatory Shareholder shall be entitled in respect of their Preferred "B" Ordinary Shares which are the subject of the Sale to payment of an amount per Preferred "B" Ordinary Share equal to the Subscription Price paid in respect of that share or if the Sale Proceeds are insufficient to enable payment of the full Subscription Price to be paid to the relevant Participatory Shareholders in proportion to the aggregate Subscription Price paid in respect of the Preferred "B" Ordinary Shares which are the subject of the Sale held by them,
  - (iv) Fourth, each Participatory Shareholder shall be entitled in respect of their Preferred "A" Ordinary Shares which are the subject of the Sale to payment of an amount per Preferred "A" Ordinary Share equal to the Subscription Price paid in respect of that share or if the Sale Proceeds are insufficient to enable payment of the full Subscription Price to be paid to the relevant Participatory Shareholders in proportion to the aggregate Subscription Price paid in respect of the Preferred "A" Ordinary Shares which are the subject of the Sale held by them, and
  - (v) Fifth, any balance shall be paid to the Participatory Shareholders in proportion to the number of the Shares which are the subject of the Sale held by each of them on a pro rata basis as if the Shares constituted one class of share
- (b) In the event of a Sale where the Sale Proceeds are £10 million or more then the Sale Proceeds shall be reallocated between the holders of the Shares which are the subject of the Sale ("Participating Shareholders") as follows

- (i) first, each Participatory Shareholder shall be entitled in respect of their Preferred "D" Ordinary Shares which are the subject of the Sale to payment of an amount per Preferred "D" Ordinary Share equal to a multiple of 2.5 times the Subscription Price paid in respect of that share or if the Sale Proceeds are insufficient to enable payment of the full Subscription Price to be paid to the relevant Participatory Shareholders in proportion to the aggregate Subscription Price paid in respect of the Preferred "D" Ordinary Shares which are the subject of the Sale held by them, and
- (ii) second, each Participatory Shareholder shall be entitled in respect of their Preferred "C" Ordinary Shares which are the subject of the Sale to payment of an amount per Preferred "C" Ordinary Share equal to the Subscription Price paid in respect of that share or if the Sale Proceeds are insufficient to enable payment of the full Subscription Price to be paid to the relevant Participatory Shareholders in proportion to the aggregate Subscription Price paid in respect of the Preferred "C" Ordinary Shares which are the subject of the Sale held by them, and
- (ii) third, any balance shall be paid to the Participatory Shareholders in proportion to the number of the Shares which are the subject of the Sale held by each of them on a pro rata basis as if the Shares constituted one class of share

(4) Voting rights

The Shareholders shall be entitled to receive notice of, to attend, and to vote at, general meetings of the Company. Every Shareholder who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or by proxy, shall have one vote on a show of hands and on a poll every Shareholder so present shall have one vote for each Share held by him.

Notwithstanding the above or any other provision of these Articles, a Bad Leaver shall not have any rights to receive notice of any general meeting of the Company or vote at any such meeting.

(5) Variation

Whenever the capital of the Company is divided into different classes of Shares the special rights attached to any class may be varied or abrogated either whilst the Company is a going concern or during or in contemplation of a winding up, with the consent in writing of at least 75% of the holders of all of the issued Shares of that class, together with the consent in writing of the Investor Majority but not otherwise.

**6 Issue of new shares**

- (1) Save as may be provided by regulation 110 of Table A as amended by these Articles and any Shares to be issued that are (i) the subject of an Option or (ii) the subject of Article 6(4), all Shares which the directors propose to issue shall be dealt with in accordance with the following provisions of this Article

- (a) any Shares proposed to be issued ("New Shares") shall be offered to the Shareholders in proportion to the number of existing Shares held by them respectively unless the Company shall by special resolution otherwise direct,
  - (b) each such offer shall be made by notice specifying the total number of New Shares being offered to the Shareholders as a whole, to holders of each class, the proportionate entitlement of the Shareholder to whom the offer is made and the price per New Share (which shall be the same for each share of each class of Share) and shall require each Shareholder to state in writing within a period (not being less than seven days) specified in the notice whether he is willing to take any and, if so, what maximum number of the said New Shares,
  - (c) an offer, if not accepted within the period specified in the notice as regards any New Shares, will be deemed to be declined as regards those Shares. After the expiration of such period any New Shares so deemed to be declined by the holders of Shares shall be offered in the proportion aforesaid to the Shareholders who accepted their full proportionate amount of New Shares in proportion to the number of Shares in the capital of the Company held by them respectively, such further offers shall be made in the same manner and limited by a like period as the original offer,
  - (d) any Shares not accepted pursuant to such offer and further offers made in accordance with this Article or not capable of being offered as aforesaid except by way of fractions shall be under the control of the directors, who may allot, grant options over or otherwise dispose of the same to such persons, on such terms, and in such manner as they think fit, and
  - (e) any shares released from the provisions of this Article by special resolution in accordance with Article shall be under the control of the directors, who may allot, grant options over or otherwise dispose of the same to such persons, on such terms, and in such manner as they think fit
- (2) Section 561(1) and Section 562 of the Act shall not apply to the Company
- (3) Subject to the provisions of the Act, the Company shall have power -
- (a) pursuant to Sections 684 and 687 of the Act to issue shares which are to be redeemed or are liable to be redeemed at the option of the Company or the Shareholder on such terms and in such manner as shall be provided by the Articles of the Company,
  - (b) pursuant to Sections 690, 691 and 706 of the Act to purchase its own shares (including any redeemable shares),
  - (c) pursuant to Section 709 and 734 and 712 of the Act to make a payment out of capital in respect of such redemption or purchase
- (4) If at any time after the date of the adoption of these Articles any Shares are issued by the Company (other than upon exercise of an Option) at a price per Share which equates to less than the Starting Price (a "Qualifying Issue") then

the Company shall, unless and to the extent that any of the holders of Warrantee Shares shall have specifically waived their rights under this Article in writing, offer (such offer, unless waived, to remain open for acceptance for not less than 15 Business Days) to each holder of Warrantee Shares the right to receive such number of new Shares as is reached by applying the following formula (and rounding the product, N, down to the nearest whole share), subject to adjustment as certified in accordance with Article 6(6) (the "Anti-Dilution Shares")

$$i) \quad N = \left( \frac{W}{X} - Z \right), \text{ or}$$

- ii) where the holder of Warrantee Shares is required to subscribe in cash for any Anti-Dilution Shares in accordance with Article 6(5), the following calculation shall apply

$$N = \frac{(W - (XZ))}{(X - V)}$$

where

N = the number of Anti-Dilution Shares,

W = the total amount subscribed by each holder of Warrantee Shares for his Warrantee Shares,

X = the price (if any) at which each new Share is to be issued (which in the event that the new Shares is not issued for cash shall be the sum certified by the Auditors acting as experts and not arbiters as being in their opinion the current cash value of the non cash consideration for the allotment of the new Shares),

Z = the number of Warrantee Shares held by the relevant holder of Warrantee Shares prior to a Qualifying Issue,

V = the nominal value of each Anti-Dilution Share

(5) The Anti-Dilution Shares shall

- (a) be paid up by the automatic capitalisation of available reserves of the Company, unless and to the extent that the same shall be impossible or unlawful in which event the holder of Warrantee Shares shall be entitled to subscribe for the Anti-Dilution Shares in cash at par, and
- (b) subject to the payment of any cash payable pursuant to Article 6(5)(a) (if applicable), be issued, credited fully paid up in cash and shall rank pari passu in all aspects with the relevant existing Warrantee Shares, within 5 Business Days of the

expiry of the offer being made by the Company to the holders of Warrantee Shares pursuant to Article 6(5)(a)

- (6) In the event of any Issue or Reorganisation the Starting Price shall be subject to adjustment on such basis as may be agreed by the Company with the holders of Warrantee Shares within 10 Business Days after any Issue or Reorganisation. If the Company and the holders of Warrantee Shares cannot agree such adjustment it shall be referred to the Auditors whose determination shall, in the absence of manifest error, be final and binding on the Company and each of its shareholders. The costs of the Auditors shall be borne by the Company.

## **7 General restrictions and information relating to transfers**

- (1) No member shall dispose of any interest in, or right attaching to, or renounce or assign any right to receive or subscribe for any Share or create or permit to exist any charge, lien, encumbrance or trust over any Share or agree (whether subject to any condition precedent, condition subsequent or otherwise) to do any of such things except -
- (a) as permitted by Article 8,
  - (b) as permitted by Article 9 (subject to Article 13),
  - (c) in accordance with Articles 10 and/or 11,
  - (d) in accordance with Article 12,
  - (e) as permitted by a Relevant Agreement
- (2) The Directors may, as a condition to the registration of any transfer of Shares, require the transferee to execute and deliver to the Company a deed agreeing to be bound by the terms of any Relevant Agreement in such form as the Directors may reasonably require and if any such condition is imposed the transfer may not be registered unless such deed has been executed and delivered by the transferee.
- (3) To enable the Directors to determine whether or not there has been any disposal of Shares (or any interest therein) in breach of these Articles the Directors may, and shall if so requested in writing by any of the Investors require any holder or the legal personal representatives of any deceased holder or any person named as transferee in any transfer lodged for registration or such other person as the Directors or any of the Investors reasonably believe to have information relevant to such purpose, to furnish to the Company such information and evidence as the Directors may think fit regarding any matter which they deem relevant to such purpose, including (but not limited to) the names, addresses and interests of all persons respectively having interests in the shares in the capital of the Company from time to time registered in the holder's name. Failing such information or evidence being furnished to enable the Directors to determine to their reasonable satisfaction that no such breach has occurred, or that as a result of such information and evidence the Directors are reasonably satisfied that such breach has occurred, the Directors shall forthwith notify the holder of such Shares in the capital of the Company in writing of that fact whereupon

- (a) all the Shares shall cease to confer upon the holder thereof (or any proxy thereof) any rights to vote or receive dividends or other distributions or to any further Shares issued in right of such Shares or in pursuance of an offer made to the relevant holder, and
  - (b) the holder may be required at any time following such notice to transfer some or all of its Shares in the capital of the Company to such person(s) at such price as the Directors may require by notice in writing to such holder
- (4) If the Directors shall in accordance with these Articles have required a Transfer Notice to be given and it is not given within a period of one month or such longer period as the Directors may allow for the purpose, such Transfer Notice shall be deemed to have been given on any date after the expiration of such period as the Directors may notify to the holder and these Articles shall take effect accordingly
- (5) The Directors shall not refuse to register any transfer of a Share which is permitted under these Articles but may, in their absolute discretion and without assigning any reason therefor, decline to register any transfer of any Share which would otherwise be permitted hereunder if it is a transfer -
- (a) of a Share on which the Company has a lien,
  - (b) of a Share (not being a fully paid share) to a person of whom they shall not approve and shall in any event refuse to register the transfer of a Share which is prohibited by any Relevant Agreement

The first sentence of regulation 24 shall not apply

- (6) If a member or any of his Representatives becomes aware of any event which is deemed to give rise to an obligation to serve a transfer notice he shall forthwith give written notice thereof to the Directors
- (7) The election by the Representatives of a member to become the registered holders of any Share pursuant to regulation 30 shall be permitted by the Directors and shall not give rise to any obligation to serve a transfer notice in respect of such Share unless specifically so stated elsewhere in these Articles Regulation 30 shall be modified accordingly

## **8 Permitted Transfers**

- (1) Any Share may at any time be transferred without being subject to the restrictions contained in the provisions of Article 9
- (a) to any person with the prior consent in writing of the Investor Majority (which consent may be granted unconditionally or subject to terms or conditions and in the latter case any Share so transferred shall be held subject to such terms and conditions notified in writing to the transferee prior to registration of the transfer), or
  - (b) by any individual member to a Privileged Relation of such member or to a Family Trust, or

- (c) by any person entitled to Shares in consequence of the death or bankruptcy of an individual member to any person or trustee to whom such individual member, if not dead or bankrupt, would be permitted hereunder to transfer the same, or
  - (d) by any member who is or is managed by a member of the BVCA to any other BVCA member or to any venture capital fund managed by such a member provided that the approval of the Board to such transfer shall have been obtained,
  - (e) by any Investor to a body corporate in which he has a Controlling Interest provided always that if such Shareholder ceases to have a Controlling Interest in the body corporate to which the Shares have been transferred they shall be transferred back to the Shareholder as soon as practicable following such cessation,
  - (f) by a Shareholder which is an Investment Fund or by its trustee, custodian or nominee
    - (i) to any trustee, nominee or custodian for such fund and vice versa,
    - (ii) to any unitholder, shareholder, partner, participant or manager in or any of such fund,
    - (iii) to any other Investment Fund, or its trustee, nominee or custodian, managed or advised by the same manager or adviser as any such fund
- (2) Where shares are held by trustees upon a Family Trust -
- (a) such shares may on any change of trustees be transferred to the new trustees of that Family Trust,
  - (b) such shares may at any time be transferred to any person to whom under paragraph (1) the same could have been transferred by the settlor if he had remained the holder thereof, and
  - (c) if and whenever any such shares cease to be held upon a Family Trust (otherwise than in consequence of a transfer authorized by sub-paragraph (b)) or there cease to be any beneficiaries of that Family Trust other than a charity or charities the trustees shall be deemed immediately to have given a transfer notice in respect of all their relevant shares, and
  - (d) for the purposes of this paragraph the expression 'relevant shares' means and includes (so far as the same remain from time to time held by the trustees) the shares originally transferred to the trustees and any additional shares issued or transferred to the trustees by virtue of the holding of the relevant shares or any of them
- (3) If a permitted transferee pursuant to Article 8(1)(b) shall cease to be a Privileged Relation, such person shall be bound to transfer such shares to the original holder or to a Privileged Relation of the original holder

## 9 Pre-emption rights

- (1)
  - (a) Except for a transfer of Shares which is permitted under these Articles as mentioned in Article 8, no Share shall be transferred until the following conditions of this Article are complied with
  - (b) Any member proposing to transfer an Ordinary Share (**'the proposing transferor'**) shall be obliged to give notice in writing (**'Transfer Notice'**) to the Directors that the proposing transferor desires to transfer all or some of the Ordinary Shares then held by him. In the Transfer Notice the proposing transferor shall specify -
    - (i) the number of Ordinary Shares which the proposing transferor wishes to transfer (**'the Transfer Shares'**),
    - (ii) the price at which the proposing transferor wishes to sell the Transfer Shares and the identity of any person who has indicated a willingness to purchase the Transfer Shares at such price
  - (c) A Transfer Notice shall be deemed to contain a condition (**'Total Transfer Condition'**) that unless all of the Transfer Shares are sold pursuant to the following provisions of this Article none shall be so sold
  - (d) The Transfer Notice shall constitute the Company (by its board of Directors) as the agent of the proposing transferor empowered to sell the Transfer Shares (together with all rights attaching thereto at the date of the Transfer Notice or at any time thereafter) at the Transfer Price (as hereinafter defined) on the terms of this Article. Once given a Transfer Notice may not be revoked save with the prior written consent of the Investor Majority. If a proposing transferor revokes a Transfer Notice he may not subsequently transfer the Shares the subject of the Transfer Notice (or any interest therein) otherwise than in accordance with the Articles and any Relevant Agreement
- (2) Within seven days after the receipt of a Transfer Notice the Directors shall serve a copy of that Transfer Notice on all those members listed at that time in the Register of Members of the Company as being holders of Shares (other than the proposing transferor) (**"the Relevant Members"**). In the case of a Deemed Transfer Notice the Directors shall similarly serve notice on all the Relevant Members (including the proposing transferor), notifying them that the same has been deemed to have been given, within 3 months after (i) the date of the event giving rise to the Deemed Transfer Notice or (ii) (if later) the date on which the Directors (as a whole) actually became aware of such event
- (3) Subject as provided otherwise in these Articles or in any Relevant Agreement the Transfer Shares shall be offered for purchase (as hereinafter provided) at a price (**'the Transfer Price'**) determined in accordance with paragraph (4)
- (4)
  - (a) If the Transfer Notice is not a Deemed Transfer Notice then the Transfer Price shall be the price specified by the proposing transferor in the Transfer Notice, or
  - (b) If the Transfer Notice is a Deemed Transfer Notice the Transfer Price shall be such price as shall be agreed in writing between all the Shareholders or in the absence of such agreement (whether by reason of



disagreement, absence, death or otherwise) within 21 days after the service of notices pursuant to paragraph (2) the Transfer Price will be determined by an independent Chartered Accountant of not less than ten years' standing ('the Expert') who shall be nominated by the Investor Majority or, failing such nomination, within 14 days after the request of any member to the others therefor nominated at the request of any member by the President from time to time of the Institute of Chartered Accountants in England and Wales. The Expert shall act as an expert and not as an arbitrator and his written determination shall be final and binding on the members.

The Expert will determine what in his professional opinion is the open market value of the Transfer Shares as at the date of the transfer notice on the following assumptions and bases -

- (i) valuing the Transfer Shares as on an arm's length sale between a willing vendor and a willing purchaser,
- (ii) if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so,
- (iii) that the Transfer Shares are capable of being transferred without restriction,
- (iv) valuing the Transfer Shares as a rateable proportion of the total nominal value of all the issued Shares of the Company without any premium or discount being attributable to the class of the Transfer Shares or the percentage of the issued share capital of the Company which they represent, subject to the application of Article 5(3) (if relevant)

If any difficulty shall arise in applying any of the foregoing assumptions or bases then such difficulty shall be resolved by the Expert in such manner as he shall in his absolute discretion think fit.

The Company will use its best endeavours to procure that the Expert determines the Transfer Price within 21 days of being requested to do so.

- (5) If the determination of the Transfer Price is referred to the Expert the date of determination of the Transfer Price ('the **Determination Date**') shall be the date on which the Directors receive the Expert's determination of the Transfer Price in writing. If the Transfer Price is determined by written agreement between the Shareholders as aforesaid the Determination Date shall be the date on which such agreement is made. If the Transfer Price is determined pursuant to paragraph 4(a) then the Determination Date shall be the date on which the Directors receive the Transfer Notice.
- (6) The costs and expenses of the Expert in determining the Transfer Price and of his appointment shall be borne as to one half by the proposing transferor and as to the other half by the purchasers (as hereinafter defined) pro rata according to the number of Transfer Shares purchased by them unless none of the Transfer Shares are purchased by the members in which event the proposing transferor shall pay all of such costs and expenses. In the case of default by a person in paying his due proportion of such costs and expenses any of the other contributors or (if the proposing transferor is solely responsible for such costs

and expenses) the Company may pay such sum in his stead and any payment made in so doing shall be recoverable from the defaulter as a debt payable on demand

- (7) Within 7 days after the Determination Date the Transfer Shares shall be offered for purchase at the Transfer Price by the Directors to the Relevant Members in proportion to the number of Shares then held by them respectively

Every such offer shall be made in writing and shall specify (a) the total number of Transfer Shares, (b) the number of Transfer Shares offered to the Relevant Member ('**Pro-Rata Entitlement**'), (c) that the Transfer Notice is deemed to contain a Total Transfer Condition and (d) a period (being not less than 14 days and not more than 21 days) within which the offer must be accepted or shall lapse, and shall be accompanied by a form of application for use by the Relevant Member in applying for his Pro-Rata Entitlement and for any shares in excess of such entitlement which he wishes to purchase. Upon the expiry of the said offer period, the Directors shall allocate the Transfer Shares in the following manner -

- (i) to each Relevant Member who has agreed to purchase shares, his Pro-Rata Entitlement or such lesser number of Transfer Shares for which he may have applied,
  - (ii) if any Relevant Member has applied for less than his Pro-Rata Entitlement, the excess shall be allocated to the Relevant Members who have applied for any part of such excess in proportion to the number of Shares then held by them respectively (but without allocating to any Relevant Member a greater number of Transfer Shares than the maximum number applied for by him) and any remaining excess shall be apportioned by applying this paragraph (ii) without taking account of any Relevant Member whose application has already been satisfied in full
- (8) If any of the Transfer Shares shall not be capable of being offered or allocated as aforesaid without involving fractions, the same shall be offered to or allocated amongst the Relevant Members, or some of them, in such proportions as may be determined by lots drawn in respect thereof, and the lots shall be drawn in such manner as the Directors shall think fit
- (9) If by the foregoing procedure the Directors shall not receive acceptances in respect of all the Transfer Shares within the period(s) of the aforesaid offer(s) they shall forthwith give notice in writing of that fact to the proposing transferor. The Directors shall then be entitled within fourteen days of the date of service of that notice to serve upon the proposing transferor a Compulsory Transfer Notice and/or a Compulsory Purchase Notice
- (10) If the Directors shall serve a Compulsory Purchase Notice upon the proposing transferor pursuant to Article 9(9) they shall -
- (a) draw up a draft contract of purchase which provides for completion at the Company's registered office of the purchase of the relevant Transfer Shares on the expiration of seven days after the passing of the special resolution hereinafter mentioned, and

- (b) convene a meeting to consider a special resolution to authorise such contract of purchase, such meeting to be held not later than 30 days after the date on which the Compulsory Purchase Notice was served,
- (11) The proposing transferor is deemed, by virtue of his having become a member of the Company, to have agreed -
  - (a) to any contract which is drawn up by the Directors following the service upon him of a Compulsory Purchase Notice,
  - (b) to have appointed any person nominated by the Directors to execute such contract on his behalf, and
  - (c) that, subject to the provisions of Article 9(12), he shall transfer the relevant Transfer Shares to the Company at completion. If he makes default in so doing a Director or some other person duly nominated by a resolution of the Directors for that purpose, shall forthwith be deemed to be the duly appointed attorney of the proposing transferor with full power to execute complete and deliver in the name and on behalf of the proposing transferor a transfer of the relevant Transfer Shares to the Company. The Directors shall forthwith pay the purchase money into a separate bank account in the Company's name and shall hold such money in trust for the proposing transferor until he shall deliver up his certificates for the relevant Transfer Shares to the Company when he shall thereupon be paid the purchase money.
- (12) If by the foregoing procedure the Directors shall not have received acceptances in respect of all the Transfer Shares and shall not have served a Compulsory Transfer Notice or a Compulsory Purchase Notice in respect of all of the Transfer Shares not accepted by the members or if the requirements of the Act have not been complied with in relation to the purchase by the Company of the relevant Transfer Shares pursuant to a Compulsory Purchase Notice then none of the Transfer Shares shall be sold to the members or to any person nominated by the Directors pursuant to a Compulsory Transfer Notice or to the Company pursuant to a Compulsory Purchase Notice. The proposing transferor may then within a period of three months after the expiry of the fourteen day period referred to in Article 9(9) sell all (but not some only) of the Transfer Shares to any person or persons at any price which is not less than the Transfer Price.
- (13) If the Directors shall receive acceptances pursuant to the provisions of this Article 9 in respect of all the Transfer Shares (or all of the Transfer Shares other than those which the Company is obliged to purchase following the service of a Compulsory Purchase Notice) either from the members or from any person or persons nominated by the Directors pursuant to a Compulsory Transfer Notice they shall forthwith give notice in writing as hereinafter mentioned to the proposing transferor and to the person or persons who have agreed to purchase the same ("Purchaser" or "Purchasers") and the proposing transferor shall thereupon become bound upon payment of the Transfer Price to the proposing transferor (whose receipt shall be a good discharge to the Purchaser, the Company and the Directors therefor none of whom shall be bound to see to the application thereof) to transfer to each Purchaser those Transfer Shares accepted by him. Every such notice shall state the name and address of each Purchaser, the number of Transfer Shares agreed to be purchased by him and the place and time appointed by the Directors for the completion of the purchase (being not less than seven days nor more than twenty-eight days after the date of

the said notice and not being at a place outside England) Subject to the giving of such notice the purchase shall be completed at the time and place appointed by the Directors If the proposing transferor makes default in transferring the Transfer Shares pursuant to this Article 9(13), a Director or some other person duly nominated by a resolution of the Directors for that purpose, shall forthwith be deemed to be the duly appointed attorney of the proposing transferor with full power to execute complete and deliver in the name and on behalf of the proposing transferor a transfer of the relevant Transfer Shares to the relevant Purchaser The Directors shall forthwith pay the purchase money into a separate bank account in the Company's name and shall hold such money in trust for the proposing transferor until he shall deliver up his certificates for the relevant Transfer Shares to the Company when he shall thereupon be paid the purchase money

- (14) Any member proposing to transfer any Preferred "A" Ordinary Share (**'the A Share proposing transferor'**) shall be obliged to give notice in writing (**'A Share Transfer Notice'**) to the Directors that the proposing transferor desires to transfer all or some of the Preferred "A" Ordinary Shares then held by him In the Transfer Notice the proposing transferor shall specify -
- (i) the number of Preferred "A" Ordinary Shares which the proposing transferor wishes to transfer (**'the A Share Transfer Shares'**), and
  - (ii) the price at which the proposing transferor wishes to sell the A Share Transfer Shares
- (15) Any member proposing to transfer any Preferred "B" Ordinary Share (**'the B Share proposing transferor'**) shall be obliged to give notice in writing (**'B Share Transfer Notice'**) to the Directors that the proposing transferor desires to transfer all or some of the Preferred "B" Ordinary Shares then held by him In the Transfer Notice the proposing transferor shall specify -
- (i) the number of Preferred "B" Ordinary Shares which the proposing transferor wishes to transfer (**'the B Share Transfer Shares'**), and
  - (ii) the price at which the proposing transferor wishes to sell the B Share Transfer Shares
- (16) Any member proposing to transfer any Preferred "C" Ordinary Share (**'the C Share proposing transferor'**) shall be obliged to give notice in writing (**'C Share Transfer Notice'**) to the Directors that the proposing transferor desires to transfer all or some of the Preferred "C" Ordinary Shares then held by him In the Transfer Notice the proposing transferor shall specify -
- (i) the number of Preferred "C" Ordinary Shares which the proposing transferor wishes to transfer (**'the C Share Transfer Shares'**), and
  - (ii) the price at which the proposing transferor wishes to sell the C Share Transfer Shares

- (17) Any member proposing to transfer any Preferred "D" Ordinary Share (**'the D Share proposing transferor'**) shall be obliged to give notice in writing (**'D Share Transfer Notice'**) to the Directors that the proposing transferor desires to transfer all or some of the Preferred "D" Ordinary Shares then held by him. In the Transfer Notice the proposing transferor shall specify -
- (i) the number of Preferred "D" Ordinary Shares which the proposing transferor wishes to transfer (**'the D Share Transfer Shares'**), and
  - (ii) the price at which the proposing transferor wishes to sell the D Share Transfer Shares
- (18) The Directors shall inform the Shareholders that they have received an A Share Transfer Notice and/or B Share Transfer Notice and/or C Share Transfer Notice and/or D Share Transfer Notice together with details of the information set out in the A Share Transfer Notice and/or B Share Transfer Notice and/or C Share Transfer Notice and/or the D Share Transfer Notice and inform the Shareholders that they are entitled to acquire the A Share Transfer Shares or B Transfer Shares or the C Share Transfer Shares or D Share Transfer Shares at a price not less than the price set out in the A Share Transfer Notice or B Share Transfer Notice or C Share Transfer Notice or D Share Transfer Notice respectively
- (19) The Directors shall manage the process of offering the A Share Transfer Shares and B Share Transfer Shares and C Share Transfer Shares and D Share Transfer Shares in such manner as they see fit and the A Share proposing transferor or B Share proposing transferor or C Share proposing transferor or D Share proposing transferor (as the case may be) shall have no responsibilities other than to sell all (but not some only) of the A Share Transfer Shares or B Share Transfer Shares or C Share Transfer Shares or D Share Transfer Shares respectively at a price not less than that set out in the A Share Transfer Notice or B Share Transfer Notice or C Share Transfer Notice or D Share Transfer Notice (as the case may be) to such Shareholders as they are informed by the Directors before the expiry of 10 Business Days from the date of delivery of the A Share Transfer Notice or B Share Transfer Notice or C Share Transfer Notice or D Share Transfer Notice (as the case may be) to the Directors
- (20) If either the A Share proposing transferor or the B Share proposing transferor or the C Share proposing transferor or D Share proposing transferor (as the case may be) receives no notice from the Directors within the 10 Business Day period referred to in Article 9 (16) above they shall be free to transfer the A Share Transfer Shares or the B Share Transfer Shares or the C Share Transfer Shares or the D Share Transfer Shares (as the case may be) for a period of 6 months at such price as they see fit
- (21) Without prejudice to the generality of Article 7(3), the Directors may require to be satisfied that any Shares being transferred by the proposing transferor pursuant to Article 9(12) are being transferred in pursuance of a bona fide sale for the consideration stated in the transfer and if not so satisfied may refuse to register the instrument of transfer

## **10 Compulsory transfers - general**

- (1) A person entitled to a Share in consequence of the bankruptcy of a member shall be deemed to have given a Transfer Notice in respect of such Share at such time as determined by the Directors
- (2) If a Share remains registered in the name of a deceased member for longer than one year after the date of his death the Directors may require the Representatives of such deceased member either
  - (a) to effect a transfer of such Shares permitted pursuant to Article 9 (including for such purpose an election to be registered in respect thereof), or
  - (b) to show to the satisfaction of the Directors that a transfer permitted pursuant to Article 9 will be effected before or promptly upon the completion of the administration of the estate of the deceased member

If either such requirement shall not be fulfilled to the satisfaction of the Directors a Transfer Notice shall be deemed to have been given in respect of each such Share (save to the extent that, and at such time as, the Directors may determine) and the provisions of Article 9 shall apply

- (3) If a member which is a Company either suffers or resolves for the appointment of a liquidator, administrator or administrative receiver over it or any material part of its assets, such member shall be deemed to have given a Transfer Notice in respect of all of the Shares held by such member save to the extent that, and at such time as, the Directors may determine

## **11 Leaver provisions**

- (1) If a Relevant Executive becomes a Leaver (unless and to the extent that the Investor Majority resolves otherwise) the Relevant Member shall, subject to the provisions of any agreement entered into between him and the Company which provides to the contrary and which has been approved by the Investor Majority, be deemed to have given, on the date on which the Relevant Executive concerned becomes a Leaver (or such later date as may be determined by the Investor Majority), a Transfer Notice in respect of all of his Shares other than -
  - (a) in the case of a Relevant Executive who is also a Founder, any Shares which have been issued to him on or prior to 12<sup>th</sup> January 2007,
  - (b) in the case of John Taysom, the 4,499,767 Preferred 'A' Ordinary Shares issued to him for cash at a price of £0.01111169 on 10<sup>th</sup> January 2008 and the 4,499,767 Preferred 'B' Ordinary Shares issued to him on 16 December 2008 and the Preferred 'C' Ordinary Shares issued to him pursuant to the 2010 Subscription Agreement,
  - (c) in the case of Gareth Reakes, any Ordinary Shares issued to him upon the exercise of an option granted to him by the Company on 28<sup>th</sup> June 2007 to subscribe for Ordinary Shares up to a maximum of 8,380,000 Ordinary Shares,
  - (d) in the case of John Simpson, any Ordinary Shares issued to him upon the exercise of an option granted to him by the Company on 11<sup>th</sup>

January 2007 to subscribe for Ordinary Shares up to a maximum of 13,930,000 Ordinary Shares, and

- (e) in the case of Stephen Purdham -
  - (i) the 6,420,000 Ordinary Shares issued to him for cash at par on 11<sup>th</sup> January 2007,
  - (ii) the 39,047,200 Ordinary Shares issued to him for cash at a price of £0.005122 per share on 12<sup>th</sup> January 2007, or
  - (iii) the 4,499,767 Preferred 'A' Ordinary Shares issued to him for cash at a price of £0.01111169 on 10<sup>th</sup> January 2008 and the 4,499,767 Preferred 'B' Ordinary Shares issued to him on 12 December 2008 and the Preferred "C" Ordinary Shares issued to him pursuant to the 2010 Subscription Agreement
- (2) If a person who is not (or has ceased to be) a consultant or employee of or to the Company or any subsidiary of the Company at the date of acquisition referred to in this Article 11(2) acquires Shares in pursuance of a right or interest obtained by such an employee or consultant in his capacity as such (including but not limited to his right or interest as a beneficiary under a trust and any option granted under any shares option scheme established by the Company), he shall, unless and to the extent that the Investor Majority resolves otherwise, upon being registered as the holder of such Shares, be deemed to have given a Transfer Notice in respect of all of the Shares registered in his name save that this Article 11(2) shall not apply to
  - (a) any Ordinary Shares, not exceeding 8,380,000, acquired in pursuance of an option granted by the Company to Gareth Reakes on 28<sup>th</sup> June 2007 to subscribe for Ordinary Shares, or
  - (b) any Ordinary Shares, not exceeding 13,930,000, acquired in pursuance of an option granted by the Company to John Simpson on 11<sup>th</sup> January 2007 to subscribe for Ordinary Shares
- (3) Once a Transfer Notice has been deemed to have been given in accordance with Article 11(1) or Article 11(2), the provisions of Article 9 shall apply save as varied in accordance with Article 11(5) below
- (4) If the Leaver is a Good Leaver, then unless determined otherwise by the Investor Majority, the price for the Relevant Member's Shares shall be the price determined in accordance with Article 9(4)
- (5) If the Leaver is a Bad Leaver, then unless determined otherwise by the Investor Majority, the price for the Relevant Member's Shares shall be the lower of the Subscription Price paid by the Leaver for the Shares and the price determined in accordance with Article 9(4)
- (6) For the purposes of this Article, any reference to the Investor Majority shall be deemed not to include the Relevant Executive

## **12 Drag Along Rights**

- (1) In these Articles a "Qualifying Offer" shall mean an arms length offer in writing by or on behalf of any person (the "Offeror") to the holders of the entire issued share capital in the Company to acquire all of their share capital for a specified amount of consideration
- (2) If any one or more Shareholders holding together more than 75% of the Shares in issue (together, the "**Selling Shareholders**") wish to accept a Qualifying Offer, the Selling Shareholders or, after the transfer by them of their Shares to the Offeror, the Offeror shall have the option (the "Drag Along Option") to require all the other holders of Shares to transfer all their Shares to the Offeror or as the Offeror shall direct in accordance with this Article 12
- (3) The Selling Shareholders or the Offeror may exercise the Drag Along Option by giving notice to that effect (a "**Drag Along Notice**") to all such other Shareholders (the "**Dragged Shareholders**") at any time after the Selling Shareholders have agreed to accept the Qualifying Offer. A Drag Along Notice shall specify that the Dragged Shareholders are required to transfer all their Shares (the "**Dragged Shares**") pursuant to Article 12(2), the price at which the Dragged Shares are to be transferred (calculated in accordance with Article 12(5) and the proposed date of transfer
- (4) A Drag Along Notice is irrevocable but the Drag Along Notice and all obligations thereunder will lapse if for any reason such transfers to the Acquirer are not made within 6 months of the date of the Drag Along Notice
- (5) The Dragged Shareholders shall be obliged to sell the Dragged Shares at the price per Share at which the relevant transfer of Shares referred to in Article 12(2) will take place or took place
- (6) Completion of the sale of the Dragged Shares shall take place on the date specified for that purpose by the Selling Shareholders or the Offeror except that -
  - (a) such person may not specify a date that is less than 14 days or more than 60 days after the date of the Drag Along Notice,
  - (b) if the Drag Along Notice is given by the Selling Shareholders, the date so specified by the Selling Shareholders shall be the same date as the date proposed for completion of the sale of their Shares to the Offeror,unless all of the Dragged Shareholders, the Selling Shareholders and the Offeror agree otherwise
- (7) If any of the Dragged Shareholders shall make default in selling his Shares in accordance with this Article 12, any director of the Offeror or other person duly nominated by resolution of the Directors for that purpose shall forthwith be deemed to be the duly appointed attorney of such Dragged Shareholder with such power to execute, complete and deliver in the name and on behalf of such Dragged Shareholder a transfer of the relevant Dragged Shares and any such director may receive and give a good discharge of the purchase money on behalf of such Dragged Shareholder and (subject to the transfer being duly stamped) the Company may enter the name of the transferee in the register of members as the holder or holders by transfer of the Dragged Shares so purchased. The Directors shall forthwith pay the purchase money into a separate bank account in the Company's name and shall hold such money on



trust (but without interest) for such Dragged Shareholder until he shall deliver up a certificate or certificates for the relevant shares to the Company and he shall thereupon be paid by the purchase money

- (8) On any person, following the issue of a Drag Along Notice, becoming a Shareholder pursuant to the exercise of a pre-existing option to acquire shares in the Company or pursuant to the conversion of any convertible security of the Company (a "**New Shareholder**"), a Drag Along Notice shall be deemed to have been served on the New Shareholder on the same terms as the previous Drag Along Notice and the New Shareholder shall then be bound to sell and transfer all Shares so acquired to the Offeror or as the Offeror may direct and the provisions of this Article shall apply with the necessary changes to the New Shareholder except that completion of the sale of the Shares shall take place immediately on the Drag Along Notice being deemed served on the New Shareholder
- (9) This Article shall take effect subject to, and without prejudice to, any re-allocation of Sale Proceeds pursuant to Article 5(3)

### **13 Tag-Along Rights**

- (1) Other than as permitted under Article 8, no sale, transfer or other disposition by a Shareholder of Shares which, when aggregated with any prior sale, transfer or other disposition of Shares by such Shareholder, would constitute 10% or more of the issued share capital of the Company ("Significant Shareholder") or of any interest in such Shares to a third party purchaser pursuant to a bona fide and arms-length offer ("Third Party Purchaser") shall be permitted unless and until the Third Party Purchaser shall have offered to purchase all the Shares held by the other members ("Remaining Shareholders")
- (2) The offer to be made by the Third Party Purchaser under Article 13(1) shall be in writing and shall be capable of acceptance by the Remaining Shareholders for not less than 28 days from the date of the offer and shall include an undertaking by the Third Party Purchaser that the offer to purchase the Shares from the Significant Shareholder and the Remaining Shareholders is and will be for an equal price per Share, except to the extent that Article 5(3) shall apply and the Sale Proceeds in respect of any Shares sold to the Third Party Purchaser are bound to be re-allocated in accordance with that Article
- (3) The offer shall be deemed to have been irrevocably rejected by a member if that member shall not accept the offer in accordance with its terms, conditions and provisions and the specified period for acceptance of the offer
- (4) No member (including the Significant Shareholder) shall complete any sale of Shares to the Third Party Purchaser unless the Third Party Purchaser completes the purchase of all Shares agreed to be sold simultaneously, and in accordance with the provisions of this Article

### **14 Prohibited transfers**

Notwithstanding anything else contained in these Articles no Share shall be issued or transferred to any infant, bankrupt or person of unsound mind

## **15 Proceedings at general meetings**

- (1) Two shareholders present in person or by proxy or a duly authorised representative of a body corporate shall be a quorum provided that one shareholder is an Investor
- (2) Regulation 41 shall be read as if the words 'and if at the adjourned meeting a quorum is not present within half an hour from the time appointed therefor, or if during the meeting a quorum ceases to be present, such adjourned meeting shall be dissolved' were added to the end thereof
- (3) An instrument appointing a proxy may, in the case of a corporation, be signed on its behalf by a director or the secretary thereof or by its duly appointed attorney or duly authorised representative
- (4) The instrument appointing a proxy to vote at a meeting shall be deemed also to confer authority to vote on a poll on the election of a chairman and on a motion to adjourn the meeting
- (5) The chairman of a general meeting shall not be entitled to a second or casting vote

## **16 Written resolutions**

Any written resolution of the Shareholders may, in the case of a corporation, be signed on its behalf by a director or the secretary thereof or by its duly appointed attorney or duly authorised representative

## **17 Alternate directors**

- (1) Any director (other than an alternate director) may at any time appoint any person (including another director) to be an alternate director and may at any time terminate such appointment. Any such appointment or termination of appointment shall be by written notice to the Company signed by the director making or terminating the appointment or in any other manner approved by the Directors. The same person may be appointed as the alternate director of more than one director
- (2) The appointment of an alternate director shall determine on the happening of any event which if he were a director would cause him to vacate such office or if his appointor ceases to be a director
- (3) An alternate director shall be entitled to receive notices of meetings of the directors and of any committee of the directors of which his appointor is a member and shall be entitled to attend and vote as a director and be counted in the quorum at any such meeting at which his appointor is not personally present and generally at such meeting to perform all functions of his appointor as a director and for the purposes of the proceedings at such meeting the provisions of these Articles shall apply as if he were a director. It shall not be necessary to give notices of meetings to an alternate director who is absent from the United Kingdom. If an alternate director shall be himself a director or shall attend any such meeting as an alternate for more than one director his voting rights shall be cumulative, but he shall count as only one for the purpose of determining whether a quorum is present. If his appointor is from time to time absent from the United Kingdom or temporarily unable to act through

ill-health or disability his signature to any resolution in writing of the directors shall be as effective as the signature of his appointor. An alternate director shall not (save as aforesaid) have power to act as a director, nor shall he be deemed to be a director for the purposes of these Articles

- (4) An alternate director shall be entitled to contract and be interested in and benefit from contracts or arrangements or transactions and to be repaid expenses and to be indemnified to the same extent *mutatis mutandis* as if he were a director, but he shall not be entitled to receive from the Company in respect of his appointment as an alternate director any remuneration except only such part (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct
- (5) Regulations 65 to 69 shall not apply

## **18 Directors Interests**

- (1) Specific interests of a director

Subject to the provisions of the Act and provided (if these Articles so require) that he has declared to the directors in accordance with the provisions of these Articles, the nature and extent of his interest, a director may (save as to the extent not permitted by law from time to time), notwithstanding his office, have an interest of the following kind

- (a) where a director (or a person connected with him) is party to or in any way directly or indirectly interested in, or has any duty in respect of, any existing or proposed contract, arrangement or transaction with the Company or any other undertaking in which the Company is in any way interested,
- (b) where a director (or a person connected with him) is a director, employee or other officer of, or a party to any contract, arrangement or transaction with, or in any way interested in, any body corporate promoted by the Company or in which the Company is in any way interested,
- (c) where a director (or a person connected with him) is a shareholder in the Company or a shareholder in, employee, director, member or other officer of, or consultant to, a holding company of, or a subsidiary of a holding company of, the Company,
- (d) where a director (or a person connected with him) holds and is remunerated in respect of any office or place of profit (other than the office of auditor) in respect of the Company or body corporate in which the Company is in any way interested,
- (e) where a director is given a guarantee, or is to be given a guarantee, in respect of an obligation incurred by or on behalf of the Company or any body corporate in which the Company is in any way interested,
- (f) where a director (or a person connected with him or of which he is a member or employee) acts (or any body corporate promoted by the Company or in which the Company is in any way interested of which he

is a director, employee or other officer may act) in a professional capacity for the Company or any body corporate promoted by the Company or in which the Company is in any way interested (other than as auditor) whether or not he or it is remunerated for this,

- (g) an interest which cannot reasonably be regarded as likely to give rise to a conflict of interest, or
- (h) any other interest authorised by ordinary resolution

(2) Interests of an Investor Director

In addition to the provisions of Article 18(1), subject to the provisions of the Act and provided (if these Articles so require) that he has declared to the directors in accordance with the provisions of these Articles, the nature and extent of his interest, where a director is an Investor Director he may (save as to the extent not permitted by law from time to time), notwithstanding his office, have an interest arising from any duty he may owe to, or interest he may have as an employee, director, trustee, member, partner, officer or representative of, or a consultant to, or direct or indirect investor (including without limitation by virtue of a carried interest, remuneration or incentive arrangements or the holding of securities) in

- (a) a Fund Manager,
- (b) any of the funds advised or managed by a Fund Manager from time to time, or
- (c) another body corporate or firm in which a Fund Manager or any fund advised by such Fund Manager has directly or indirectly invested, including without limitation any portfolio companies

(3) Interests of which a director is not aware

For the purposes of this Article 18, an interest of which a director is not aware and of which it is unreasonable to expect him to be aware shall not be treated as an interest of his

(4) Accountability of any benefit and validity of a contract

In any situation permitted by this Article 18 (save as otherwise agreed by him), a director shall not by reason of his office be accountable to the Company for any benefit which he derives from that situation and no such contract, arrangement or transaction shall be avoided on the grounds of any such interest or benefit

(5) Terms and conditions of Board authorisation

Subject to Article 18(6), any authority given in accordance with section 175 of the Act in respect of a director ("Interested Director") who has proposed that the directors authorise his interest ("Relevant Interest") pursuant to that section may, for the avoidance of doubt

- (a) be given on such terms and subject to such conditions or limitations as may be imposed by the authorising directors as they see fit from time to time, including, without limitation
  - (i) restricting the Interested Director from voting on any resolution put to a meeting of the directors or of a committee of the directors in relation to the Relevant Interest,
  - (ii) restricting the Interested Director from being counted in the quorum at a meeting of the directors or of a committee of the directors where such Relevant Interest is to be discussed, or
  - (iii) restricting the application of the provisions in Article, so far as is permitted by law, in respect of such Interested Director,
- (b) be withdrawn, or varied at any time by the directors entitled to authorise the Relevant Interest as they see fit from time to time,

and subject to Article 18 6, an Interested Director must act in accordance with any such terms, conditions or limitations imposed by the authorising directors pursuant to section 175(5)(a) of the Act and this Article 18

(6) Terms and conditions of Board authorisation for an Investor Director

Notwithstanding the other provisions of this Article 18, it shall not (save with the consent in writing of an Investor Director) be made a condition of any authorisation of a matter in relation to that Investor Director in accordance with section 175 of the Act, that he shall be restricted from voting or counting in the quorum at any meeting of, or of any committee of the directors or that he shall be required to disclose, use or apply confidential information as contemplated in Article 18 7(b)

(7) Director's duty of confidentiality to a person other than the Company

- (a) Subject to Article 18(7)(b) (and without prejudice to any equitable principle or rule of law which may excuse or release the director from disclosing information in circumstances where disclosure may otherwise be required under this Article 18), if a director, otherwise than by virtue of his position as director, receives information in respect of which he owes a duty of confidentiality to a person other than the Company, he shall not be required
  - (i) to disclose such information to the Company or to any director, or to any officer or employee of the Company, or

- (ii) otherwise to use or apply such confidential information for the purpose of or in connection with the performance of his duties as a director
- (b) Where such duty of confidentiality arises out of a situation in which a director has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company, Article 18 shall apply only if the conflict arises out of a matter which falls within Article 18 or has been authorised under section 175 of the Act
- (8) Additional steps to be taken by a director to manage a conflict of interest
 

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

  - (a) absenting himself from any discussions, whether in meetings of the directors or otherwise, at which the relevant situation or matter falls to be considered, and
  - (b) excluding himself from documents or information made available to the directors generally in relation to such situation or matter and/or arranging for such documents or information to be reviewed by a professional adviser to ascertain the extent to which it might be appropriate for him to have access to such documents or information
- (9) Requirement of a director to declare an interest
 

Subject to section 182 of the Act, a director shall declare the nature and extent of any interest permitted by Article 18 at a meeting of the directors, or by general notice in accordance with section 184 (notice in writing) or section 185 (general notice) of the Act or in such other manner as the directors may determine, except that no declaration of interest shall be required by a director in relation to an interest

  - (a) falling under Article 18 (1)(g),
  - (b) if, or to the extent that, the other directors are already aware of such interest (and for this purpose the other directors are treated as aware of anything of which they ought reasonably to be aware), or
  - (c) if, or to the extent that, it concerns the terms of his service contract (as defined in section 239 of the Act) that have been or are to be considered by a meeting of the directors, or by a committee of directors appointed for the purpose under these Articles
- (10) Shareholder approval

Subject to the Act, the Company may by ordinary resolution ratify any contract, transaction or arrangement, or other proposal, not properly authorised by reason of a contravention of any provisions of this Article 18

(a) For the purposes of this Article 18

- (i) a conflict of interest includes a conflict of interest and duty and a conflict of duties,
- (ii) the provisions of the Act shall determine whether a person is connected with a director,
- (iii) a general notice to the directors that a director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the director has an interest in any such transaction of the nature and extent so specified

(11) Provided (if these Articles so require) that he has declared to the directors, in accordance with the provisions of these Articles, the nature and extent of his interest (and subject to any restrictions on voting or counting in a quorum imposed by the directors in authorising a Relevant Interest (as defined in Article 18), a director may vote at a meeting of the directors or of a committee of the directors on any resolution concerning a matter in which he has an interest, whether a direct or an indirect interest, or in relation to which he has a duty and shall also be counted in reckoning whether a quorum is present at such a meeting

(12) Regulations 94 to 97 (inclusive) of Table A shall not apply to the Company

(13) The words "of filling vacancies, or" shall be omitted from regulation 90 of Table A

## **19 Remuneration of directors**

The ordinary remuneration of the directors shall from time to time be determined by an ordinary resolution of the Company and shall (unless such resolution otherwise provides) be divisible among the directors as they may agree, or, failing agreement, equally, except that any director who shall hold office for part only of the period in respect of which such remuneration is payable shall be entitled only to rank in such division for a proportion of remuneration related to the period during which he has held office. Regulation 82 shall not apply

## **20 Proceedings at directors meetings**

(1) The quorum for the transaction of the business of the directors shall be two directors (or their alternates) provided that at least one director is an Investor Director. No meeting shall be quorate unless at least 10 working days notice of such meeting has been sent to each Investor Director setting out details of all business to be transacted at such meeting or a waiver of such notice period has been delivered to the Company by each Investor Director

- (2) Regulation 88 of Table A shall be amended by substituting for the sentence
- "It shall not be necessary to give notice of a meeting to a Director who is absent from the United Kingdom",*
- the sentence
- "Notice of every meeting of Directors shall be given to each Director or his alternate, including Directors and alternate Directors who may for the time being be absent from the United Kingdom and have given the Company their address outside the United Kingdom"*
- (3) Unless all the directors indicate their willingness to accept shorter notice of a meeting of directors, at least ten days' notice except in the case of emergency must be given. Every notice of a meeting of the directors required to be given under these Articles may be served personally or sent by courier or prepaid letter post to the address notified from time to time by each director for the purpose to the secretary of the Company or by facsimile transmission or using electronic communications to the address for the time being supplied by each director for the purpose to the secretary of the Company, if sent to an address outside the United Kingdom, the notice shall be sent by courier, electronic communication or facsimile transmission
- (4) Approval of a circulated proposal by electronic communication shall rank as a signed document by a director for the purpose of constituting a written resolution within Regulation 92 of Table A
- (5) In the event that at any duly convened meeting of the directors the meeting is not so quorate, or if during a meeting such a quorum ceases to be present, the meeting shall be adjourned to the same day in the next week at the same time and place (or to such other day, and at such other time and place as two directors may agree in writing) and at such adjourned meeting the quorum shall be as set out in Article 20(1) above
- (6) All business arising at any meeting of the directors or of any committee of the directors shall be determined only by resolution passed by a majority of votes. In the case of an equality of votes, the chairman shall not have a second or casting vote
- (7) All or any of the members of the board of directors may participate in a meeting of the board or that committee by means of conference telephones or any communication equipment which allows all persons participating in the meeting to hear each other. A person so participating shall be deemed to be present in person at the meeting and shall be entitled to vote or be counted in a quorum accordingly. Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the chairman of the meeting then is
- (8) Unless otherwise agreed by all the directors in any particular case, notice shall be given to each director of every meeting of the directors. The third sentence of regulation 88 shall not apply to the Company



- (9) Appropriate complete minutes of each meeting of the directors shall be maintained by the Company and copies thereof distributed to the directors as soon as reasonably practicable after the meeting shall have been held

## **21 Notices**

- (1) A notice sent by post shall be deemed to be given at the time when the same was posted. The second sentence of regulation 115 shall not apply
- (2) Non-receipt of notice by any director shall not itself invalidate the proceedings at any meeting of directors

## **22 Indemnity and insurance**

- (1) Subject to the provisions of the Companies Act, but without prejudice to any indemnity to which the person concerned may otherwise be entitled, every director or other officer of the Company (other than any person (whether an officer or not) engaged by the Company as auditor) shall be indemnified out of the assets of the Company against any liability incurred by him for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company, provided that this Article shall be deemed not to provide for, or entitle any such person to, indemnification to the extent that it would cause this Article, or any element of it, to be treated as void under the Act or otherwise under the Companies Acts
- (2) The Company may purchase and maintain for any officer or auditor of the Company insurance against any liability which by virtue of any rule of law would otherwise attach to him in respect of any negligence, default, breach of duty or breach of trust of which he may be guilty in relation to the Company

## **23 Overriding provisions**

- (1) Notwithstanding the provisions of these Articles the directors shall be obliged, so far as may be permitted by law, to act in all respects in accordance with and give effect to any Relevant Agreement
- (2) Where the approval, agreement or consent of any Shareholder or director is required under any provision of these Articles to any particular matter, such approval, agreement or consent may be given subject to such terms and conditions as that Shareholder or director may require and any breach of such terms and conditions shall ipso facto be deemed to be a breach of these Articles

## **24 Company seal**

The Company need not have a company seal and pursuant to Section 36A of the Act may execute and deliver any document as a deed under the signature of any two directors or of one director and the secretary. A certificate in respect of any shares or other securities in the Company shall be validly issued if it is executed as a deed as aforesaid

## **25 Representatives**

These Articles shall be binding upon and (except as otherwise provided herein) shall enure for the benefit of each Shareholder's representative