

Articles of Association

Circassia Pharmaceuticals plc

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1 **Definitions**

1 1 In these Articles the following definitions shall apply

"A Preferred Shares" means the convertible participating A preferred shares of £0 10 each in the capital of the Company

"2006 Act" means the Companies Act 2006.

"Acts" means the Companies Acts and, where the context admits or requires, every other statute, order, regulation or other subordinate legislation in the United Kingdom concerning companies and affecting the Company

"Address" bears the meaning set out in section 1148 of the 2006 Act

"B Preferred Shares" means the convertible participating B preferred shares of £0 10 each in the capital of the Company.

"Civil Partner" means in relation to a Member:

- (a) a civil partner (as defined in the Civil Partnerships Act 2004) of the Member;
or
- (b) a person living in the same household as the Member as his or her wife or husband

"Companies Acts" bears the meaning set out in section 20 of the 2006 Act.

"Conflict Situation" has the meaning set out in Article 17

"Conflicted Director" has the meaning set out in Article 17

"Connected Persons" means as defined by Section 839, ICTA

"Controlling Interest" means an interest in shares (as defined in Schedule 1 of the 2006 Act) in a company conferring in the aggregate 50% or more of the total voting rights conferred by all the issued shares in that company.

"communication" means includes a communication comprising sounds or images or both and a communication effecting a payment.

"Director" means a director of the Company.

"Document" means any document, including but not limited to, any summons, notice, order, register, certificate or other legal process

"electronic address" bears the meaning set out in section 333(4) of the 2006 Act.

"electronic form" bears the meaning set out in section 1168 of the 2006 Act.

"electronic means" bears the meaning set out in section 1168 of the 2006 Act

"Equity Shares" means the Preferred Shares (on an as converted basis), and the Ordinary Shares

"Family Trust" means a trust which only permits the settled property or the income from the settled property to be applied for the benefit of:

- (a) the settlor and/or a Privileged Relation of that settlor or
- (b) 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 under which no power of control is capable of being exercised over the votes of any shares which are the subject of the trust by any person other than the trustees or the settlor or the Privileged Relations of the settlor For purposes of this definition **"settlor"** includes a testator or an intestate in relation to a Family Trust arising respectively under a testamentary disposition or an intestacy of a deceased Member.

"Founders" means Charles Swingland, Steve Harris, Mark Larché and Barry Kay.

"Founder Shares" means any shares held by the Founders.

"Group" means the Company, its subsidiaries, any holding company of the Company and any subsidiary of any such holding company from time to time and **"Group Company"** shall be construed accordingly

"hard copy form" and **"hard copy"** bears the meaning set out in section 1168 of the 2006 Act

"ICTA" means Income and Corporation Taxes Act 1988

"Independent Expert" means an umpire (acting as an expert and not as an arbitrator) nominated by the parties concerned or in the event of disagreement as to nomination, appointed by the President for the time being of the Institute of Chartered Accountants in England and Wales

"Investor" means any holder of the Preferred Shares (other than Charles Swingland, Steven Harris or their permitted transferees) from time to time.

"Investor Affiliate" means, in relation to an Investor or any Investor Affiliate of an Investor:

- (a) the relevant Investor;
- (b) any of its subsidiaries, parent undertakings, or any subsidiaries of such parent undertakings from time to time,
- (c) any Investment Manager of the Investor or the Investor Affiliate and/or any Investment Fund managed by any such Investment Manager from time to time,

- (d) any person, from time to time, in which the Investor and/or Investor Affiliate may have or is proposing to have a direct or indirect economic interest, including without limitation any portfolio company investee;
- (e) any person who controls or which is controlled, managed or advised or promoted by the Investor and/or Investor Affiliate; and/or
- (f) any trustee, manager, beneficiary, shareholder, partner, unitholder or other financier or participant in or of the Investor and/or Investor Affiliate.

"Investment Fund" a fund, partnership, company, investment trust, syndicate or other entity whose principal business is to make investments and whose business is managed by an Investment Manager

"Investor Group" means an Investor, and all persons to whom that Investor is entitled to transfer shares freely in accordance with Articles 9.5 and 9.6.

"Investor Majority" means the holders of 50% or more of the Preferred Shares (other than those held by Charles Swingland, Steven Harris or their permitted transferees).

"Investment Manager" a person whose principal business is to make, manage or advise upon investments

"IPO" means the admission of the securities of a Group Company to trading on the London Stock Exchange plc (including for the avoidance of doubt the AIM Market) or any recognised investment exchange (as defined in section 285 of the Financial Services and Markets Act 2000) including NASDAQ and NASDAQ Europe and their respective share dealing markets, and the IPO shall be treated as occurring on the day on which trading in the securities of that Group Company begins on an unconditional basis

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

"Member" means a holder of shares in the Company

"Original Subscription Price" means with respect to the Preferred Shares, the original subscription price (including any premium thereon) paid for the Preferred Shares, as adjusted from time to time as a result of a reorganisation of the share capital of the Company.

"Ordinary Shares" means the ordinary shares of £0.10 each in the capital of the Company

"paid up" means paid up or credited as paid up

"Preferred Shares" means the A Preferred Shares and/or the B Preferred Shares, as the case may be

"Privileged Relations" means the spouse, Civil Partner or widow or widower of a Member and the Member's children and grandchildren (including step and adopted children and their issue) and step and adopted children of the Member's children

"Realisation Price" means the value of each Ordinary Share in issue immediately prior to the IPO (after conversion of the Preferred Shares into Ordinary Shares in accordance with Article 12 2), determined by reference to the price per share at which Ordinary Shares in the Company are to be offered for sale, placed or otherwise marketed pursuant to the IPO (as adjusted to account for any sub-division or consolidation of shares that is intended but has not yet occurred in connection with the IPO in anticipation of which the price per share at which Ordinary Shares in the Company are to be offered for sale, placed or otherwise marketed pursuant to the IPO has been determined).

"Relevant Securities" means all Equity Shares, rights to subscribe for Equity Shares or to receive them for no consideration and all securities convertible into Equity Shares, but excluding

- (a) the grant of options to subscribe for Ordinary Shares under a Share Option Scheme (and the issue of the shares upon exercise of such options)
- (b) any shares which the Company is required to issue by reason of a right specifically attached to shares under these Articles.

"Restricted Share Agreements" means the agreements between the Company and (inter alios) each of Barry Kay, Mark Larché, Tim Corn and Rod Hafner which affect the terms upon which each such person holds Ordinary Shares

"Sale" means the sale of more than 50% of the issued Equity Shares or of substantially all of the assets of the Company to a single purchaser (or to one or more purchasers as part of a single transaction)

"Sale Shares" means the shares specified or deemed to be specified for sale in a Transfer Notice or Deemed Transfer Notice.

"Seller" means the transferor of shares pursuant to a Transfer Notice or Deemed Transfer Notice.

"Share Option Scheme" means any share or share option scheme of the Company existing at the date of adoption of these Articles or which is subsequently approved by an Investor Majority.

"subsidiary" (save as provided otherwise in these Articles), bears the meaning given in Section 1159 and Schedule 6, 2006 Act and **"subsidiaries"** shall be construed accordingly

"Table A" means Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 (SI 1985 No. 805) as amended by the Companies (Table A to F) (Amendment) Regulations 1985 (SI 1985 No 1052), the Companies Act 1985 (Electronic Communications) Order 2000 (SI 2000 No.3373), the Companies (Table A to F) (Amendment) Regulations 2007 (SI 2007 No 2541) and the Companies (Table A to F) (Amendment) (No. 2) Regulations 2007 (SI 2007 No. 2826).

"Transfer Notice" means a notice given by any Member of the Company where such

Member desires or is required by these Articles to transfer any shares and where such notice is deemed to have been served it shall be referred to as a "**Deemed Transfer Notice**".

"**working day**" has the meaning set out in section 1173 of the 2006 Act

"**written**" or means printing, typewriting, lithography, photography, and any other mode(s) or representing or reproducing words, symbols or other information in a legible and non-transitory form and any reference to "**writing**" shall be construed accordingly

- 1 2 Where a share is expressed to have certain rights on an '**as converted basis**' then for the purpose of determining these rights the share in question will be deemed to have been converted into an Ordinary Share and to have received any bonus issue consequent on such conversion to which it would be entitled under Article 12 1
- 1 3 Whether or not persons are '**acting in concert**' will be determined by the then most recent edition of the City Code on Takeovers and Mergers, but Investors will not be considered to be acting in concert for the purposes of these Articles merely by reason of cooperating in a syndicate in the ordinary course of their businesses
- 1 4 Subject to this Article and unless the context otherwise requires, words or expressions defined in Table A shall have the same meaning in these Articles. Any other words and expressions contained in these Articles and/or in Table A shall have the same meanings as in the Acts.
- 1 5 Save as provided to the contrary in these Articles, any reference in these Articles to the 2006 Act (or a provision of it) shall be deemed to include a reference to any statutory modification, re-enactment or re-statement of it from time to time in force (but subject always to any transitional provisions and savings in force from time to time made pursuant to section 1296 of the 2006 Act)
- 1 6 Any reference in these Articles to a document or information being sent or supplied by or to a company (including the Company) shall be construed in accordance with the provisions of section 1148(3) of the 2006 Act and "**sent**" or "**supplied**" shall be construed in accordance with the provisions of section 1148(2) of the 2006 Act.

1A. **Status and domicile**

- 1A.1 The Company's registered office will be in England and Wales
- 1A 2 The liability of the members is limited to the amount, if any, unpaid on the shares held by them.
- 1A 3 The Company is a public company limited by shares

2 **Application of Table A**

- 2 1 The Company is a public company and the regulations contained in or incorporated in Table A shall apply to the Company save insofar as they are excluded or varied by these Articles or are inconsistent with these Articles and such regulations (except as so

excluded, varied or inconsistent) together with these Articles shall be the regulations of the Company (to the exclusion of any other regulations set out in any statute, statutory instrument or other subordinate legislation from time to time in force).

- 2.2 Regulations 54, 60 to 63 (inclusive), 73-80 (inclusive), 86, 94-98 (inclusive), 111, 112, 115 and 118 of Table A shall not apply to the Company.

3. Dividends

- 3.1 To the extent permitted by the 2006 Act, any profits which the Company may determine to distribute shall be distributed amongst the holders of the Ordinary Shares and the Preferred Shares (on an as converted basis) (pari passu as if the same were one class of share).
- 3.2 Every dividend shall be distributed to the appropriate shareholders pro rata according to the numbers of shares held by them respectively and shall accrue on a daily basis.

4. Liquidation preference

- 4.1 On a return of assets on liquidation or capital reduction or otherwise, the assets of the Company remaining after the payment of its liabilities shall be applied in the following order of priority:
- (a) first in paying to the holders of the B Preferred Shares 1.25 times their respective Original Subscription Price per share together with a sum equal to any arrears or accruals of the dividends on the B Preferred Shares calculated down to the date of the return of capital and if there is a shortfall the proceeds shall be distributed to the holders of the B Preferred Shares in proportion to the amounts due on each such share held;
 - (b) second in paying to the holders of the A Preferred Shares their respective Original Subscription Price per share together with a sum equal to any arrears or accruals of the dividends on the A Preferred Shares calculated down to the date of the return of capital and if there is a shortfall the proceeds shall be distributed to the holders of the A Preferred Shares in proportion to the amounts due on each such share held, and
 - (c) the balance of such assets shall be distributed amongst the holders of the A Preferred Shares, the holders of the B Preferred Shares and the holders of the Ordinary Shares (pari passu as if the same constituted one class of share) in proportion to the numbers of shares held by them respectively with the holders of the Preferred Shares participating on an as converted basis.
- 4.2 Upon a Sale of the Company the Members who sell shares in such Sale will be entitled to share in the proceeds thereof as if the same had been distributed under the provisions of Article 4.1, save that any cash consideration paid by the buyer will be distributed in accordance with article 4.1 before any deferred, contingent or other form of consideration is taken into account.
- 4.3 Immediately prior to an IPO the Company shall allot at par to each holder of B Preferred Shares by way of capitalisation of reserves such number of Ordinary Shares

(disregarding any fraction of a share) whose Realisation Prices aggregated shall be equal to 1.25 times the Original Subscription Price of the B Preferred Shares held

- 4.4 Immediately prior to an IPO the Company shall allot at par to each holder of A Preferred Shares by way of capitalisation of reserves such number of Ordinary Shares (disregarding any fraction of a share) whose Realisation Prices aggregated shall be equal to the Original Subscription Price of the A Preferred Shares held

5. **Voting**

- 5.1 Subject to any other provisions in these Articles concerning voting rights, shares in the Company shall carry votes as follows.

"Ordinary Shares" means one vote per share

"A Preferred Shares" means one vote per share on an as converted basis

"B Preferred Shares" means one vote per share on an as converted basis

- 5.2 Subject to the provisions of the Acts, votes on shares may be exercised

- (a) on a show of hands by every Member who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or proxy (in which case each such Member holding shares with votes shall have one vote), and
- (b) on a poll by every Member who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or by proxy (in which case each such Member holding shares with votes shall have one vote for each such share held).

- 5.3 An instrument appointing a proxy shall

- (a) be in writing under the hand of the appointor or of his attorney duly authorised in writing (or if the appointor is a corporation under its common seal or under the hand of some officer or attorney duly authorised in that behalf) and shall be in any common form or in such other form as the Board may approve;
- (b) be deemed (subject to any contrary direction contained in the same) to confer authority to demand or join in demanding a poll and to vote (whether on a show of hands or a poll) on any resolution or amendment of a resolution put to the meeting for which it is given, as the proxy thinks fit and to confer the right to speak at the meeting to which it relates (including any adjournment of it),
- (c) to be valid as well for any adjournment of the meeting as for the meeting to which it relates; and
- (d) where it is stated to apply to more than one meeting, be valid for all such meetings as well as for any adjournment of any such meetings

5.4 Subject to the provisions of the Acts, the appointment of a proxy (and an power of attorney or other authority under which it is signed (or a copy of such authority certified notarially or in some other way approved by the Board)) shall be sent or supplied in hard copy form, or (subject to any conditions and limitations which the Board may specify) in electronic form, to the registered office of the Company or to such other address (including electronic address) as is specified in the notice convening the meeting (or in any instrument of proxy or any invitation to appoint a proxy sent or supplied by the Company in relation to the meeting) or as the Board shall otherwise direct to be received before the time of the meeting or adjourned meeting to which it relates or, in the case of a poll taken after the date of the meeting or adjourned meeting, before the time appointed for the poll. Any instrument of proxy not so sent or supplied or received shall be invalid unless the Board at any time prior to the meeting or the chairman of the meeting at the meeting, in their or his absolute discretion, accept as valid an instrument of proxy where there has not been compliance with the provisions of this Article 5.4 and such proxy shall thereupon be valid notwithstanding such default.

5 5 The validity of a vote given or poll demanded in accordance with the terms of an appointment of a proxy or the validity of anything done by a proxy acting as duly appointed chairman of a meeting, or any decision determining whether a proxy counts in a quorum at a meeting, shall not be affected notwithstanding the death or mental disorder of the appointor or the revocation of the appointment of the proxy (or of the authority under which the appointment of the proxy was executed) or the transfer of the share in respect of which the appointment of the proxy is given, unless notice in writing of such death, mental disorder, revocation or transfer shall have been sent or supplied to the Company in any manner permitted for the sending or supplying of appointments of proxy pursuant to these Articles, and received at the registered office of the Company (or such other address (including electronic address) as has been designated for the sending or supplying of appointments of proxy), before the time of the meeting or adjourned meeting to which it relates or, in the case of a poll taken after the date of the meeting or adjourned meeting, before the time appointed for the poll

6. Class rights

6 1 Whenever the capital of the Company is divided into different classes of shares the special rights attached to any class may not be varied or abrogated either whilst the Company is a going concern or during or in contemplation of a winding up, without the consent in writing of the holders of 75% of the issued shares of that class entitled at that time to vote at a general meeting of the Company in accordance with the Acts.

6 2 Without prejudice to the generality of this Article, the following matters shall be deemed to be variations to the special rights attached to the Preferred Shares which need to be authorised pursuant to sub-Article 6.1

(a) the Company

(i) altering its memorandum or articles of association; or

(ii) varying in any way (whether directly or indirectly) the rights attached to any of the shares for the time being in the capital of the

Company; or

- (iii) applying by way of capitalisation any sum in or towards paying up any share or loan capital of the Company; or
 - (iv) entering into a contract to purchase any of its shares; or
 - (v) redeeming or buying in any of its shares (except as specifically provided for in these Articles), or
 - (vi) passing a resolution that it be wound up, or
- (b) the Company or any of its subsidiaries altering, increasing, reducing, subdividing or consolidating its issued share capital (other than in connection with the operation of a Share Option Scheme or the issue of shares which the Company is required to make by reason of a right specifically attached to any share under these Articles)

7. Further issues of shares

No shares shall be allotted to any employee, Director, prospective employee or director unless such person has entered into a joint Section 431 ITEPA election with the Company.

8 Transfer of shares

8.1 The directors shall refuse to register any transfer of shares made in contravention of the provisions of these Articles but (subject to Regulation 24 of Table A) shall not otherwise be entitled to refuse to register any transfer of shares. For the purpose of ensuring that a particular transfer of shares is permitted under the provisions of these Articles, the directors may request the transferor, or the person named as transferee in any transfer lodged for registration, to furnish the Company with such information and evidence as the directors may reasonably think necessary or relevant. Failing such information or evidence being furnished to the satisfaction of the directors within a period of 28 days after such request the directors shall be entitled to refuse to register the transfer in question.

8.2 Any purported transfer of shares otherwise than in accordance with the provisions of these Articles shall be void and have no effect.

8.3 *Restriction on transfers to Employees and Directors*

In addition to the provisions of regulation 24 of Table A, the Directors may refuse to register a transfer if

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

and regulation 24 of Table A shall be modified accordingly.

9. Prohibited and permitted transfers

9.1 *Transfers prohibited absolutely*

No sale or transfer of the legal or beneficial interest in any shares in the Company may be made or validly registered if as a result of such sale or transfer and registration thereof a Controlling Interest would be obtained in the Company by a company in which one or more of the Members of the Company (or persons acting in concert with them) has a Controlling Interest.

9.2 *Permitted transfers to relations and family trusts*

Any Member may at any time during his lifetime transfer all or any shares held by him to a Privileged Relation or to trustees to be held upon a Family Trust of which he is the settlor, provided that any such transfer of shares to trustees to be held upon a Family Trust may only be made with the consent in writing of an Investor Majority.

9.3 *Criteria for consents to family trusts*

Where the consent of an Investor Majority is requested to a transfer to a Family Trust such consent must be given if the Investor Majority is reasonably satisfied:

- (a) with the terms of the trust instrument and in particular with the powers of the trustees;
- (b) with the identity of the proposed trustees,
- (c) that the proposed transfer will not result in a Controlling Interest being held by trustees of that and any other trusts, and
- (d) that no costs incurred in connection with the setting up or administration of the Family Trust in question are to be paid by the Company

9.4 *Permitted transfers by family trusts*

Where any shares are held by trustees upon a Family Trust such shares may be transferred without restriction as to price or otherwise

- (a) on any change of trustees, to the new trustees of that Family Trust,
- (b) at any time to the settlor or to another Family Trust of which he is the settlor or to any Privileged Relation of the settlor

9.5 *Permitted transfers by corporate Investors*

Notwithstanding any other provisions of these Articles, a transfer of any shares in the Company held by any Investor which is a body corporate may be made to its holding company or to any wholly owned subsidiary of that holding company (a "**member of the same group**") without restriction as to price or otherwise, and any such transfer shall be registered by the directors. If any such transferee ceases to be a member of the same group as the original transferor it shall forthwith transfer the relevant shares back

to the original transferor, or another member of the same group as the original transferor

96 ***Permitted transfers by Investment Managers and Investment Funds***

Notwithstanding any other provision of these Articles, a transfer of any shares may be made without restriction as to price or otherwise (and any such transfers shall be registered by the directors) between any Member (or a nominee of a Member) who is

- an Investment Manager; or
- an Investment Fund; or
- a nominee of an Investment Manager of an Investment Fund, or
- a nominee of an Investment Fund,

and

(a) where that Member is an Investment Manager or a nominee of an Investment Manager:

- (i) any participant or partner in or member of any Investment Fund in respect of which the shares to be transferred are held (but only in connection with the dissolution of such Investment Fund or any distribution of assets of the Investment Fund pursuant to the operation of the Investment Fund in the ordinary course); or
- (ii) any Investment Fund whose business is managed by the Investment Manager who is or whose nominee is the transferor, or
- (iii) any other Investment Manager who manages the business of the Investment Fund in respect of which the shares are held,

(b) where that Member is an Investment Fund or nominee of an Investment Fund:

- (i) any participant or partner in or member of the Investment Fund which is or whose nominee is the transferor (but only in connection with the dissolution of such Investment Fund or any distribution of assets of the Investment Fund pursuant to the operation of the Investment Fund in the ordinary course); or
- (ii) any other Investment Fund whose business is managed by the same Investment Manager (or a company which is a subsidiary of the same holding company (as such terms are defined in the 2006 Act) as the Investment Manager) as manages the Investment Fund which is or whose nominee is the transferor, or
- (iii) the Investment Manager (or a company which is a subsidiary of the same holding company (as such terms are defined in the 2006 Act) as the Investment Manager) who manages the business of the

Investment Fund which is or whose nominee is the transferor

Notwithstanding any other provision of these Articles, a transfer of any shares made in accordance with clause 4.1(b) of a Restricted Share Agreement may be made without restriction as to price or otherwise (and any such transfers shall be registered by the directors).

9 7 *Transfers of Founder Shares*

Notwithstanding any other provision of these Articles, no Founder Shares may be transferred without the prior consent of an Investor Majority (such consent not to be unreasonably withheld).

9 8 *Mandatory transfer if trust ceases to be a Family Trust*

If and whenever any shares in the Company held by trustees upon a Family Trust cease to be so held upon a Family Trust (otherwise than in consequence of a transfer to the settlor or to any Privileged Relation of the settlor) or there cease to be any beneficiaries of the Family Trust other than a charity or charities a Transfer Notice (as hereinafter defined) shall be deemed to have been given in respect of all shares in the Company by the holders thereof and such shares may not otherwise be transferred.

10. **Pre-emption rights**

10 1 *Transfer Notices and Sale Price*

Except where otherwise provided in Article 9, sub-Article 11.2 and sub-Article 11.3, every Member who desires to transfer any interest in shares must serve a Transfer Notice and any Member who is required by these Articles to transfer any interest in shares will be deemed to have served a Deemed Transfer Notice. The Company shall forthwith notify the Investors of the existence of a Transfer Notice or a Deemed Transfer Notice.

- 10.2 Subject to sub-Article 11 1, Transfer Notices and Deemed Transfer Notices shall constitute the Company the Seller's agent for the sale of the Sale Shares in one or more lots at the discretion of the directors at the price agreed by the Seller and the directors (the "**Sale Price**"). If the Seller and the directors are unable to agree a price within 21 days of the Transfer Notice being given or being deemed to have been given the Sale Price will instead be the price which the Independent Expert shall certify to be in his opinion a fair value of the Sale Shares. In arriving at his opinion the Independent Expert will value the Sale Shares as at the date the Transfer Notice is given, or is deemed to have been given, on a going concern basis as between a willing seller and a willing buyer, ignoring any reduction in value which may be ascribed to the Sale Shares by virtue of the fact that they represent a minority interest and on the assumption that the Sale Shares are capable of transfer without restriction. The decision of the Independent Expert as to the Sale Price shall be final and binding.

10.3 *Right of Seller to reject partial sales*

A Transfer Notice (but not a Deemed Transfer Notice) may contain a condition (a "**Total Transfer Condition**") that unless all the Sale Shares are sold by the Company

pursuant to this Article none shall be sold. Any such provision shall be binding on the Company.

10.4 Certification of the Sale Price and right of Seller to cancel

If the Independent Expert is asked to certify the fair value his certificate shall be delivered to the Company. As soon as the Company receives the certificate it shall deliver a copy of it to the Seller. The Seller shall be entitled by notice in writing given to the Company within 7 days of the service upon him of the copy certificate to cancel the Company's authority to sell the Sale Shares unless the shares are to be sold pursuant to a Deemed Transfer Notice. The cost of obtaining the certificate shall be paid by the Company unless the Seller cancels it in which case the Seller shall bear the cost.

10.5 *Pre-emptive offers-general*

Once the Sale Price has been determined then, unless the Seller has given a valid notice of cancellation, the Sale Shares shall be offered for sale in accordance with the following provisions of this Article 10.

10.6 *Offer to Members*

As soon as the Sale Shares become available they shall forthwith be offered for sale by the Company giving notice in writing to that effect to all holders of Equity Shares (other than the Seller). The notice shall specify:

- the number of Sale Shares on offer and the Sale Price;
- whether the Sale Shares are subject to a Total Transfer Condition,
- the date by which the application to purchase the Sale Shares has to be received by the Company (being a date no less than 14 days and no more than 21 days after the date of the notice).

The notice shall set out the method of allocation of the Sale Shares and shall invite each Member to apply in writing to the Company for as many of the Sale Shares (if any) as that Member would like to purchase.

10.7 *Basis of allocation to Members*

- (a) The Sale Shares shall be allocated by the directors in satisfaction of the applications received in accordance with the procedure set out in this Article.
- (b) The Sale Shares shall be allocated to the holders of Preferred Shares (on an as converted basis) and the holders of Ordinary Shares on a pari passu basis (as if one class of share) pro rata to their existing shareholdings.
- (c) If the total number of Sale Shares applied for by the Members is equal to or less than the number of Sale Shares available, the Sale Shares shall be allocated in satisfaction of the applications received.

- (d) If the total number of Sale Shares applied for is more than the number of Sale Shares available, the directors shall allocate Sale Shares in satisfaction of each Member's application for Sale Shares in accordance with the following formula. This formula shall be applied repeatedly until such time as there are no Sale Shares remaining to be allocated. Each application of the formula is herein referred to as an "**iteration**".

$$A = \frac{B}{C} \times D$$

A is the number of Sale Shares to be allocated to the relevant Member in the iteration

B is the number of Equity Shares held by the Member

C is the number of Equity Shares held by all Members to whom the iteration is being applied.

D is the number of Sale Shares or, after the first iteration, the number of Sale Shares remaining unallocated by previous iterations.

If, in any iteration, a Member would be allocated all or more than all of the Sale Shares for which he applied (including allocations from previous iterations) then any excess will not be allocated to that Member. That Member will cease to take part in any further iterations and the excess Sale Shares will be available for allocation in the next iteration.

- 10.8 The Company shall notify the Seller and each Member who applied for Sale Shares of the number of Sale Shares that have been allocated and the persons to whom they have been allocated. The notification shall include the place and time (being not later than 14 days after the date by which applications had to be received) at which the sale of the Sale Shares shall be completed.

10.9 ***Transfer procedure for pre-emptive offers***

If the Company finds a purchaser or purchasers for all or any of the Sale Shares under the terms of this Article the Seller shall be bound, upon receipt of the Sale Price, to transfer the Sale Shares (or such of the same for which the Company shall have found a purchaser or purchasers) to such persons. If the Seller defaults in transferring Sale Shares the Company shall, if so required by the person or persons willing to purchase such Sale Shares, receive and give a good discharge for the purchase money on behalf of the Seller and shall authorise some person to execute transfers of the Sale Shares in favour of the purchasers and shall enter the names of the purchasers in the Register of Members as the holder of such of the Sale Shares as have been transferred to them.

10.10 ***Transfers free of pre-emption***

Where the Company does not find purchasers for all of the Sale Shares under the terms of the pre-emptive offer provisions of this Article 10 then, the Seller shall at any time

within six months after the date of the last offer by the Company to its Members be free to sell and transfer such of the Sale Shares as have not been sold to any person at a price which is no less than the Sale Price. If the Sale Shares were the subject of a Total Transfer Condition such a sale may only be made of all the Sale Shares and not part only

11 Co Sale, Tag and Drag

11.1 Co-Sale Rights

- (a) On notification of the existence of a Transfer Notice or a Deemed Transfer Notice pursuant to sub-Article 10.1, an Investor Majority may require the following co-sale procedure to be followed for a proposed transfer or sale of the legal or beneficial interest in any Equity Shares in the Company constituting less than a Controlling Interest (other than a transfer permitted under Article 10) in place of the pre-emption procedure set out in sub-Article 10.2 et seq., in which case, sub-Article 10.2 et seq. shall not apply to the proposed transfer or sale
- (b) If required by an Investor Majority to do so pursuant to sub-Article 11.1(a), a holder of Equity Shares proposing to sell Equity Shares constituting less than a Controlling Interest (a "**Minority Seller**") shall give to each other holder of Equity Shares (an "**Equity Holder**") not less than 10 days' notice in advance of the proposed sale (a "**Co-sale Notice**") The Co-sale Notice shall specify
 - the identity of the proposed purchaser (the "**Buyer**"),
 - the price per share which the Buyer is proposing to pay (the aggregate price of all Equity Shares subject to the Co-sale Notice, the "**Sale Price**");
 - the manner in which the consideration is to be paid;
 - the number of Shares which the Minority Seller proposes to sell, and
 - the total number of Shares held by the Minority Seller, his/her Privileged Relations and Family Trusts and any shareholder in relation to whom the Minority Seller is a Privileged Relation or Family Trust.
- (c) Each Equity Holder shall be entitled, within 10 days after receipt of the Co-sale Notice, to notify the Seller that they wish to sell a certain number of Equity Shares held by them, which number shall be calculated applying the following formula The number of shares which an Equity Holder can sell under this procedure shall be:

$$\frac{X}{Y} \times Z$$

where

X is the number of Equity Shares held by the Equity Holder,

Y is the total number of

- Equity Shares held by all Equity Holders, plus
- Equity Shares held by the Minority Seller, his Privileged Relations and Family Trusts, plus
- Equity Shares held by any shareholder in relation to whom the Minority Seller is a Privileged Relation or Family Trust Equity, and

Z is the number of Equity Shares the Minority Seller proposes to sell,

at the proposed sale price, by sending a counter-notice which shall specify such number of Equity Shares that the Equity Holder can sell.

Any Equity Holder who does not send a counter-notice within such 10-day period shall be deemed to have specified that they wish to sell no shares, and for the purposes of the remaining provisions of this Article 11, any such Equity Holder shall be referred to as a "**Declining Equity Holder**".

Any Equity Holder who does send a counter-notice shall for the purposes of the remaining provisions of this Article 11, be referred to as an "**Accepting Holder**".

- (d) Following the expiry of 10 days from the date the Equity Holders receive the Co-sale Notice, subject to sub-Article 11.1(e), the Minority Seller shall be entitled to sell to the Buyer on the terms notified to the Equity Holders a number of shares not exceeding the number specified in the Co-sale Notice, less any shares which Accepting Equity Holders have indicated they wish to sell, provided that at the same time the Buyer (or another person) purchases from the Accepting Equity Holders the number of Equity Shares they have respectively indicated they wish to sell on terms no less favourable than those obtained by the Minority Seller from the Buyer. Sales made in accordance with this sub-Article 11.1 shall be free of all rights of pre-emption set out in Article 10
- (e) On the expiry of 10 days from the date the Equity Holders receive the Co-Sale Notice, a Declining Equity Holder may serve notice on the Minority Seller that it wishes to purchase all the Equity Shares the subject of the Co-sale Notice (a "**Co-sale Counter-Notice**") In this case, the Minority Seller shall be bound, upon receipt of the Sale Price from the Declining Equity Holder(s), to transfer the Equity Shares, the subject of the Co-sale Notice to such Declining Equity Holder(s) In the event that more than one Declining Equity Holder serves a Co-sale Counter-Notice on the Minority Seller, the Equity Shares the subject of the Co-sale Notice shall be sold to the Declining Equity Holders pro rata to their respective holdings of Equity Shares.
- (f) If the Minority Seller defaults in transferring any Equity Shares, the subject of a Co-sale Notice in accordance with this sub-Article 11.1, the Company shall, if so required by the person or persons willing to purchase such Equity

Shares, receive and give a good discharge for the purchase money on behalf of the Minority Seller and shall authorise some person to execute transfers of such Equity Shares in favour of the purchasers and shall enter the names of the purchasers in the Register of Members as the holder of such of the Equity Shares the subject of the Co-sale Notice as have been transferred to them.

- (g) No sale by a Minority Seller shall be made pursuant to any Co-sale Notice more than three months after service of that Co-sale Notice.

11.2 ***Tag along rights***

Except for transfers permitted by Article 9 no sale or transfer of the legal or beneficial interest in any shares in the Company may be made or validly registered without the consent in writing of an Investor Majority if, as a result of such sale or transfer and registration thereof, a Controlling Interest would be obtained in the Company by any person or group of persons acting in concert unless the proposed transferee or transferees or his or their nominees:

- (a) are independent third parties acting in good faith; and
- (b) has or have offered to purchase all the Equity Shares and;
- (c) has or have allocated the consideration payable for all the shares it is purchasing and offering to purchase in the same manner as if the consideration was to be distributed to the selling shareholders in accordance with the provisions of Article 4.

11.3 ***Drag along rights***

- (a) If
 - (i) the holders of at least 66.7% of the Ordinary Shares and the holders of at least 66.7% of the Preferred Shares in issue for the time being (the "**Selling Shareholders**") wish to transfer all their interest in Equity Shares (the "**Sellers' Shares**") to a bona fide arm's length purchaser (the "**Third Party Purchaser**"), and
 - (ii) the Investors will receive cash or marketable securities as consideration for the transfer for their Equity Shares; and
 - (iii) no Investor is required to provide the Third Party Purchaser with any representations warranties or indemnities (save as to title of their shares) or provide any indemnities in relation to liabilities arising under any warranties given by the Company or the Founders, or give restrictive covenants or undertakings, then

the Selling Shareholders shall have the option (the "**Drag Along Option**") to require all the other holders of Equity Shares (the "**Called Shareholders**") to sell and transfer all their shares and/or options to the Third Party Purchaser or as the Third Party Purchaser shall direct in accordance with the provisions of this sub-Article 11.3.

- (b) The Selling Shareholders may exercise the Drag Along Option by giving a written notice to that effect (a "**Drag Along Notice**") at any time before the transfer of the Sellers' Shares to the Third Party Purchaser. A Drag Along Notice shall specify that the Called Shareholders are required to transfer all their Equity Shares and options (the "**Called Shares**") pursuant to this Article, the person to whom they are to be transferred, the consideration for which the Called Shares are to be transferred (calculated in accordance with this Article) and the proposed date of transfer.
- (c) Drag Along Notices shall be irrevocable but will lapse if for any reason there is not a sale of the Sellers' Shares by the Selling Shareholders to the Third Party Purchaser within 60 days after the date of service of the Drag Along Notice. The Selling Shareholders shall be entitled to serve further Drag Along Notices following the lapse of any particular Drag Along Notice.
- (d) The consideration (in cash or otherwise) for which the Called Shareholders shall be obliged to sell each of the Called Shares shall be that to which they would be entitled if the total consideration proposed to be paid by the Third Party Purchaser were distributed to the holders of the Called Shares and the Sellers' Shares in accordance with the provisions of Article 4.
- (e) No Drag Along Notice may require a Called Shareholder to agree to any terms save those specifically provided for in this Article.

Completion of the sale of the Called Shares shall take place on the same date as the date proposed for completion of the sale of the Sellers' Shares unless

- (i) all of the Called Shareholders and the Selling Shareholders agree otherwise; or
 - (ii) that date is less than 3 days after the Drag Along Notice where it shall be deferred until the third day after the Drag Along Notice
- (f) The rights of pre-emption set out in these Articles shall not arise on any transfer of shares to a Third Party Purchaser (or as they may direct) pursuant to a sale in respect of which a Drag Along Notice has been duly served.
- (g) If any holder of Equity Shares or Options does not on completion of the sale of Called Shares execute transfer(s) in respect of all the Called Shares held by them the defaulting holder shall be deemed to have irrevocably appointed any person nominated for the purpose by the Selling Shareholders to be their agent and attorney to execute all necessary transfer(s) on his behalf against receipt by the Company (on trust for such holder) of the purchase monies or any other consideration payable for the Called Shares deliver such transfer(s) to the Third Party Purchaser (or as they may direct) and the directors shall forthwith register the Third Party Purchaser (or as they may direct) as the holder thereof. After the Third Party Purchaser (or their nominee) has been registered as the holder, the validity of such proceedings shall not be questioned by any such person. It shall be no impediment to registration of shares under this sub-Article that no share certificate has been produced.

- (h) Upon any person, following the issue of a Drag Along Notice, becoming a member of the Company pursuant to the exercise of a pre-existing option to acquire shares in the Company (a "**New Member**"), a Drag Along Notice shall be deemed to have been served upon the New Member on the same terms as the previous Drag Along Notice who shall thereupon be bound to sell and transfer all such shares acquired by them to the Third Party Purchaser or as the Third Party Purchaser may direct and the provisions of this Article shall apply mutatis mutandis to the New Member save that completion of the sale of such shares shall take place forthwith upon the Drag Along Notice being deemed served on the New Member.

12 Conversion of Preferred Shares

- 12 1 Any individual holder of Preferred Shares may at any time convert the whole of its Preferred Shares into Ordinary Shares. The rate of conversion shall be one Ordinary Share for each Preferred Share held (the "**Conversion Rate**"). The Conversion Rate shall be duly adjusted following any bonus issue, sub-division or consolidation of Shares on terms proposed by an Investor Majority and approved by the Board and failing such approval on terms determined by the Independent Expert. The directors shall forthwith supply to any Member requesting the same a certificate setting out the Conversion Rate then applicable to the Preferred Shares.
- 12 2 All of the Preferred Shares shall, subject to the prior approval to the holders of 90% or more of the Preferred Shares in issue at that time, after application of the provisions of Articles 4 3 and 4 4, immediately before an IPO convert automatically into Ordinary Shares at the Conversion Rate.
- 12 3 In the case of a voluntary conversion, the conversion shall be effected by notice in writing given to the Company signed by the relevant holder(s) of the Preferred Shares. The conversion shall take effect immediately upon the date of delivery of such notice to the Company (unless such notice states that conversion is to be effective when any conditions specified in the notice have been fulfilled in which case conversion shall take effect when such conditions have been fulfilled).
- 12 4 Forthwith after conversion takes effect the holders of the resulting Ordinary Shares shall send to the Company the certificates in respect of their holding of Preferred Shares and the Company shall issue to such holder a certificate for the Ordinary Shares resulting from the conversion.
- 12 5 The Ordinary Shares resulting from the conversion shall rank from the date of conversion pari passu in all respects with the other Ordinary Shares in the capital of the Company.

13. Appointment of directors

- 13 1 Subject to sub-Article 13.3, the maximum numbers of directors shall be seven. The directors may appoint a person who is willing to act to be a director, either to fill a vacancy or as an additional director. In addition, the holders of shares representing more than half of the shares which carry the right to attend and vote at general meetings of the Company may by notice to the Company together appoint a person

who is willing to act to be a director either to fill a vacancy or as an additional director
The last sentence of Regulation 84 of Table A shall not apply to the Company.

- 13.2 Notwithstanding any other provisions of these Articles, an Investor Majority together with each holder of Preferred Shares (who is also an Investor) holding more than 15% of the Preferred Shares in issue at the time shall together be entitled to appoint (for so long as they hold 10% aggregate of the issued share capital on an as converted basis) as a director of the Company any two persons and to remove from office any persons so appointed and to appoint another person in his place (the "**Investor Directors**")
- 13.3 Upon request by an Investor Majority the directors shall also procure that an Investor Director is appointed and acts as Chairman of the board of directors of the Company
Upon request by an Investor Majority the Company shall also procure that an Investor Director be appointed a director to any subsidiary of the Company.
- 13.4 In addition to the Investors' right to appoint Investor Directors, the Investors shall be entitled to appoint (for so long as they hold 10% aggregate of the issued share capital on an as converted basis) as an independent non-executive director of the Company any person not connected in any way with the Investors and to remove from office any person so appointed and to appoint another person in his place (the "**Independent Investor Director**")

14. **Meetings of directors**

- 14.1 Notice of every meeting of the directors shall be given to each director at any address (including electronic address) supplied by him to the Company for that purpose whether or not he be present in the United Kingdom provided that any director may waive notice of any meeting either prospectively or retrospectively and if he shall do so it shall be no objection to the validity of such meeting that notice was not given to him.
- 14.2 Meetings of the directors may, be held by conference telephone or similar equipment, so long as all the participants can hear each other. Such meetings shall be as effective as if the directors had met in person.
- 14.3 A meeting at which one or more of the directors attends by electronic means is deemed to be held at such place as the directors shall at the said meeting resolve. In the absence of a resolution as aforesaid, the meeting shall be deemed to be held at the place, if any, where a majority of the directors attending the meeting are physically present, or in default of such a majority, the place at which the chairman of the meeting is physically present.
- 14.4 The quorum for meetings of directors shall be three directors either personally present or by telephone, at least one of whom must be an Investor Director, save that where the business to be transacted at the meeting is authorisation of a Conflict Situation of an Investor Director pursuant to Section 175(4) of the 2006 Act and Article 17 the relevant Investor Director's presence shall not be required to constitute a quorum. Regulation 89 shall be amended accordingly

15. **Delegation of Directors' powers**

15 1 Any committee of the Board may consist of one or more co-opted persons other than Directors on whom voting rights may be conferred as members of the committee but so that the number of co-opted members shall be less than one-half of the total number of members of the committee.

15 2 No resolution of the committee shall be effective unless a majority of the members of the committee present at the meeting are Directors.

15 3 Regulation 72 shall be modified accordingly.

16. **Proceedings of Directors**

An alternate director who is himself a Director and/or who acts as an alternate director for more than one Director shall be entitled, in the absence of his appointor(s), to a separate vote or votes on behalf of his appointor(s) in addition (if he is himself a director) to his own vote Regulation 88 shall be modified accordingly

17 **Conflicts**

17 1 Subject to Section 175(6), 2006 Act, and provided that he has disclosed to the Board the nature and extent of any material interest of his, a Director (including an alternate Director) may, notwithstanding his office, vote at any meeting of the directors or a committee of the directors of which he is a member on any resolution, and a director may participate in the transaction of the business of the directors and count in the quorum at any such meeting of the directors or a committee of the directors of which he is a member notwithstanding that it concerns or relates in any way to a matter in which he has directly or indirectly any kind of interest or duty. This Article 17 does not affect any obligation of a director to comply with Section 177 and/or Section 182, 2006 Act

17 2 In accordance with the 2006 Act:

- (a) the directors may authorise any matter or situation arising on or after 1 October 2008 in which a director (the "**Conflicted Director**") has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company (including, without limitation, in relation to the exploitation of any property, information or opportunity, whether or not the Company could take advantage of it) and for this purpose a conflict of interest includes a conflict of interest and duty and a conflict of duties (the "**Conflict Situation**"),
- (b) any authorisation given in accordance with this Article 17 2 may be made on such terms and subject to such conditions and/or limitations as the directors may, in their absolute discretion, determine (including, without limitation, excluding the Conflicted Director and any other interested director from certain Board meetings, withholding from him or them certain Board or other papers and/or denying him or them access to certain confidential Company information) and such terms, conditions and/or limitations may be imposed at the time of or after the authorisation and may be subsequently varied or terminated; and

- (c) in considering any request for authorisation in respect of a Conflict Situation, the directors shall be entitled to exclude the Conflicted Director from any meeting or other discussion (whether oral or written) concerning the authorisation of such Conflict Situation and they shall also be entitled to withhold from such Conflicted Director any Board or other papers concerning the authorisation of such Conflict Situation,

provided that, in the case of a director who is not an Investor Director, the provisions of this Article 17.2 shall be subject to the consent of an Investor Majority

17.3 Without requiring authorisation under the provisions of Article 17.2.

- (a) an Investor Director may be or become subject to one or more Conflict Situations as a result of him having a direct or indirect interest in any transaction or arrangement with, holding any office, employment or position with or having any other direct or indirect interest (including, without limitation, any economic or commercial interest) in any Group Company, and/or any Investor Affiliate; and
- (b) any director (not being an Investor Director) may be or become subject to one or more Conflict Situations as a result of him having a direct or indirect interest in any transaction or arrangement with, holding any office, employment or position with or having any other direct or indirect interest (including, without limitation, any economic or commercial interest) in any Group Company,

and Regulation 85 is extended accordingly.

17.4 If any Conflict Situation is authorised or otherwise permitted under the Articles, the Conflicted Director (for as long as he reasonably believes such Conflict Situation subsists)

- (a) shall not be required to disclose to the Company (including the Board or any committee of it) any confidential information relating to such Conflict Situation which he obtains or has obtained otherwise than in his capacity as a director of the Company, if to make such disclosure would give rise to a breach of duty or breach of obligation of confidence owed by him to another person;
- (b) shall be entitled to attend or absent himself from all or any meetings of the Board (or any committee of it) at which anything relating to such Conflict Situation will or may be discussed; and
- (c) shall be entitled to make such arrangements as he thinks fit to receive or not receive documents or information (including, without limitation, Board papers (or those of any committee of it)) relating to any such Conflict Situation and/or for such documents or information to be received and read by a professional adviser on his behalf,

and in so doing, such Conflicted Director shall not be in breach of any general duty he owes to the Company pursuant to Sections 171 to 177 (inclusive), 2006 Act and the provisions of this Article 17.4 shall be without prejudice to any equitable principle or

rule of law which may excuse the Conflicted Director from disclosing information or attending meetings or receiving documents or information, in circumstances where such disclosure, attendance or receipt would otherwise be required under these Articles

17.5 Where a Conflict Situation has been authorised or is otherwise permitted under these Articles:

- (a) the Conflicted Director shall not, by reason of his office, be liable to account to the Company for any dividend, profit, remuneration, superannuation payment or other benefit which he derives from any matter, office, employment or position which relates to such Conflict Situation,
- (b) no contract, arrangement, transaction or proposal shall be avoided on the grounds of the Conflicted Director having any interest in the Conflict Situation or receiving any such dividend, profit, remuneration, superannuation, payment or other benefit; and
- (c) the receipt of any such dividend, profit, remuneration, superannuation, payment or other benefit so authorised or permitted shall not constitute a breach of the duty not to accept benefits from third parties as set out in Section 176, 2006 Act,

provided (save in the case of a Conflict Situation of an Investor Director which is permitted under Article 17.3) the Conflicted Director has disclosed the nature and extent of his interest in the Conflict Situation to the other directors. Regulation 85 is extended accordingly

18 Transmission of shares

The Board may at any time give notice requiring any person entitled to a share by reason of the death or bankruptcy of the holder of it to elect either to be registered himself in respect of the share or to transfer the share and if the notice is not complied with within 60 days the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the share until the requirements of the notice have been complied with. Regulation 31 shall be modified accordingly.

19 Proceedings at general meetings

- 19.1 No business shall be transacted at any meeting unless a quorum is present at the time when the meeting proceeds to business. Two persons entitled to vote upon the business to be transacted, each being a member or a proxy for a member or a duly authorised representative of a Member that is a corporation, shall be a quorum.
- 19.2 If within half an hour from the time appointed for a general meeting, a quorum is not present, the meeting, if convened upon the requisition of members, shall be dissolved, in any other case, it shall stand adjourned to the same day in the next week at the same time and place or to such time and place as the Board may determine. If a quorum is not present at any such adjourned meeting within half an hour from the time appointed for that meeting, the meeting shall be dissolved.

- 19.3 Regulations 40 and 41 shall not apply to the Company
- 19.4 A poll may be demanded at any general meeting by any member present in person or by proxy and entitled to vote Regulation 46 shall be modified accordingly.
- 20 **[Deleted]**
21. **Partly paid shares**
- 21.1 The liability of any Member in default in respect of a call shall be increased by the addition at the end of the first sentence of regulation 18 in Table A of the words "and all expenses that may have been incurred by the Company by reason of such non-payment "
- 21.2 If the subscription price of any share (including any premium) is partly paid, the rights to dividend and on a return of capital of any such share shall be abated in the same proportion as the unpaid amount bears to the total subscription price
- 22 **Seal**
- Regulation 6 of Table A shall be modified so as to remove the reference to the company seal and regulation 101 of Table A shall be modified by the insertion of the words", if the Company has one," after the words "The seal" at the beginning of that regulation.
23. **Communications with Members**
- 23.1 Any document or information required or authorised to be sent or supplied by the Company to any Member or any other person pursuant to these Articles, the Companies Acts, may be sent or supplied in hard copy form, in electronic form, by means of a website or in any other way in which documents or information may be sent or supplied by the Company pursuant to the Companies Acts. The provisions of the 2006 Act which apply to sending or supplying a document or information required or authorised to be sent or supplied by the Companies Acts by making it available on a website shall, mutatis mutandis, apply to the sending or supplying of any document or information required or authorised to be sent by the these Articles, by making it available on a website.
- 23.2 The Company may send or supply any document or information to a Member either personally, or by post in a prepaid envelope addressed to the Member at his registered address (being a corporation) or, (being an individual) his address for service, or by leaving it at that address or any other address for the time being notified to the Company by the Member for the purpose, or by sending or supplying it using electronic means to an electronic address for the time being notified to the Company by the Member for the purpose, or by any other means authorised in writing by the Member concerned A Member whose registered address is not within the United Kingdom and who gives the Company an address within the United Kingdom to which documents or information may be sent or supplied to him or gives an electronic address to which documents or information may be sent or supplied using electronic means, shall be entitled to have documents or information sent or supplied to him at

that address, but otherwise no such Member shall be entitled to receive any document or information from the Company

- 23 3 In the case of joint holders of a share, if the Company sends or supplies any document or information to one of the joint holders, it shall be deemed to have properly sent or supplied such document or information to all the joint holders
- 23 4 Any document or information addressed to a Member at his registered address or address for service in the United Kingdom shall, if sent by post (whether in hard copy form or in electronic form), be deemed to have been received at the expiration of 24 hours after the envelope was posted and, if sent or supplied by electronic means, be deemed to have been received (if sent or supplied between the hours of 9am and 5pm on a working day) at the time it was sent, or (if sent or supplied at any other time) at 9am on the next following working day, and, if sent or supplied by means of a website, be deemed to have been received when the material was first made available on the website or, if later, when the recipient received (or is deemed to have received) notice of the fact that the material was available on the website. In calculating a period of hours for the purpose of this Article, no account shall be taken of any part of a day that is not a working day.
- 23 5 In proving such service or delivery it shall be sufficient to prove that the envelope containing the document or information was properly addressed and put into the post as a prepaid letter or, in the case of a document or information sent or supplied by electronic means, to prove that it was properly addressed. Any document or information not sent or supplied by post but delivered or left at a registered address or address for service in the United Kingdom shall be deemed to have been served or delivered on the day on which it was so delivered or left. These provisions shall apply regardless of any such documents or information being returned undelivered and regardless of any delivery failure notification or any out of office or other similar response and the Company shall not be held responsible for any failure in transmissions beyond its reasonable control.

24. Indemnity, Funds and Insurance

- 24.1 Subject to and to the fullest extent permitted by the Acts (but without prejudice to any indemnity to which the person concerned may otherwise be entitled)
- (a) any person who is a director, secretary or other officer (other than any person engaged as auditor) of the Company or any associated company (which shall, for the purposes of this Article 24 have the meaning given in section 256 of the 2006 Act) shall be indemnified out of the assets of the Company against all or any part of any costs, charges, losses, expenses and liabilities incurred by him in the actual or purported execution or discharge of his duties or in the actual or purported exercise of his powers in relation to the affairs of the Company or any associated company, or incurred by him in connection with the Company's activities as trustee of any occupational pension scheme (which shall, for the purposes of this Article 24 have the meaning given in section 235(6) of the 2006 Act); and

- (b) any person who is a director, secretary or other officer (other than any person engaged as auditor) of the Company or any holding company (as such is defined in section 1159 and Schedule 6 of the 2006 Act) shall be provided with funds to meet any expenditure incurred or to be incurred by him as provided in sections 205 and 206 of the 2006 Act (or to enable him to avoid incurring any such expenditure).

24.2 Subject to the provisions of the Acts, the Company (as the directors shall, in their absolute discretion, determine) shall purchase and maintain, at the expense of the Company, insurance for any person who is a director, secretary or other officer (other than any person engaged as auditor) of the Company or any associated company in respect of all or any part of any costs, charges, losses, expenses and liabilities incurred by him in the actual or purported execution or discharge of his duties or in the actual or purported exercise of his powers in relation to the affairs of the Company, or incurred by him in connection with the Company's activities as trustee of any occupational pension scheme.

25. **Data Protection**

Each of the shareholders and directors of the Company (from time to time) consent to the processing of their personal data by the Company, its shareholders and directors (each a "**Recipient**") for the purpose of due diligence exercises, compliance with applicable laws, regulations and procedures and the exchange of information amongst themselves. A Recipient may process such personal data either electronically or manually. The personal data which may be processed for such purposes under this Article shall include any information which may have a bearing on the prudence or commercial merits of investing, or disposing of any shares (or other investment or security) in the Company. Subject to any confidentiality undertakings given to them by a Recipient, each of the Company's shareholders and directors (from time to time) consent to the transfer of such personal data to persons acting on behalf of any Recipient and to the offices of any Recipient both within and outside the European Economic Area for the purposes stated above, where it is necessary or desirable to do so.